



**BANCO DE PORTUGAL**  
EUROSYSTEM

## **UNOFFICIAL TRANSLATION**

### **Instruction No. 13/2020**

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### **Instruction text**

Subject: Communication of information to Banco de Portugal on public and private moratorium

In the current context of a pandemic caused by Covid-19, Decree-Law no. 10-J / 2020, of 26 March ("Decree-Law no. 10-J / 2020"), approved a set of exceptional measures, including the implementation by credit institutions and other entities listed in paragraph 1 of article 3 of the mentioned Decree-Law ("institutions") of a moratorium applicable to credit agreements entered into with companies and others beneficiary entities and households for permanent home loans.

Under the terms of paragraph 1 of article 8 of Decree-Law no. 10-J / 2020, Banco de Portugal is the entity responsible for the supervision and inspection of the moratorium regime, to monitor the implementation of the support measures provided for in that legal act, during the assigned term by the supervised institutions.

Additionally, the institutions have developed, together with their respective associations, private voluntary moratoria, applicable to credit agreements not covered by the provisions of Decree-Law no. 10-J / 2020.

Taking into account that the public moratorium and private moratoria have the common objective of supporting Portuguese households and companies affected by income losses resulting from the current situation, it is important to monitor their implementation.

Thus, in the use of the competence attributed to Banco de Portugal by the provision in paragraph 2 of article 10 of Decree-Law no. 10-J / 2020, and in article 120 of the Legal Framework of Credit Institutions and Financial Companies, approved by Decree-Law No. 298/92, of December 31, Banco de Portugal determines the following:

## **1. Purpose and scope**

**1.1.** The institutions communicate to Banco de Portugal, under the terms provided for in this Instruction, information on the implementation of the moratorium created by Decree-Law No. 10-J/2020, of 26 March (“public moratorium”) and voluntary moratoria to which they have subscribed under the European Banking Authority's Guidelines on treatment of public and private moratoria in light of COVID-19 measures (“private moratoria”).

**1.2.** The institutions also communicate to Banco de Portugal, under the terms set out in this Instruction, information on credit agreements in their portfolio that fall within the scope of the public and private moratoria.

**1.3.** For the purpose of the provisions of this Instruction, “institutions” are considered to be credit institutions, credit financial institutions, investment firms, financial leasing companies, factoring companies and mutual guarantee companies, as well as branches of credit institutions and financial institutions operating in Portugal.

## **2. Communication of information regarding the implementation of the public moratorium**

**2.1.** The institutions communicate to Banco de Portugal, by filling in the “Public Moratorium” table in Annex I to this Instruction, the following information:

(a) **Access declarations:** number of access declarations to the public moratorium submitted to the institution, regardless of whether or not the legal requirements for access have been met;

(b) **Contracts covered by access declarations:** number of credit agreements covered by access declarations to the public moratorium presented to the institution;

(c) **Declarations in which the access requirements were found to be met:** number of access declarations to the public moratorium in which bank customers were found to fulfill the access requirements legally provided for;

(d) **Credit agreements covered by support measures:** number of credit agreements that benefit from each of the measures provided for in the public moratorium, with only one support measure per credit agreement to be indicated, in the following terms:

(i) **Prohibition to revoke credit lines:** measure provided for in paragraph a) of paragraph 1 of article 4 of Decree-Law no. 10-J / 2020, of 26 March, for credit lines and other loans;

(ii) **Granting of an extension of the credit operation:** measure provided for in paragraph b) of paragraph 1 of article 4 of Decree-Law no. 10-J / 2020, of 26 March, for credit agreements with a capital payment at the end of the contract (balloon payment);

(iii) **Granting of total suspension of the credit operation (grace period for capital and interest):** measure provided for in paragraph c) of paragraph 1 of article 4 of Decree-Law no. 10-J / 2020, of 26 March, for credits with capital or other cash installments;

(iv) **Granting of partial suspension of the credit operation (capital shortage):** measure provided for in paragraph c) of paragraph 1 of article 4, combined with paragraph 2 of article 4, of Decree-Law Law No. 10-J / 2020, of March 26, for credits with capital or other cash installments.

(e) **Declarations in which it was found that the access requirements are not met:** number of access declarations to the public moratorium in which it was found that bank customers did not meet the access requirements legally provided, in detail, depending on the nature of the bank customer who submitted the declaration and access requirements that were not met.

**2.2.** Institutions communicate the information elements provided for in the previous number in a disaggregated manner according to the nature of the bank customers who submitted the access declarations to the public moratorium, namely consumers, companies, sole proprietors and other entities.

