





## **ENERGY EFFICIENCY REVOLVING FUND (EERF)**


# **DEVELOPMENT BANK OF TUVALU**





# Energy Efficiency Revolving Fund

- Funds are only available for the acquisition of the following:
    - a) To replace lighting system with CFL/ LED (Compact Fluorescent Light/ .
    - b) Bicycles.
    - c) To replace inefficient appliances like fridges, freezers, and washing machines with more efficient 3.5 -star fridges and freezers and 4- star washing machines
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- To purchase Solar DC water pumps (without batteries) and an overhead water tank system to allow for gravity-fed
  - To purchase the installation of an off-grid solar PV system for a residential home were not connected to the grid
  - To renovate existing residential buildings for owner-occupation. Items to be covered include a subsidy for:
    - ➤ To Increase more ventilation in the homes (windows and other methods of construction)
    - ➤ Energy-efficient paints for roofs and walls
    - ➤ Energy-efficient re-construction methods to make the inside of the house cooler (like a veranda)



# Eligibility Criteria

- Proven to have secured source(s) of income/revenue
- Confirm to be financially capable of servicing the debt
- Proven to secure commitment level, which is 40% of net pay
- Proven good credit history



Any person/ persons without secured income is/are eligible to EERF if:

- ➤ If financially supported by relatives or by any other means

# Terms & Conditions

- **Interest**

The interest rate shall be 7% on reducing balance per annum. However interest rate may change from time to time as determine by DBT Board of Directors and IUCN.

- **Term of loan**

The minimum term of the loan shall be one (1) year and the maximum term of the loan shall be three (3) years.

- **Loan Amount**

A minimum loan of \$100 with a maximum loan amount of \$80, 000.00.



# Fees

- **Application Fees**

Application Fees is \$20.00 for individual applicant and shall be debited into the borrower's account and \$60.00 for license business and shall be paid in cash on the acceptance of loan application by the Bank or Agent.

- **Arrears Fees**

Arrears Fees shall be charged on a flat rate of \$10.00 per month.

- **Accounting Keeping Fee**

Account keeping and service fee **\$5.00 per month**

- **Bill of Sale Fee**

A Bill of Sale fee shall be \$1.50 per application.

Applicants are to bring with them the following information/ documents:

- Most recent Pay Slip from Employer
- Employers confirmation letter
- Pro Forma Invoice of Asset
- Provident Fund Security document
- One genuine guarantor is needed to guarantee the EERF loan for any single applicant. Every guarantor should submit his genuine consent in writing or sign the EERF Agreement upon his approval to guarantee this EERF loan. It is compulsory to bind the applicant/s or guarantor (where necessary) Provident Fund Investment as security under the EERF loan.



## Any applicant without secured income

- Secured Bill of Sale should establish and signed with the required parties for chattels purchased under the EEFF Scheme or any other chattels offered by the applicant to improve the security coverage of this development as to protect the interest of the Bank. All assets acquired under the EERF or chattels offered to secure the EERF loan should keep in good and reasonable conditions by the lessee at all times. Lessee is bind not to sell these chattels without the approval of DBT or unless the Lease Loan is fully cleared.

## Cont'

- Two genuine guarantors are needed to guarantee the EERF loan for any single applicant. Every guarantor should submit his genuine consent in writing or sign the EERF Agreement upon his approval to guarantee this EERF loan.
  - A Secured Signed Standard Deduction Form can also be accepted only if the applicant's guarantors agree to sign as to confirm his/her guarantees.

## Cont'

- All assets acquired under the EERF including chattels offered as security shall confiscate once the account is 2 months in arrears.
- All assets acquired under the EERF or chattels offered to secure the EERF loan should keep in good and reasonable conditions by the lessee at all times. Lessee is bind not to sell these chattels without the approval of DBT or unless the Lease Loan is fully cleared.
- Client and Guarantor consent should be provided and seeking of independent advisory legal opinion (separately from the Bank) of the client before signing of the EERF agreement are crucial if he/she feels is necessary



# THE END

- Any Question?
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