ADB-55011-002

Supporting Fiscal and Economic Recovery Program (Subprogram 2)

Quick Facts

Countries	Solomon Islands
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	C
Voting Date	2024-12-09
Borrower	Government of the Solomon Islands - Ministry of Finance and Treasury
Sectors	Finance, Law and Government
Investment Type(s)	Grant, Loan
Loan Amount (USD)	$ 30.00 million
Grant Amount (USD)	$ 36.50 million
Project Cost (USD)	$ 66.50 million

Project Description

According to the Bank's website, the Supporting Fiscal and Economic Recovery Program for the Solomon Islands, proposed by the Asian Development Bank (ADB), aims to enhance economic and fiscal resilience post-COVID-19. Subprogram 2 builds on previous reforms and introduces new measures to increase domestic revenue, strengthen public financial management, improve the business environment, and build climate change resilience. Key initiatives include comprehensive tax reforms, a Large Taxpayer Office, a modern electronic payments system, and climate policies. Developed with international partners, the program aims to create a resilient economic foundation by addressing critical fiscal, economic, and environmental challenges through sustainable reforms.

Early Warning System Project Analysis

In compliance with ADB's Safeguard Policy Statement (2009), the program is classified category C for environment, involuntary resettlement, and Indigenous Peoples. The policy actions under subprogram 2 are not expected to result in or lead to involuntary resettlement or negatively affect Indigenous Peoples or the environment.

Investment Description

- Asian Development Bank (ADB)

Loan: $30 million from ADB's ordinary capital resources. The loan will have a 40-year term, including a grace period of 10 years; an interest rate of 1.0% per year during the grace period and thereafter.

Grant: $5.40 million (European Union); $4.50 million (Government of New Zealand); $6.60 million (Government of Australia); $20.00 million (World Bank).

Contact Information

No contacts available at the time of disclosure.

ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.adb.org/forms/request-information-form

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: https://www.adb.org/site/disclosure/appeals

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main.

Bank Documents

- Loan Agreement (Ordinary Operations [Concessional]) for Loan 454-SOL: Supporting Fiscal and Economic
- Supporting Fiscal and Economic Recovery Program (Subprogram 2): Report and Recommendation of the Pre

Media

- ADB, Solomon Islands Sign $30 Million Loan to Improve Fiscal Sustainability, Climate Change Resilien

Other Related Projects

- ADB-55011-001 Supporting Fiscal and Economic Recovery Program (Subprogram 1)