

Fact sheet:

TRANSPORTATION & ADMISSIBILITY

Loans



UNHCR Photo by Marco Dormino

THE TRANSPORTATION LOAN:

Enables applicants to pay for transport to their place of final destination in Canada

THE ADMISSIBILITY LOAN:

Enables applicants to cover the costs of their medical exam



UNHCR Photo by John Isaac

Who repays the loan?

The loan recipient is expected to repay the loan in full by consecutive monthly installments and in accordance with the repayment schedule.

Repayment should commence 30 days after the loan recipient arrives in Canada. Monthly installments are calculated according to a repayment schedule that is based on the amount borrowed. Loan recipients do not need to wait until they receive a letter confirming their payment schedule; they are encouraged to start repaying their loans right away to take full advantage of the interest-free period and thereby reduce their debt burden in the long run.

Sponsoring Groups are not responsible for repaying any immigrant transportation or admissibility loans.

Repayment Schedule

Amount of Loan	Repayment Period
For loans equal to but not exceeding \$1,200	Within 12 months of issuance
\$1,200.01 - \$2,400	Within 24 months of issuance
\$2,400.01 - \$3,600	Within 36 months of issuance
\$3,600.01 - \$4,800	Within 48 months of issuance
For loans over \$4,800	Within 72 months of issuance

The length of repayment depends on the amount given. Monthly installments are calculated according to the amount borrowed.

Interest-Free Period

Privately sponsored refugees are subject to a grace period from interest which may vary between one to three years depending on the size of the loan. The interest rate is established in January of each calendar year and is based on the rate the Government of Canada charges for loans made to Crown corporations. That interest rate stays in effect for the life of the loan.

Amount of Loan	Interest begins to accrue after...
Under \$1,200	12 months
\$1,200.01 - \$2,400	24 months
Over \$2,400	36 months

Individuals wanting more information about their loan consult Collection Services toll-free at 1-800-667-7301.

For general information regarding loan repayment, please consult the Overseas Processing Manual Chapter 17: Loans, available online at

<http://www.cic.gc.ca/english//resources/manuals/op/op17-eng.pdf>