



3 March 2021

**JOINT PRESS RELEASE
EXCHANGE OF NOTES ON THE
DEBT RELIEF MEASURE**

Hon. Tuilaepa Fatialofa Lupesoliai Sailele Malielegaoi, Prime Minister and Minister of Foreign Affairs and Trade and H.E. Mr. TERASAWA Genichi, Ambassador Extraordinary and Plenipotentiary of Japan to Samoa signed today (3 March) the Exchange of Notes on the debt relief measure in the form of deferral for Samoa.

This debt relief measure is provided on the basis of the conclusions reached at the Paris Club on 27 August 2020 given the Debt Service Suspension Initiative (DSSI) concluded by the G20 Finance Ministers and Central Bank Governors Meeting on 15 April 2020 to address the COVID-19 crisis.

Under the deferral measure, the principal and contractual interest between 1 March 2020 and 31 December 2020, among the debts payable under the loan agreements before 24 March 2020, have been deferred for settlement over the 4 years with a 1-year grace period.

The Debt Service Suspension Initiative provides a time bound suspension of debt service payments for countries that require forbearance and fiscal space to support ongoing national recovery efforts to overcome the COVID 19 global crisis and its intertwined health, social and economic impacts.

Samoa as a developing country and a World Bank/IDA assistance recipient is eligible to benefit from the assistance. Japan is one of the development partners that offers highly concessional loan financing to Samoa with interest rate of 0.45% per annum and a maturity period of 30 years including a 10-year grace period.

The signing of the Exchange of Notes will contribute directly to Samoa's ongoing economic recovery efforts as well as to improve debt transparency and debt management amidst the present economic challenges posed by COVID-19.

Ends.