



Covid-19 : The Loan Payment Moratorium

Directorate of Financial Stability
Ministry of Finance
August 2020

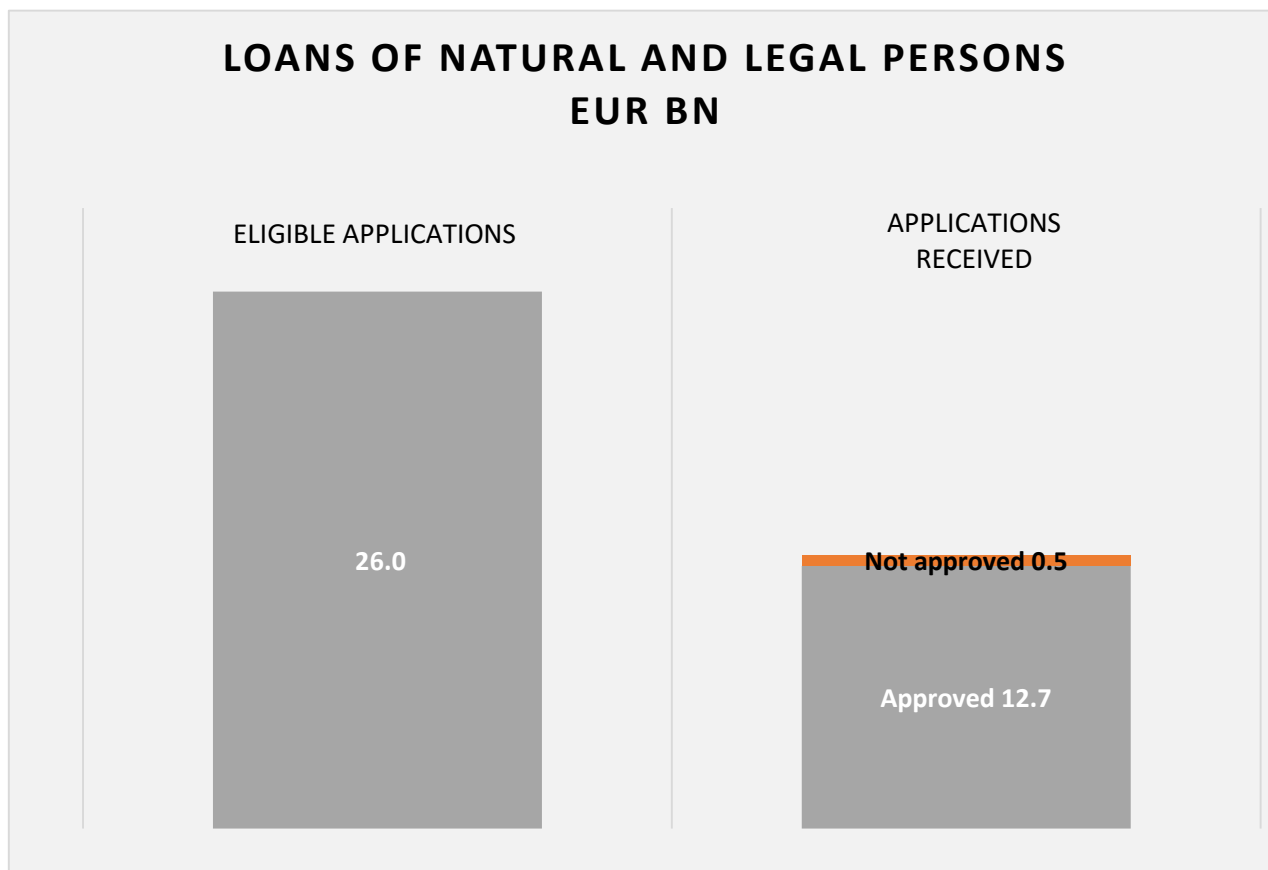
The payment moratorium on loans - provisions

- ❑ The Law on Taking Suspension Measures from Financial institutions and Supervisory Authorities and the relevant Decree by the Minister of Finance, came into effect on 30th March 2020.

