

*The Enhanced Credit Guarantee Fund

Summary Sheet

What is the Enhanced Credit Guarantee Fund?

It is a partial credit guarantee fund which has been established to assist small and medium-sized enterprises in obtaining short, medium and long-term financing by providing security to eligible financial Institutions for new loans.

What are the eligibility criteria for a business seeking to access the Fund?

- The business must be incorporated and registered to operate in Barbados.
- Its annual sales should not exceed BBD\$20 million.
- Its total assets should not exceed BBD\$20 million.
- The number of employees should not exceed 200 persons.

What are the business sectors for which guarantees can be provided?

Guarantee support can be provided to small and medium-sized enterprises involved in agriculture, commerce, industry and the services sectors.

What activities can be guaranteed?

- The purchase of land and buildings
- The purchase of equipment and machinery.
- The expansion and improvement of infrastructure.
- The implementation of new technology, techniques and processes.
- An increase in permanent working capital, which is tied to an investment loan.

Please note that all loans must be directly related to the company's activity and loans previously financed by an Intermediary Financial Institution will not be eligible.

What are the main features of the Guarantee?

- Guarantees can only be issued for new loans.
- Guarantees can be provided on loans up to USD\$1 million (BBD\$2 million) per project.
- Guarantees outstanding cannot exceed USD \$3 million (BBD\$6 million) for any one business.
- Guarantees may be provided for up to 80% of the credit facility.
- The maturity period of guaranteed loans shall not exceed ten (10) years.
- A premium rate of 0.75% per annum is charged on the loan facility.

What interest rate will be applied to credit guaranteed under this Fund?

The interest rate is determined by the financial intermediary extending the credit.

Where can I apply for the Fund?

- Capita Financial Services Inc.
- CIBC FirstCaribbean International Bank (Barbados) Limited
- Consolidated Finance Co. Limited
- Enterprise Growth Fund Limited
- First Citizens Bank (Barbados) Limited
- RBC Royal Bank (Barbados) Limited
- Republic Bank (Barbados) Limited
- SigniaGlobe Financial Group Inc.

