



PRESS RELEASE

LAUNCH OF THE CREDIT GUARANTEE SYSTEM FOR SMALL AND MEDIUM ENTERPRISES

Dili, 24 July 2019

Banco Central de Timor-Leste (BCTL) officially announces that the Credit Guarantee System (CGS) for Small and Medium Enterprises (SME) is now ready to receive applications for guarantee cover from the participating lenders.

Governor Abraão de Vasconcelos announced today that the Credit Guarantee programme is now fully operational. He said that the Central Bank has developed an online system that will enable all the processes to be digitalized.

The Credit Guarantee programme aims to promote Small and Medium Enterprises (SME) in Timor-Leste, facilitating their access to finance. In this programme the credit risk in loans to SMEs will be shared between the lender and the Guarantee System.

The Credit Guarantee System is managed by Banco Central de Timor-Leste and implemented by lending institutions in Timor-Leste. Currently only Banco Nacional de Comércio de Timor-Leste (BNCTL) is participating in the CGS programme as lender.

For the initial stage, the Credit Guarantee programme will benefit only small and medium size enterprises (with 6 to 50 registered employees), owned by Timorese, and operating in Agriculture, Tourism, Industry and Manufacturing, and Transport sectors. Additionally, only loans for economic viable projects are eligible for the CGS.

SMEs interested to apply for the Credit Guarantee System should contact BNCTL and submit their loan applications. BNCTL will conduct the credit evaluation, and request guarantee coverage to the Central Bank.

For further information, please contact Credit Guarantee Office from the Banco Central de Timor-Leste at cgs_unit@bancocentral.tl.

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