

NOTICE OF MOTION

The Hon the Chief Minister has given notice on 27th May 2020 that he proposes to move the following resolution at the meeting of Parliament:

"GOVERNMENT GUARANTEE FOR GIBRALTAR BUSINESS DISRUPTION LOAN GUARANTEE SCHEME

THIS HOUSE NOTES THAT Her Majesty's Government of Gibraltar has negotiated an agreement with Gibraltar International Bank, The Royal Bank of Scotland International Limited, Gibraltar Branch and Trusted Novus Bank Limited to participate in a scheme to be known as the Gibraltar Business Disruption Loan Guarantee Scheme;

THIS HOUSE FURTHER NOTES THAT said scheme is designed to provide finance from any of the participating banks to qualifying borrowers in Gibraltar that have been affected by the COVID-19 pandemic;

THIS HOUSE SUPPORTS THAT the scheme should offer lending to such borrowers in a manner that is guaranteed by the Government in a sum of 80% of the amount of any borrowing agreed, with the balance of risk being borne by the relevant lending bank;

THIS HOUSE FURTHER SUPPORTS the Government's decision that the lending banks should be able to offer lending to qualifying borrowers up to a maximum amount of £ 30 million in loans and facilities under the scheme (effectively providing for loans and facilities of £ 10 million per lending bank);

THIS HOUSE NOTES THAT the said scheme enjoys the support of the Government and the Official Opposition **AND THAT** the said scheme requires a guarantee involving a financial liability that binds the Government and is therefore required to be given only pursuant to a resolution of this House in accordance with Section 9 of the Public Finance (Control and Audit) Act.

AND THIS HOUSE THEREFORE NOW RESOLVES THAT the Chief Minister, as the Minister with responsibility for Finance, be and is hereby authorised in the name of and on behalf of Government to give a guarantee or guarantees in writing to the aforesaid lending banks on the terms described above;



AND THAT the said guarantee or guarantees shall be binding on Government;

AND THAT the said guarantee or guarantees shall be limited to £ 24 million in total."

A handwritten signature in black ink, appearing to read 'Paul E Martinez', with a long horizontal stroke extending to the right.

Paul E Martinez
Clerk to the Parliament