- ❑ **Major provisions:**
 - Payment moratoria towards credit institutions and credit acquiring companies between 30th March - until 31st December 2020 for natural and legal persons with arrears <30 days as at end February 2020 upon request by debtor
 - Eligible debtors include:
 - Persons with arrears >30 days as at end February 2020 who had settled these obligations by 30th March 2020
 - Persons with arrears >30 days of minor amounts (€100 and €500 for retail and business loans respectively)
 - Suspension is valid for both capital and interest payments. Interest is capitalised and payments of both resume as of 1st Jan. 2021 according to a lengthened loan schedule.
 - Separately from the Law/Decree, the Association of Cyprus Banks has announced that credit institutions will voluntarily not compound interest on loans.

- ❑ **Timeline**
 - The deadline for applications and acceptances/rejections is the 26th and 30th June 2020 respectively. Upon acceptance the moratorium is valid as of 30th March.

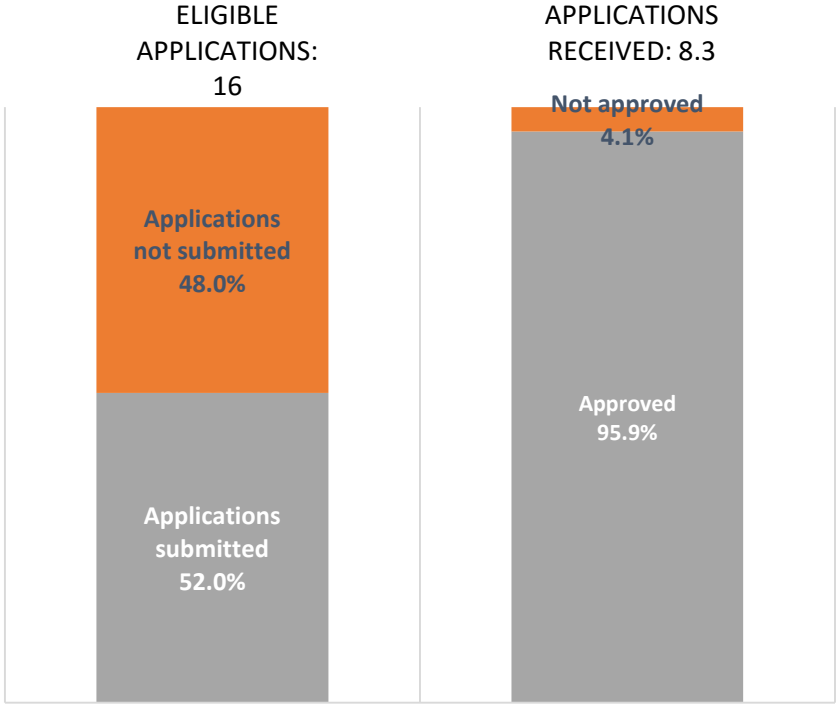
Results for the period 30/03/2020 – 30/06/2020



