



OFFICE OF THE PRIME MINISTER

MEDIA RELEASE

Prime Minister Marape Urges Bank South Pacific to Sustain Support for SMEs and Home Buyers

Port Moresby, January 23, 2024 - During a meeting held on Tuesday, January 23, 2024, Prime Minister and Treasurer Hon. James Marape conveyed his strong desire for Bank South Pacific (BSP) to continue its vital support for small to medium enterprises (SMEs) and home buyers through loan initiatives.

Prime Minister Marape also expressed his appreciation for BSP's commitment to providing low-interest loans to students, emphasising, "We want to help our people as much as possible."

In the meeting, which included BSP Chief Executive Officer Mark Robinson and Chief Financial Officer Ronesh Dayal, Prime Minister Marape formally requested BSP to sustain its backing of SMEs and home buyers with loans.

Mr. Robinson reported on the success of the SME programme, supported by the Marape government with an annual funding of K100 million since 2020. Approximately K280 million has already been disbursed in loans to SMEs.

Regarding the home loan programme, backed by a K200 million funding from the Marape government in 2020, Mr. Robinson acknowledged slower growth but expressed the bank's commitment to its expansion. The home loan features a 4 per cent interest rate over the first two years, followed by variable rates over a 40-year period.

During discussions, Mr. Robinson assured Prime Minister Marape that BSP is open to collaborating with the government to enhance the progress of both the SME and home buyer programmes.

"We are committed to advancing these two programmes further," Prime Minister Marape affirmed to Mr. Robinson.

He added, "The market is there, and we want more people to have access to this lending. We want to make land available so that our people can borrow from the bank and build their homes."



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The government and BSP will engage in ongoing discussions to facilitate the growth and accessibility of these crucial loan programmes, aligning with the shared goal of empowering businesses and facilitating homeownership.

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