

ANTIGUA AND BARBUDA



**THE FINANCE ADMINISTRATION (NATIONAL STUDENT LOAN FUND)
REGULATIONS, 2008**

STATUTORY INSTRUMENT

2008, No. 37

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ARRANGEMENT

Regulations

1. Short title.
2. Interpretation
3. Establishment of the National Student loan Fund
4. Administration of the national Student Loan Fund
5. Functions of the Committee
6. Details of the Student Loan
7. Eligibility

THE FINANCE ADMINISTRATION (NATIONAL STUDENT LOAN FUND) REGULATIONS, 2008

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THE FINANCE ADMINISTRATION (NATIONAL STUDENT LOAN FUND) REGULATIONS made in exercise of the powers contained in section 42 of the Finance Administration Act, 2006 No. 23 of 2006.

1. Short title

These Regulations may be cited as the Finance Administration (National Student Loan Fund) Regulations, 2008.

2. Interpretation

In this Act unless the context otherwise requires—

“Fund” means the National Student Loan Fund established under regulation 3 of these Regulations.

“Loan” means the student loan established under regulation 6 of these Regulations

“Minister” means the Minister responsible for Finance and the Economy.

3. Establishment of the National Student Loan Fund

(1) There shall be established a Special Fund to be called the National Student Loan Fund in accordance with Section 42 (1) (b) of the Finance Administration Act No. 23 of 2006.

(2) The National Student Loan Fund shall be funded by the Government of Antigua and Barbuda with an initial endowment of Two Million Eastern Caribbean Dollars (EC\$2,000,000.00).

4. Administration of the National Student Loan Fund

(1) The Student Loan Advisory Committee (hereinafter referred to as the Committee) shall be responsible for the administration of the Fund.

(2) The Committee shall:

(a) consider and approve applications for funding under the Fund;

- (b) provide guidance and advice to applicants where necessary in order to identify the most effective and financially viable options towards attaining their educational objectives within the framework of the Fund.

(3) The members of the Committee shall be appointed by the Minister of Finance and shall include:

- (a) the Financial Secretary who shall be the Chairperson of the Committee, and another representative from the Ministry of Finance and the Economy;
- (b) a representative from the Antigua Barbuda Development Bank;
- (c) a representative from the Antigua Barbuda International Institute of Technology;
- (d) a representative from the Antigua State College;
- (e) a representative from the Ministry of Education who shall be the Secretary to the Committee;
- (f) a representative from the Ministry of Labour;
- (g) a representative from the National Scholarships Committee;
- (h) a representative from the Board of Education; and
- (i) a representative from the University of the West Indies — Open Campus, Antigua and Barbuda.

(4) The Minister shall appoint any other person to be a member of the Committee, upon consultation with Cabinet.

(5) The members of the Committee shall serve for a period of two (2) years and may be reappointed.

(6) The Ministry of Finance and the Economy and the Ministry of Education shall each nominate an officer to be appointed by the Minister to function as the Secretariat to the Committee.

(7) The Minister and the Minister of Education shall establish the terms of reference of the Committee.

(8) The members of the Committee and the Secretariat staff shall be paid such remuneration as may be determined by the Minister.

(9) The Committee shall work in conjunction with the Ministry of Finance and the Economy to establish the Special Fund to be called the National Student Loan Fund.

(10) Payments of interest and repayment of principal for any loans granted under the Fund shall be made to and in the name of the National Student Loan Fund.

(11) The Committee shall establish the necessary administrative mechanisms through which the loans will be disbursed.

(11) The Committee shall submit reports to the Accountant General in accordance with the provisions of section 43 of the Finance Administration Act 2006.

5. Functions of the Committee

The functions of the Committee shall include:

- (a) the review and approval of applications for student loans;
- (b) the provision for guidance and advice to applicants where necessary;
- (c) the monitoring of the disbursement of resources from the Fund;
- (d) the submission of reports on the performance of the Fund to the Minister;
- (e) advice to the Minister on other possible sources of funding for the Fund; and
- (f) any other function as may be determined by the Minister

6. Details of the Student Loan

(1) The Committee shall not grant to any applicant a loan exceeding \$50,000.00.

(2) The interest rate on the loan shall be 3%.

(3) A loan shall be repaid in monthly installments over a period of not more than ten (10) years from the time of disbursement.

(4) The options that are available for the repayment of a loan include:

- (a) the student may make interest and principal payments while studying; or
- (b) the student may make interest payments only while studying; or

- (c) the student may defer payment of interest and the principal amount until after completion of his/her studies.
- (5) Where a student exercises the option in sub-regulation (4) paragraph (b), payment of the principal amount must commence within six (6) months after completion of the programme of study.
- (6) Where a student exercises the option in sub-regulation (4) paragraph (c), payment of interest and the principal amount must commence within six (6) months of the completion of the programme of study.
- (7) Where a student chooses the option in sub-regulation (4) paragraph (c), the interest will be capitalised.
- (8) The Committee shall establish appropriate procedures and arrangements, including agreements with the student, to ensure the repayment of loans granted under the Fund.

7. Eligibility

- (1) Eligible programmes of study to be funded by loans from the Fund include:
 - (a) undergraduate studies;
 - (b) graduate studies;
 - (c) post secondary/technical education;
 - (e) vocational education; and
 - (f) any other programme of study as may be determined by the Committee from time to time.
- (2) Eligible institutions include all accredited national, regional and extra-regional institutions that offer undergraduate, graduate, and or technical/vocational training in the eligible programme areas.
- (3) An applicant who qualifies for a loan under the Fund, must be
 - (a) a citizen of Antigua and Barbuda;
 - (b) at least eighteen (18) years of age;
 - (c) enrolled or accepted for enrollment in a programme offered by an eligible institution;
 - (d) pursuing or propose to pursue a full-time programme of study approved by the Committee.

(4) In addition to the' aforementioned qualifications, special consideration shall be given to an applicant who is the child of

- (a) a single parent;
- (b) a family with inadequate earning capacity;
- (c) a large family (at least two adults and three children below the age of 18);
- (d) parents without assets (especially land and/or monetary savings) and who demonstrate that they do not qualify for credit otherwise; and
- (e) a parent who is disabled or indigent.

(5) The Minister may from time to time establish further or better administrative procedures in respect of the Fund.

Made the 8th day of August, 2008.



Dr. Leon Errol Cort,