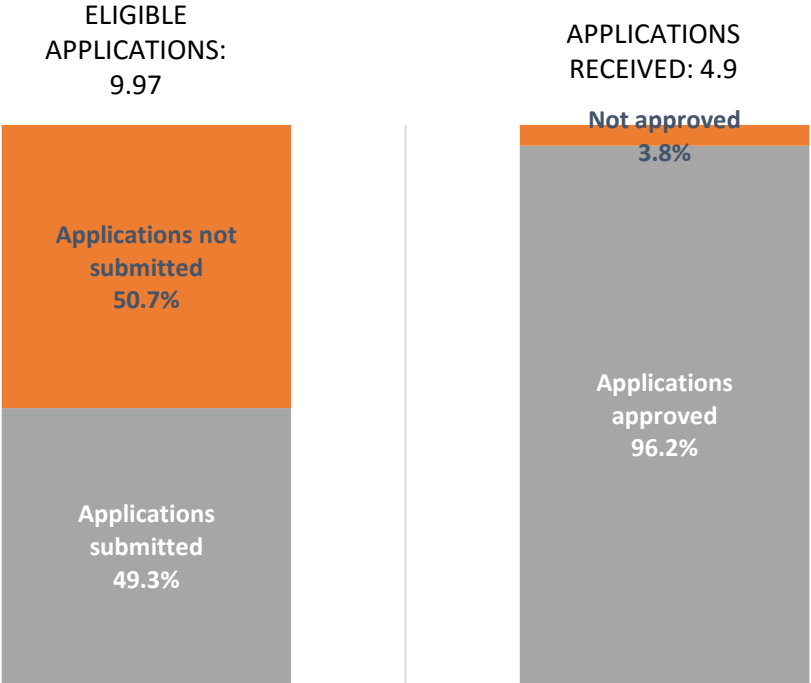
Source: Ministry of Finance

Results for the period 30/03/2020 – 30/06/2020

LEGAL PERSONS EUR BN



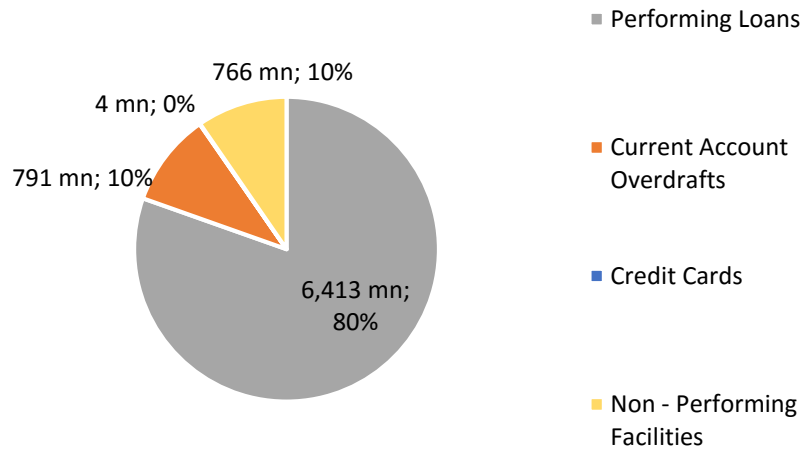
NATURAL PERSONS EUR BN



Source: Ministry of Finance

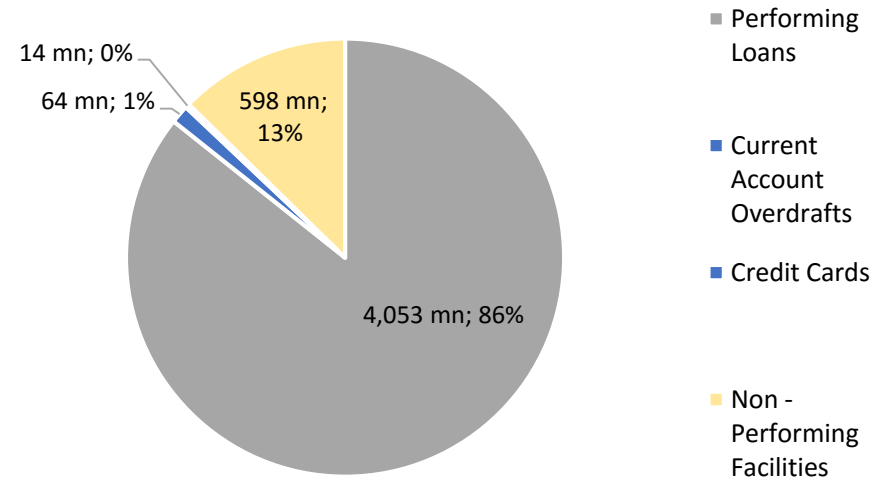
Results for the period 30/03/2020 – 30/06/2020

