



The Indian Chamber of Commerce Hong Kong

(A company limited by guarantee)

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TO: ALL MEMBERS

CIRCULAR NO: 44/20

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Pre-approved Principal Payment Holiday Scheme extended by a further six months

The Hong Kong Monetary Authority has issued the following Press Release on 2 September 2020.

In light of the ongoing impact of the COVID-19 outbreak on economic activities and the cash flow difficulties faced by some corporates, the HKMA, together with the Banking Sector SME Lending Coordination Mechanism (Mechanism), today announced that the Pre-approved Principal Payment Holiday Scheme (Scheme) has been extended for a further six months to April 2021. All loan principal payments of eligible customers falling due between November 2020 and April 2021 will be deferred by six months except for repayments of trade loans, which will be deferred by 90 days. The HKMA has written to all participating banks requesting them to implement the new arrangement.

As customers are already familiar with the Scheme and with banks adopting work-from-home arrangements in response to the pandemic, banks will not issue individual notifications to eligible customers regarding the extension of the Scheme. Corporate customers in need of relief are requested to contact their banks. Banks will handle each eligible customer's case on a "pre-approved" basis. Banks may request customers (especially those who have been granted multiple extensions of payment holidays) to provide up-to-date business and financial information to better understand their needs when processing their cases.

The Scheme covers all corporate customers that have an annual sales turnover below HK\$800 million and that have no seriously overdue loan payments. For enquiries about the Scheme, please contact the HKMA via the dedicated email account (ppphs@hkma.gov.hk) or enquiry hotline (2878 1199).

Background

The Banking Sector SME Lending Coordination Mechanism was established by the HKMA in October 2019. Participants include 11 banks that are most active in SME lending. The Hong Kong Association of Banks and the HKMC Insurance Limited are also represented in the Mechanism. Since its establishment, the Mechanism has rolled out several rounds of relief measures for corporate customers, including the Scheme, loan tenor extensions, and the conversion of trade financing lines into temporary overdraft facilities. At the end of July 2020, banks had granted over 43,000 applications for loan tenor extension and other forms of relief, involving an aggregate amount of over HK\$530 billion.

One hundred and four banks participate in the Pre-approved Principal Payment Holiday Scheme, which took effect in May. The Scheme covers more than 130,000 eligible corporate customers, with over 15,000 of them enrolled into the Scheme. All corporate loans including mortgages, vehicle loans and trade facilities are covered by the Scheme. The HKMA has also reminded banks to be sympathetic to customers who are not eligible for the Scheme and to help tide them over this difficult time as long as it is consistent with prudent risk management principles to do so.

The HKMA together with the Mechanism announced at the beginning of the last month a 90-day repayment deferment for trade facilities under the Scheme.

TRADE DEPARTMENT CIRCULARS

Commercial Information Circulars

Commercial Information Circular No. 671/2020 Date : 02.09.2020

European Union (EU)* : Registration of aluminium extrusions originating in the Mainland of China

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/eu/2020/ci6712020.html>

Commercial Information Circular No. 670/2020 Date : 02.09.2020

The Mainland of China : Notice Concerning Certain Collection and Administration Issues Related to Resource Tax

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/asia/2020/ci6702020.html>

Commercial Information Circular No. 669/2020 Date : 02.09.2020

The Mainland of China : Notice of the Certification and Accreditation Administration Clarifying Mandatory Product Certification Requirements for 5G Mobile User Terminals

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/asia/2020/ci6692020.html>

Commercial Information Circular No. 668/2020 Date : 02.09.2020

The Mainland of China : Notice Concerning Adjusting the Supervision of Some Imported and Exported Commodities

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/asia/2020/ci6682020.html>

Commercial Information Circular No. 667/2020 Date : 02.09.2020

The Mainland of China : Notice Concerning Adjusting the "Implementation Opinions on Differential Entry Requirements for Environmental Protection on Construction Projects of Dongguan (Revised Draft)"

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/asia/2020/ci6672020.html>

Commercial Information Circular No. 666/2020 Date : 02.09.2020

US : Section 301 Tariffs on Mainland Products Worth US\$300 billion - Extension of Certain Product Exclusions until 31 December 2020

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/americas/2020/ci6662020.html>

Commercial Information Circular No. 665/2020 Date : 01.09.2020

The Mainland of China : Notice Concerning the Revised "Catalogues of Prohibited and Restricted Technology Export"

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/asia/2020/ci6652020.html>

Commercial Information Circular No. 664/2020 Date : 01.09.2020

India : Final Findings on the Second Sunset Review Investigation of Anti-Dumping Duty on Flax Fabrics Originating in or Exported from Hong Kong and the Mainland of China

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/asia/2020/ci6642020.html>

Commercial Information Circular No. 663/2020 Date : 01.09.2020

The Mainland of China : "Rules on Handling Complaints of Foreign-Invested Enterprises"

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/asia/2020/ci6632020.html>

Commercial Information Circular No. 648/2020 Date : 21.08.2020

Brazil : Initiation of Anti-dumping Investigation against Hosiery and Socks Originating in Hong Kong (updated on 1 September 2020)

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/americas/2020/ci6482020.html>

Commercial Information Circular No. 662/2020 Date : 31.08.2020

US : Countervailing Action against Non-Refillable Steel Cylinders from the Mainland of China : Preliminary Affirmative Countervailing Duty Determination

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/americas/2020/ci6622020.html>

Commercial Information Circular No. 661/2020 Date : 31.08.2020

Brazil : Suspension of Anti-dumping Duty Order on Certain Ferrite Magnets Originating in the Mainland of China

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/americas/2020/ci6612020.html>

Commercial Information Circular No. 660/2020 Date : 31.08.2020

Argentina : Renewal of Anti-dumping Duty Order on Certain Vinyl Chloride Polymers Originating in the Mainland of China

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/americas/2020/ci6602020.html>

Commercial Information Circular No. 659/2020 Date : 31.08.2020

Brazil : Initiation of Anti-dumping Investigation against Hosiery and Socks Originating in the Mainland of China

<http://www.tid.gov.hk/english/aboutus/tradecircular/cic/americas/2020/ci6592020.html>

Commercial Information Circular No. 658/2020 Date : 31.08.2020

New Zealand : Reform of the Overseas Investment Act

http://www.tid.gov.hk/english/aboutus/tradecircular/all_in_one/2020/as112020.html

Trade Statistics

Trade Statistics

http://www.tid.gov.hk/english/aboutus/publications/tradestat/tradestat_maincontent.html

Textiles Trader Registration Circulars

Textiles Trader Registration Circular No. 10/2020 Date : 31.08.2020

New Zealand : Reform of the Overseas Investment Act

http://www.tid.gov.hk/english/aboutus/tradecircular/all_in_one/2020/as112020.html



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