



HONG KONG MONETARY AUTHORITY  
香港金融管理局

Our Ref: B1/15C  
B9/29C

6 February 2020

The Chief Executive  
All Authorized Institutions

Dear Sir / Madam,

**Measures to relieve impact of the novel coronavirus**

The outbreak of the novel coronavirus is adversely affecting the Hong Kong economy. The impact is being felt by both personal and corporate customers of authorized institutions (AIs), and especially small and medium-sized enterprises (SMEs).

Some AIs have informed the Hong Kong Monetary Authority (HKMA) that they plan to roll out temporary relief measures to help tide their customers over during this difficult time. Measures being considered include, for example, principal moratorium for residential and commercial mortgages, fees reduction for credit card borrowing, and restructuring of repayment schedules for corporate loans. The HKMA welcomes such initiatives, and would encourage other AIs to consider taking similar action. A proactive response by the banking industry will help mitigate the financial consequences of the outbreak.

In accordance with the Hong Kong Approach to Consumer Debt Difficulties and the Hong Kong Approach to Corporate Difficulties, AIs should adopt a sympathetic stance in dealing with customers facing financial stress due to the novel coronavirus. They should, to the extent prudent risk management principles permit, consider requests from these borrowers for temporary relief arrangements favourably. AIs should also clearly communicate their policies to relevant staff so as to enable consistent treatment of customers and make sure that the relevant staff are reachable by customers who wish to discuss their financial situation.

With regard to the SME sector, the HKMA established in last October a Banking Sector SME Lending Coordination Mechanism with a view to consolidating the industry's support for SMEs. A series of supportive

measures have already been rolled out. The HKMA will continue to work closely with the participating institutions on further relief measures for SMEs, focusing on those sectors more seriously affected by the outbreak of the novel coronavirus.

I am copying this letter to the Chairman of the Hong Kong Association of Banks and the Chairman of the Deposit-taking Companies Association.

Yours faithfully,

Raymond Chan  
Executive Director (Banking Supervision)

c.c. The Hong Kong Association of Banks  
The Deposit-taking Companies Association