### 3. Communication of information regarding the implementation of private moratoria

3.1. The institutions communicate to Banco de Portugal, by completing the table “Private Moratoria” in Annex II to this Instruction, the following information:

(a) **Application requests** : number of application requests to the private moratorium submitted to the institution, regardless of whether or not the contractual access requirements are met;

(b) **Contracts covered by the application requests**: number of credit agreements covered by application requests to the private moratorium submitted to the institution;

(c) **Application requestes accepted**: number of application requests to the private moratorium in which bank customers were found to meet the contractually specified access requirements;

(d) **Credit agreements covered by support measure**: number of credit agreements that benefited from each of the measures covered by the private moratorium, with the following breakdown:

(i) **Suspension of the capital payment with extension of the contractual term**: grace period of capital with extension of the repayment term stipulated in the contract;

(ii) **Suspension of the capital payment without extension of the contractual term**: grace period of capital without extending the repayment term stipulated in the contract;

(iii) **Suspension of the capital and interest payment with extension of the contractual term**: grace period for capital and interest with extension of the repayment term stipulated in the contract;

(iv) **Suspension of the capital and interest payment without extending the contractual term**: grace period for capital and interest without extending the repayment term stipulated in the contract;

(v) **Extension of the credit operation**: only postponement of the maturity date of the capital installment scheduled for the end of the credit agreement (balloon payment);

(vi) **Others**: other solutions not mentioned in the previous paragraphs.

(e) **Rejected application** requests: number of application requests of the private moratorium in which bank customers were found not to meet the contractually specified access requirements.

**3.2.** The institutions communicate the information elements provided for in the previous number in a disaggregated manner according to the private moratorium to which they adhere, in the following terms:

(a) **APB moratoria:** moratoria made available by the Portuguese Banking Association;

(b) **ASFAC moratoria:** moratoria provided by the Association of Specialized Credit Institutions;

(c) **Another protocol:** another private moratorium that meets the requirements set out in the European Banking Authority's Guidelines on treatment of public and private moratoria in light of COVID-19 measures (EBA/GL/2020/02).

#### **4. Communication of information regarding credit agreements falling within the scope of the public and private moratoria**

**4.1.** The institutions communicate to Banco de Portugal, by filling in the table “Portfolio credit agreements” in Annex III to this Instruction, information on the number of portfolio credit agreements that fall within the scope of the public moratorium and the private moratoria to which have joined, as well as the outstanding amount associated with these agreements, with the following breakdown:

(a) **Permanent residential property home loans:** credit agreements entered into with natural persons outside the scope of their commercial or professional activity to finance the acquisition or construction of their own and permanent housing. This concept also includes property leasing agreements for permanent housing of the lessee.

(b) **Mortgage credits guaranteed by permanent residential property:** credit agreements entered into with natural persons outside the scope of their commercial or professional activity guaranteed by a mortgage on the property that is the borrower's permanent home, excluding credit agreements covered by the previous paragraph.

(c) **Home loans for non-permanent residential property purposes and other mortgage loans:** mortgage loans that do not aim to finance the acquisition or construction of permanent own housing and credit agreements signed with natural persons outside the scope of their commercial or professional activity guaranteed by mortgage on property other than the borrower's permanent home.

(d) **Credit agreements with companies and equivalents:** credit agreements entered into with legal persons and credit agreements entered into with natural persons within the scope of their commercial or professional activity. Factoring contracts without recourse, supplies, guarantees or guarantees provided are excluded.

(e) **Personal and car loans:** personal or car credit agreements, as defined in Banco de Portugal Instruction No. 14/2013, entered into with individuals, without a mortgage guarantee or other equivalent guarantee usually used on real estate. Securities leasing contracts are included.

(f) **Credit cards:** credit card contracts, signed with individuals and without a mortgage guarantee or other equivalent guarantee usually used on real estate.

(g) **Other revolving credit:** revolving credit agreements that are not credit card contracts, entered into with individuals and without a mortgage guarantee or other equivalent guarantee usually used on real estate. This field includes, for example, credit lines, overdrafts facility or bank current accounts. Credit overruns are excluded.

**4.2.** The communication of the information provided for in the previous number covers only the credit agreements in force.

**4.3.** For the purposes of this number, the following definitions shall apply:

(a) **Credit agreement in force:** the credit agreement whose obligations remain due, not including agreements that have been terminated or revoked and that are not subject to legal proceedings;

(b) **Revolving credit agreement:** the contract of fixed or indefinite duration in which a maximum credit limit is established, which the consumer can use over time up to that limit value and in which, through the amortization of the amounts owed, he can reuse credit;

(c) **Outstanding amount:** amount due at the reference date, including overdue and maturing capital provided that it is recorded in balance sheet accounts, as well as interest, fees and overdue expenses, also recorded on the balance sheet.

## **5. Reference period and deadlines for reporting**

**5.1.** The information provided for in numbers 2 and 3 is communicated to the Banco de Portugal every two weeks, with the amounts accumulated since the date of entry into force of the public moratorium and the availability of private moratoria.

**5.2.** For the purposes of the preceding paragraph, the institutions consider the following reference periods:

- (a) In the first reporting period, the period up to the 15th of each calendar month;
- (b) In the second reporting period, the period up to the last day of each calendar month.

**5.3.** The information referred to in the previous numbers is communicated within 3 working days after the end of each reference period.

**5.4.** The information provided for in number 4 is communicated monthly to Banco de Portugal, with reference to the last day of each calendar month.

