



## PRESS RELEASE

### EXTENSION OF INTERIM MEASURES BY THE BANKING SECTOR

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1. Autoriti Monetari Brunei Darussalam (AMBD), in close consultation with the banking industry, would like to inform on the extension of the period for assistance to businesses and individuals affected by the COVID-19 pandemic for another six (6) months (1<sup>st</sup> April 2021 – 30<sup>th</sup> September 2021).
2. Since April 2020, banks and finance companies have been providing a specific set of assistance to help alleviate the financial distress of affected borrowers. As of December 2020, a total of 2,014 applications have been granted assistance for which the majority preferred to temporarily defer their monthly loan / financing repayment. This initial assistance has expired on 31<sup>st</sup> March 2021.
3. Throughout the period, AMBD observed that the assistance has helped to ease customers from the sudden financial challenges due to the COVID-19 pandemic. Given the resumption of economic and social activities, a number of customers have been able to successfully exit the interim measures and resume their loan / financing repayments. Nonetheless, AMBD recognised that a number of individuals may continue to face cash flow pressures and may require more time to resume full loan / financing repayments. For some customers, an alternative financing solution may be necessary.
4. Through this extended period, AMBD will provide regulatory flexibility to encourage banks and finance companies to offer affected customers with suitable temporary assistance with the following options:
  - a. Deferment of repayments on loan / financing;
  - b. Restructuring on personal loan / financing and hire purchase such as car financing for a period not exceeding 10 years;
  - c. Conversion of outstanding balance on credit card into a short term loan / financing not exceeding 3 years for affected individuals in the private sector only including self-employed; and
  - d. Waiver of selected fees and charges related to these facilities, except third party charges.
5. Subject to each financial institutions' assessments, the temporary assistance is available to customers who continue to face cash flow challenges. Affected businesses and individuals who wish to apply are advised to approach their respective banks and finance companies for further information. Customers are advised to consider first whether the assistance is needed and the appropriateness of the options provided. For those borrowers who are able to resume full repayments are encouraged to do so, so as not to accumulate too much debt over time.



6. Additionally, banks will continue to waive the fees and charges (excluding third party charges) for local fund transfers made to other banks via the *Real Time Gross Settlement* (RTGS) and *Automated Clearing House* (ACH) systems for another six (6) months, until 30<sup>th</sup> September 2021 for all bank customers. Since the waivers were introduced in April 2020, AMBD has seen a positive increase towards the utilisation of online interbank transfers in terms of transaction volume. The general public is encouraged to experience the convenience of existing digital payment platforms offered by the banks and other payment system providers.
7. AMBD would like to assure the general public that the banking sector remains resilient, strong and well-capitalised. AMBD will continue to actively monitor the health of the industry including the assistance granted through the period.
8. For further information, please contact the banks or finance companies directly or AMBD at 2388388 or [info@ambd.gov.bn](mailto:info@ambd.gov.bn).

**Autoriti Monetari Brunei Darussalam**

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