How payment is calculated:
The financial institution disburses funds to the small business or individual which is discounted at the prevailing interest rate and a 1.5% annual guaranteed premium.

For example, if a small business or individual is factoring $100,000 the amount receivable would be $98,397.26 calculated as follows:

Funds to be disbursed = Amount of Receivable ($100,000) less (Amount of Receivable ($100,000) x (Interest rate (5% or 0.05) + premium rate (1.5 per annum or 0.015) x 90/365 = $98,397.26

Contact us

Small Business Development Unit
Ministry of Industry, International Business, Commerce and Small Business Development
Reef Road, Fontabelle, St. Michael.
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Call us today at (246) 427-5270
Liquidity for Sustainability

Cash flow is critical to the survival of small enterprises. Therefore, delays between delivery of goods/services and payment for such goods/services can result in that company having cash flow challenges.

Thus the Small Business Development Unit (SBDU) is pleased to introduce you to the Trade Receivables Liquidity Facility.

What is the Trade Receivables Liquidity Facility (TRLF) Factoring Programme?

The TRLF is a programme facilitated by the Government of Barbados that allows small businesses that have delivered goods or services to a Ministry/Department or Government agency to receive timely payment at a discounted rate. All outstanding invoices will be honoured within seven (7) days.

How to sign up:

An individual or small business must register with the Small Business Development Unit (SBDU) by submitting a completed application TRLF form. Forms are available at the SBDU.

Eligibility:

The TRLF is available to small businesses so defined under the Small Business Development Act Cap. 31 & Section 3 [b] which states that:

“A small business must satisfy any two of the following criteria:

i. Has not more than $1,000,000.00 as stated or paid-up capital;
ii. Has not more than $2,000,000 in annual sales;
iii. Has not more than 25 employees.”

Annual Scope of Payment

Accumulated invoices ranging from a minimum of $5,000 at any one time, but not exceeding $200,000 in any given quarter, can be factored.

Steps For Payment:

i. Obtain a TRLF Certificate of Registration by registering with the SBDU.
ii. Upon producing the TRLF Certificate of Registration to the contracting Ministry/Department or Government agency, you will receive a letter of certification;
iii. Submit letter at (ii) above to Accountant General for approval of payment;
iv. Submit approved letter at (iii) above to any of the below financial institutions for payment:
   • The main branches of any Commercial Bank
   • Enterprise Growth Fund Limited
   • Fund Access
   • Consolidated Finance
   • Globe Finance Inc.
   • Signia Finance
   • Citicorp Merchant Bank
   • Caribbean Financial Services Corporation

Improve Cash Flow. Sign Up TODAY!