



## CENTRAL BANK of SOLOMON ISLANDS

P.O. BOX 634, Honiara, Solomon Islands

News Release 07/2010

Thursday 25<sup>th</sup> March, 2010

### FOR IMMEDIATE RELEASE

#### **Government settles debt**

**(Honiara 26.03.10)** - The Solomon Islands Government (SIG) last Friday signed a deal with Japanese company Maruha Nichiro Seafood's Inc to resolve approximately \$123 million in long term debts owed by the Investment Corporation of Solomon Islands.

Under the terms of the agreement, MARUHA has agreed to write off 1.376 billion Japanese Yen in long term loans (SBD \$123) provided to ICSI in exchange for a \$16.5 million non-interest bearing Government Bond.

Maruha was a former joint venture partner with ICSI in the now defunct Solomon Taiyo, the predecessor to SOLTAI and is a major seafood producer in Japan. These debts have been outstanding since SOLTAI's establishment in 2001.

Minister of Finance Hon. Snyder Rini and ICSI Chairman Hon. Peter Boyers were on hand to meet with representatives from Maruha and sign the Deed of Settlement at the CBSI Boardroom yesterday afternoon.

In his statement, Hon. Snyder Rini highlighted the extensive negotiations leading up to this point and acknowledged the patience shown by Maruha and their generosity in writing off such a large percentage of the debt.

(More follows)

“The signing of the Deed of Settlement marks the end of long running negotiations between Maruha, ICSI and the government, “Mr. Rini said.

“This will now allow all parties to get on with their normal business operations”.

The deal will see the Government repay the \$16.5 million Bond issued to Maruha over the next five years.

The leader of the Maruha delegation, Mr. Yukio Hasada in his response to SIG and ICSI representatives noted that that the company was delighted to bring this matter to a conclusion and indicated that the deal would help to build a bridge between the Solomon Islands and Japan in terms of future investment in the fishing industry.

Mr. Yukio stated that the company was well aware of the difficulties faced by Solomon Islands and considered the economic situation of the country in agreeing to write-off the greater portion of the debt despite the financial pain this would cause Maruha.

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