

Banking Briefing: Special Edition

Latest Developments in the Banking Sector: Urgent Measures Relating to the Covid-19 Pandemic

This Briefing provides an overview of Covid-19 pandemic emergency measures relating to the Banking Sector

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A. Suspension of Instalments of Principal for Loans Granted to Legal Entities

1. On 17 March 2020 the Hellenic Bank Association announced that loan instalments for performing loans owed by businesses directly affected by Covid-19 are suspended at least until 30 September 2020.
2. During this period, debtors have to pay only interest on their loans and no payments of principal and can contact their bank to submit the relevant request for suspension.

B. Suspension of Instalments for Loans Granted to Individuals

1. On 19 March 2020 the Hellenic Bank Association

announced the three-month suspension of loan instalments for performing loans owed by individuals who have been directly affected by Covid-19 due to the suspension of operation of their business and are eligible for the €800 special purpose compensation (e.g. private employees and self-employed).

2. Banks will implement the suspension following communication with the debtor.

C. Transactions Which Cannot Be Carried Out Through Bank Branches

1. The Hellenic Bank Association introduced certain measures, with effect from 24 March 2020, to limit in-person transactions at banks during the Covid-19 pandemic.
2. From 24 March 2020, the transactions listed below cannot be performed through bank branches:
 - a. withdrawals of cash up to €400, which must be made at ATM machines;
 - b. deposits of cash up to €1,000, which must be made at ATM machines;
 - c. payments of utility bills, which must be made by internet or mobile banking, ATM machines or Automatic Payment Systems (APS); and
 - d. updates regarding bank account movements and balances, which may be obtained by clients through internet or mobile banking or ATM machines.
3. On 26 March 2020 the Hellenic Bank Association announced that consumers can make contactless transactions of up to €50 with their debit or credit cards without the use of their PIN from 30 March 2020 until 31 May 2020.

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D. Measures for Loans Serviced by Bank Loan and Credit Servicing Companies

1. On 19 March 2020 the Association of Bank Loan and Credit Servicing Companies announced the decision of its member-companies to facilitate debtors directly affected by the measures imposed by the Greek Government due to the pandemic.
2. In this context, the measures to be taken include the following:
 - a. communication with debtors in order to record the affected households and businesses;
 - b. the proposal of customised solutions based on the financial profile of the debtor, whether individual or business, by offering the option of reduction or suspension of instalments payable for a three-month period;
 - c. the immediate suspension of instalments payable for a three month- period for debtors who are eligible for the €800 special purpose compensation;

- d. in connection with any amount in arrears, the suspension of any communications with debtors who claim a proven severe and factual inability to perform their payment obligations; and
 - e. the instruction of external partners, such as debt notification companies and legal offices, to fully synchronize the content and frequency of their direct communications with debtors regarding the above actions.
3. Each Bank Loan and Credit Servicing Company must specify the implementation of the above measures, depending on its capacity and the needs of each debtor.

E. Joint Ministerial Decision 18176/2020 on the Temporary Suspension of the Judicial System

1. Under the Joint Ministerial Decision 18176/2020 dated 15 March 2020, all hearings, actions of enforcement, auctions and deadlines are suspended from 16 March 2020 until 27 March 2020, with certain limited exceptions.

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