



**Ministry of Finance & Treasury
P.O. Box G6
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**GOVERNMENT TO ISSUE DOMESTIC DEVELOPMENT
BOND TO THE PUBLIC - PRIMARY SECURITY MARKET.**

The Solomon Islands Government (SIG) will issue SBD 300 million Domestic Development Bonds (SIG DDB 2022) through public auction on the 19th October 2022. SIG DDB 2022 are short to medium term securities, denominated in Solomon Dollars and redeemable at face value on maturity.

They are tools to influence liquidity in the financial system – the number of Bonds will affect the commercial banks' free liquidity and reserve money. In addition, issuance of SIG Bonds will help promote the development of domestic securities market enabling individuals and private sector investors to invest in the primary securities market. The Solomon Islands bonds market has been on issue for quite a while now since 2000s.

The bond issuance this year will provide more opportunities for investment, and provides SIG with the opportunity to increase the pool of fund available for investment in the productive sector of the economy and infrastructure development.

The Solomon Islands Minister of Finance and Treasury ('MoFT') issue bonds on behalf of SIG under the authority of Section 3 of the Government Loans and Securities Act, CAP 119 of the Revised Laws of the Solomon Islands.

Domestic developments bonds are offered over a range of tenors, ranging from 2 years, 3 years, and 5 years. These SIG Bonds are short to medium term security instruments available to the public for purchase via the auction mode.

The issuer is the Solomon Islands Government (SIG) and the issuing agent is the Central Bank of Solomon Islands (CBSI). As appointed issuing agent, CBSI is responsible for managing and administering Bonds issuance operations in accordance with Section 24(2) of the Government Loans and Securities Act, CAP 119 of the Revised Laws of the Solomon Islands.

The Registrar is CBSI. As Registrar, CBSI is responsible for maintaining a Register with respect to bond issue in accordance with Section 14(4) of the Government Loans and Securities Act, CAP 119 of the Revised Laws of the Solomon Islands.

An Eligible Bidder may Bid for bonds either in their own right, or as a legal representative of a company, institution or trust.

Bond will be issued via public tenders. Tenders are conducted by the CBSI and the SIG DDB 2022 Tender Committee, in accordance with the 'SIG Bond Operational Guidelines'. Bids will only be accepted if submitted in accordance with the bond prospectus. The CBSI reserves the right to accept any Bid for the full volume bid, or any part thereof, and to reject any Bid or part thereof.

To date the main players were individual investors and private businesses. Visit the CBSI website- <https://cbsi.com/monetary-policy/market-operation> and MoFT: <https://solomons.gov.sb/ministry-of-finance-and-treasury> for more information regarding the Bond auction specific information.

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