**5.5.** The institutions communicate the information provided for in the preceding paragraph together with the first reporting of information provided for in paragraph a) of paragraph 5.2. each calendar month.

## **6. Form of communication**

**6.1.** The information provided for in this Instruction is sent to Banco de Portugal via the BPnet Portal ([www.bportugal.net](http://www.bportugal.net)), through the service “Report of moratoria”, available in the thematic area “Conduct Supervision”.

**6.2.** The report file is sent by file transfer with the nomenclature “IMC. <CodAF>. <AAAAMMDD> .zip”, corresponding to CodAF to the institution code, YYYY per year, MM per month and DD to the reference day of the report, by example “IMC.0000.20200531.zip”.

**6.3.** The file model to be used in the communication of information is available in the BPnet Portal area mentioned above.

## **7. Transitional rule**

**7.1.** The first communication of information pursuant to paragraph 5.1 is sent until June 3, 2020.

**7.2.** Within the period provided for in the preceding paragraph, the institutions additionally report:

- (a) The information provided for in paragraphs 2 and 3 with reference to the period between the date of entry into force of the public

moratorium and the availability of private moratoria and 31 March and 30 April 2020;

(b)The information provided for in number 4 with reference to March 31 and April 30, 2020.

## **8. Entry into force**

This Instruction comes into force on the day following its publication.



## Attachments to the Instruction

### Annex I - Information regarding the implementation of the public moratorium

	Consumer	Company	Sole proprietors	Others
Declarations of adhesion				
Contracts covered by the declarations of adhesion				
<b>Declarations in which it was verified that the access requirements are fulfilled</b>				
<b>Credit agreements covered by support measure</b>				
Prohibition to revoke credit lines				
Granting of credit extension				
Granting of total suspension of the credit operation (grace period for capital and interest)				
Granting of partial suspension of the credit operation (capital shortage)				
Declarations in which it was found that the access requirements are not met				
<i>Being Portuguese resident</i>				
Being in one of the following situations: (i) prophylactic or illness isolation or in providing assistance to children or grandchildren, as established in Decree-Law No. 10-A / 2020, of 13 March;				
(ii) reduction of the normal working period or in suspension of the employment contract; (iii) unemployment registered at the Institute of Employment and Professional Training, I.P. ; (iv) be eligible for extraordinary support to reduce the economic activity of the self-employed; (v) they are employees of entities whose establishment or activity has been object of a determined closure during the period of state of emergency.				
On March 18, 2020, they are not: (i) in arrears or non-fulfillment of credit agreements for more than 90 days (or, if they are not, they do not meet the materiality criterion set out in Banco de Portugal Notice No. 2/2019 and in Regulation (EU) 2018/1845 of the European Central Bank, of 21 November 2018); (ii) in a situation of insolvency or suspension or assignment of payments; (iii) to be subject to judicial proceedings by any institution with which they have credit agreements.				
Have their situation regularized with the Tax and Customs Authority and Social Security, the debts incurred in March 2020 not being considered for this purpose until April 30, 2020.				
Have headquarters and exercise their economic activity in Portugal.				
On March 18, 2020, they are not: (i) in arrears or non-fulfillment of credit agreements for more than 90 days (or, if they are not, they do not meet the materiality criterion set out in Banco de Portugal Notice No. 2/2019 and in Regulation (EU) 2018/1845 of the European Central Bank, of 21 November 2018); (ii) in a situation of insolvency or suspension or assignment of payments; (iii) to be subject to judicial proceedings by any institution with which they have credit agreements.				
Have their situation regularized with the Tax and Customs Authority and Social Security, the debts incurred in March 2020 not being considered for this purpose until April 30, 2020.				

**Annex II - Information on the implementation of private moratoria**

	APB Moratorium	APBMoratorium	ASFAC Moratorium	ASFAC Moratorium	Another protocol	Another protocol
	Consumer Credit	Mortgage credit	Consumer Credit	Mortgage credit	Consumer Credit	Mortgage credit
Requests for application						
Contracts covered by requests for application						
Requests for application accepted						
Credit agreements covered by support measure						
Suspension of capital payment with extension of the contractual term						
<i>Suspension of capital payment without extension of the contractual term</i>						
<i>Suspension of capital payment and interest with extension of the contractual term</i>						
<i>Suspension of capital payment and interest without extending the contractual term</i>						
<i>Extension of the credit operation (loans with capital payment at the end of the contract)</i>						
<i>Others</i>						
Declined requests for application						

**Annex III - Information on credit agreements falling within the scope of the public and private moratoria**

	<b>Number of contracts</b>	<b>Amount</b>
<b>Permanent residential property home loans</b>		
<b>Mortgage loans guaranteed by permanent residential property</b>		
<b>Home loans for non-permanent residential property purposes and other mortgage loans</b>		
<b>Credit agreements for companies and equivalents</b>		
<b>Personal and car loans</b>		
<b>Credit cards</b>		
<b>Other revolving credit</b>		