

The Development Bank of Samoa (DBS) and Samoa Business Hub - SBH signs new Memorandum of Understanding (MoU) for Business Loan Guarantee Scheme

A new MoU was signed between the recently launched Samoa Business Hub – SBH, The Development Bank of Samoa (DBS), Ministry of Finance (MoF) and the Central Bank of Samoa (CBS) to implement the Business Loan Guarantee Scheme that aims to improve business access to finance for development.

DBS currently supports more than four hundred (400) businesses from micro to medium enterprises in all economic sectors, under the Business Loan Guarantee Scheme (BLGS) operated by the Samoa Business Hub. The new MoU provides an increase in guarantee limit of up to \$50k for business credit financing and a more comprehensive assessment, monitoring and evaluation framework that promotes equal access to business opportunities for everyone. Businesses under the Scheme are supported by targeted business training and mentoring provided by SBH and jointly monitored with the DBS.

The Guarantee Funds is made up largely of Government of Samoa Term Deposit with support from the New Zealand government. The Funds are administered by MoF and overseen by the Central Bank of Samoa, a role that includes prudential oversight of the various participating Commercial Banks.

CEO of MoF and Chairman of the DBS Board, Leasiosiofaasisina Oscar Malielegaoi stated at the signing that *“The new MoU in addition to supporting the development of Samoa’s MSMEs, is also a stamp of commitment to partnership and collaboration between the implementing agencies”*. The BLGS and partnership between SBH and DBS has been in existence for more than twenty five (25) years and has seen a number of businesses and changes over time. The new MoU was designed to reflect these changes and better the support the needs of MSMEs in the current business enabling environment.

The operations of SBH have been mainly funded by the Government of New Zealand since establishment as SBEC in 1994, with support from the Government of Samoa.

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