



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

MEMORANDUM NO. M-2020-043

To : All Concerned Banks

Subject : Extension of Temporary Measures Implemented in the Bangko Sentral ng Pilipinas (BSP) Rediscount Facilities

The Monetary Board (MB), in its Resolution No. 647 dated 14 May 2020, approved the extension of the reduction of the term spread on Peso rediscounting loans relative to the BSP's overnight lending rate to zero, regardless of maturity (i.e. 1 to 180 days), for an additional 60 days or until 17 July 2020, subject to further extension as may be approved by the MB.

Similarly, in the same MB Resolution, the MB approved the extension of the acceptance of the following eligible credit instruments for rediscounting to the BSP, for an additional 60 days or until 17 July 2020, subject to further extension as may be approved by the MB:

1. Under Exporter's Dollar and Yen Rediscount Facility (EDYRF) - United States Dollar (USD) and Japanese Yen (JPY) - denominated credit instruments related to the economic activities enumerated in Department of Trade and Industry Memorandum Circular No. 20-08 dated 20 March 2020, except for loans to banks and capital markets; provided that, these credits are booked under the regular banking unit of the rediscounting bank and are compliant with the requirements on eligible papers and collaterals under Section 282 of the Manual of Regulations for Banks (MORB); provided further, that the said USD and JPY-denominated credits are only to those end-user borrowers operating during the enhanced community quarantine; and
2. Under the Peso Rediscount Facility and EDYRF - Credit instruments compliant with the requirements on eligible papers and collaterals under Section 282 of the MORB, which were granted mandatory 30-day grace period pursuant to Memorandum No. M-2020-017 dated 01 April 2020 and Section 4(aa) of Republic Act (RA) No. 11469 and its Implementing Rules and Regulations (IRR), subject to the submission of certification signed by the authorized officer/s of the bank stating that the maturities of said credit instruments were extended pursuant to RA No. 11469 and its IRR.

Banks are expected to comply with the availment procedures set forth under Memorandum No. M-2020-016 dated 31 March 2020 and M-2020-024 dated 08 April 2020.

For strict compliance.


BENJAMIN E. DIOKNO
Governor

18 May 2020