

**Sarajevo, 21.03.2020**

***Subject : Public announcement***

### **Decisions on temporary measures of banks and non-deposit financial institutions for mitigation of negative economic effects of COVID-19**

For purpose of protecting the banking sector entities and in the light of raised level of readiness by these entities to act under extraordinary circumstances caused by COVID-19, the FB&H Banking Agency (hereinafter: the Agency) has, at its electronic meeting held on Friday, 20.03.2020, adopted decisions on temporary measures for treatment of loan obligations of legal entities and private individuals in banks and non-deposit financial institutions (MCOs and leasing companies).

According to the said decisions, banks and non-deposit financial institutions may approve these special measures for their customers: moratorium (a loan repayment standstill that may last at least until termination of the state of emergency caused by COVID-19), grace period (for loan principal repayments to last up to 6 months), approval of additional exposure amount to bridge over current liquidity problems, as well as other measures ensuring easier settlement of customers' loan obligations and their business continuity. As far as measures for corporate customers are concerned, we expect banks and non-deposit financial institutions to make relevant decisions based on available information and communication with customers. As for private individuals, banks and non-deposit institutions will act towards these customers subject to their own assessment, documentation and information on degree of difficulties experienced by single customers and group of customers with similar characteristics (e.g. employees of the same company).

With an objective of protecting and strengthening stability of the financial system, the Agency continuously monitors the financial sector situation. In that sense, it will examine implementation of the issued decisions and analyze effects of adopted regulations.

The said decisions shall enter into force on the day following their publication in the FB&H Official Gazette.

FEDERATION OF B&H BANKING AGENCY