



Bank of Mauritius

website: <https://www.bom.mu>

PRESS COMMUNIQUÉ SPECIAL LINE OF CREDIT TO SMALL AND MEDIUM PLANTERS

The Bank is pleased to announce that it has today signed a 'Protocole D'Accord' with the Mauritius Sugar Syndicate(MSS) to provide the latter with a special line of credit for an amount of Rs1.2 billion which will enable the payment of 80 per cent of the net MSS price upfront to the small and medium planters for the sugar crop 2013. The line of credit will be channelled through banks, which will be provided funds at 3.00 per cent, for them to on-lend to the MSS at a rate not exceeding 3.50 per cent.

Drawdowns under the line of credit would be made from July 2013 to Friday 31 January 2014 and the funds disbursed should be repaid at latest by Friday 30 May 2014.

In 2010, with a view to accelerate reforms in the sugar industry and also to protect stakeholders, in particular the small and medium planters who were most severely hit by the euro crisis, the Bank introduced the above-mentioned line of credit for an amount of Rs1.5 billion for sugar crop 2010. The line of credit was subsequently renewed for sugar crops 2011 under the same terms. However, in view of a lower usage the amount for the sugar crop 2012 was reduced to Rs1.3 billion.

For the sugar crops 2010, 2011 and 2012 an aggregate amount of Rs2.8 billion had been disbursed under the above line of credit.

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4 July 2013