

Export Finance and Insurance Corporation Regulations (Amendment) 1994 No. 380

EXPLANATORY STATEMENT

STATUTORY RULES 1994 No. 380

Issued by Authority of the Minister for Industry, Science and Technology

Export Finance and Insurance Corporation Act 1991

Export Finance and Insurance Corporation Regulations (Amendment)

Section 91 of the Export Finance and Insurance Corporation Act 1991 (the Act) provides that the Governor-General may make Regulations, not inconsistent with the Act, prescribing matters which by the Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed for carrying out or giving effect to the Act.

The Export Finance and Insurance Corporation (the Corporation) provides loans not normally available from commercial sources to foreign buyers of Australian capital goods and related services.

The demand for the Corporation's lending facilities is expected to grow proportionately with the level of Australian exports and in response to an increase in the level of aid supported lending for the purchase of Australian capital goods and related services.

At present, the Regulations prescribe a total amount of \$2,500 million for loans for the purpose of Part 4 of the Act. The amount of money lent is now approaching this level. It is therefore proposed that the Regulations be amended to increase the total amount of money that can be lent at any time by the Corporation to \$3,300 million.

The attached Statutory Rules amend the existing Regulation relating to the total amount of loans which the Corporation may provide under its lending facilities.