Legal Persons - Approvals by category in EUR



Total amount of approved applications : EUR 7,975 mn

Natural Persons - Approvals by category in EUR



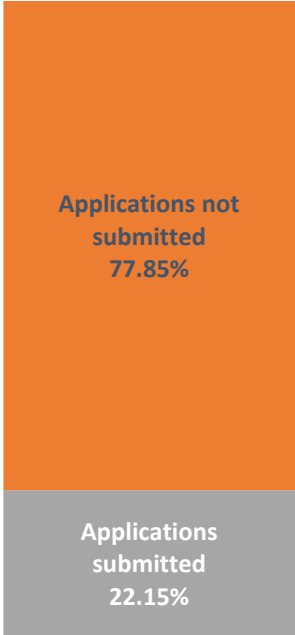
Total amount of approved applications: EUR 4,730 mn

Source: Ministry of Finance

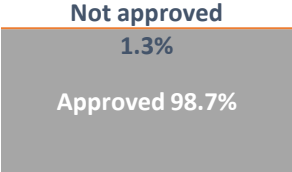
Results for the period 30/03/2020 – 30/06/2020

LEGAL PERSONS (NUMBER)

ELIGIBLE PERSONS: 34,529

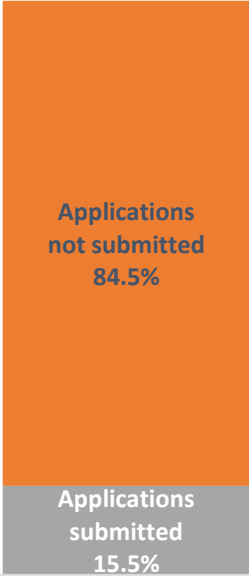


TOTAL APPLICATIONS: 7,648

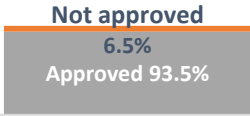


NATURAL PERSONS (NUMBER)

ELIGIBLE PERSONS: 338,347



TOTAL APPLICATIONS: 52,446

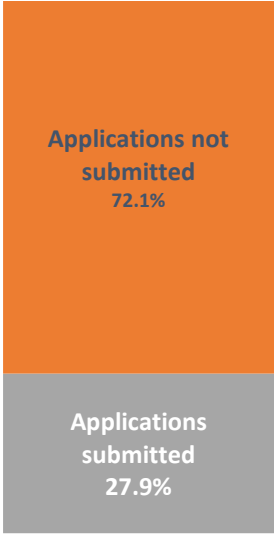


Source: Ministry of Finance

Results for the period 30/03/2020 – 30/06/2020

LEGAL PERSONS (NUMBER OF ACCOUNTS)

ELIGIBLE ACCOUNTS: 65,859

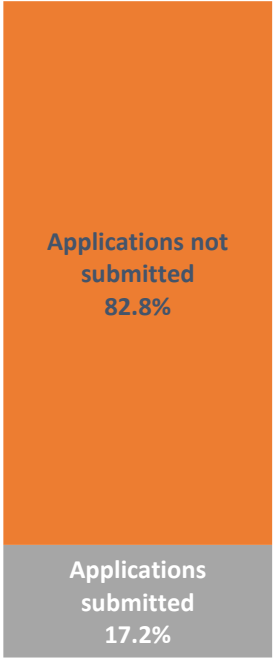


TOTAL APPLICATIONS: 18,405

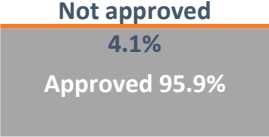


NATURAL PERSONS (NUMBER OF ACCOUNTS)

ELIGIBLE ACCOUNTS: 470,312



TOTAL APPLICATIONS: 80,680



Source: Ministry of Finance