

Amendment 02 - Revisions for the “Green Loan” Loan Scheme

Introducing the “Relief Package” to strengthen the Tourism Industry affected by the Easter Sunday Terrorist Attacks

This is further to the decisions made by the Cabinet of Ministers at the Cabinet meeting held on 07.05.2019 with regard to the above.

Accordingly, the Government has introduced a “Relief Package” to the tourism sector enhancement, in order to mitigate the impacts made upon the tourism industry due to Easter Sunday terrorist attacks. Under this relief package, concessions are provided for the loans granted under tourism sector in line with the moratorium announced by the Central Bank of Sri Lanka. The revisions made to the existing Operating Guidelines are given below;

Operating Guideline Reference	Introduced Guideline
8.6	Rescheduling of Loans
8.6.1	Relief Package for the loans granted for Tourism Industry
8.6.1.1	A moratorium shall be granted for the tourism sector loans coming under the “Green Loan” scheme on a case-by-case basis. The moratorium period should be till 31 st March 2020, in respect of outstanding credit facilities (both capital and interest) granted to institutions or individuals in the tourism sector and falling under the performing category as at 18.04.2019.
8.6.1.2	Loans registered on or before 18.04.2019 but will be granted before 31 st March 2020 shall also be eligible for the said moratorium.
8.6.1.3	The interest subsidy borne by the Government shall continue as it is for the loans qualified under the moratorium mentioned in section 8.6.1. The interest subsidy shall be borne by the Government from the granted date for the loans qualified under the moratorium mentioned in section 8.6.1.2.
8.6.1.4	The borrower’s regular repayment shall commence from 01 st April 2020.
8.6.1.5	The capital or/and interest falling due during the moratorium period can be recovered from July 2020 onwards or/and the repayment period can be extended for the number of months it was falling due in the moratorium period. However, the interest subsidy shall not be borne by the Government for the extended period.
8.6.1.6	Reschedule request along with Form 3 (attached) for tourism sector loans coming under the “Green Loan” loan scheme should be submitted by the respective Participatory Financial Institutions (PFIs) to the Department of Development Finance on or before 15 th June 2019.
8.6.1.7	The moratorium should be approved by the Credit Committee of the bank or any other authority delegated by the Credit Committee.
8.6.1.8	The penal interest to be charged on non-performing loans should be waived off by the respective PFI during the moratorium period.