



## ANNOUNCEMENT

### **IMPLEMENTATION OF NEW LENDING INTEREST RATE FOR SME LOANS: 7.5% PER ANNUM FROM 15TH JANUARY, 2024**

This notice serves to advise all existing National Development Bank (NDB) SME loan customers of an increase in the lending interest rate from 6.5% pa to 7.5% pa.

The increase of 1% on the interest rate was approved by the National Executive Council (NEC) in the Bank's 2023 Annual Operating Plan and implementation commenced in July 2023 for new loan customers. The interest rate increase for our existing customers will take effect on the 15th January, 2024.

With risk and compliance costs going up over the past few years along with regulatory costs of doing business, NDB can no longer absorb these costs going forward.

The change in Interest Rate does not apply to the Government sponsored MSME loans being offered at 4% pa.

NDB is the only development bank in PNG and its SME interest rate remains the most competitive in PNG, as we continue to focus on providing growth solutions for SME throughout the country.

We encourage all PNG citizens to contact your nearest NDB branch to see if you meet the lending requirements for our SME loans.

Alternatively, call our central number 7090 8200 and we will put you through to your preferred branch.

**Vicky Vene**

Acting Chief Executive Officer & Chief Financial Officer