



# Association of Pacific Island Legislatures

American Samoa  
Commonwealth of the Northern Mariana Islands  
FSM, State of Chuuk  
FSM, State of Kosrae  
FSM, State of Pohnpei  
FSM, State of Yap  
Island of Guam  
Republic of Kiribati  
Republic of the Marshall Islands  
Republic of Nauru  
Republic of Palau  
State of Hawaii

## A RESOLUTION

### APIL Resolution No. 42-GA-03

**“Requesting All Federal Deposit Insurance Corporation (FDIC) Insured Banks Operating in Micronesia to Review and Reduce Loan Interest Rates to Make Credit More Affordable and Accessible.”**

1           **WHEREAS**, access to affordable credit is essential for economic growth,  
2           entrepreneurship, and financial stability across the Pacific Islands; and

3           **WHEREAS**, high interest rates charged by banks and lending institutions in  
4           Micronesia create significant barriers to investment, home ownership, and small  
5           business development; and

6           **WHEREAS**, the availability of affordable financing is critical to supporting  
7           sustainable economic development, employment, and improved quality of life in  
8           island communities; and

9           **WHEREAS**, banks insured by the Federal Deposit Insurance Corporation  
10          (FDIC) play a key role in maintaining financial stability and have a responsibility  
11          to ensure fair and reasonable lending practices; and

12          **WHEREAS**, equitable application of FDIC-insured banking services across  
13          all Pacific Island jurisdictions is necessary to ensure uniform access to financial  
14          opportunities and reduce disparities between regions; and

15          **WHEREAS**, the Member States of the Association of Pacific Island  
16          Legislatures (APIL) share a common interest in promoting equitable access to credit  
17          and encouraging responsible financial behavior; and

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1           **WHEREAS**, regional dialogue among governments, regulators, and  
2 financial institutions can lead to cooperative approaches that balance economic  
3 growth with fiscal prudence; now, therefore,

4           **BE IT RESOLVED** by the Association of Pacific Island Legislatures that  
5 all FDIC-insured banks operating in Micronesia are respectfully requested to:

- 6           1. **Conduct a review** of current loan interest rates, with particular  
7 attention to rates for small business, housing, education, and personal  
8 loans;
- 9           2. **Implement measures** to reduce lending rates where feasible, in order  
10 to increase access to affordable credit for individuals and small  
11 enterprises;
- 12           3. **Collaborate** with national governments and financial regulators to  
13 ensure transparent and responsible lending practices;
- 14           4. **Promote financial literacy** and borrower education to help  
15 consumers manage debt and build financial resilience; and
- 16           5. **Report progress** on rate adjustments and accessibility improvements  
17 to the respective Member States and to the APIL Secretariat.

18           **BE IT RESOLVED** by the Association of Pacific Island Legislatures, 42nd  
19 General Assembly on Saipan, Commonwealth of the Northern Mariana Islands,  
20 October 28-29, 2025, that the members of the Association of the Pacific Island  
21 Legislatures, hereby requests all Federal Deposit Insurance Corporation (FDIC)  
22 Insured Banks operating in Micronesia to review and reduce loan interest rates to  
23 make credit more affordable and accessible; and

1           **BE IT FURTHER RESOLVED** that copies of this Resolution be  
2 transmitted to all FDIC-insured banks operating within Micronesia, for their  
3 information and appropriate action; and to the Chief Executives and Presiding  
4 Legislative Officers of each member jurisdiction of the Association of Pacific Island  
5 Legislatures.

**DULY AND REGULARLY ADOPTED ON THE 29<sup>TH</sup> DAY OF OCTOBER, 2025.**



**EDMUND S. VILLAGOMEZ**  
**PRESIDENT**



**VICTOR BAMOG**  
**SECRETARY**

