

COVID-19 Measures in the Banking & Finance Sector

The Belgian Government, the Belgian Financial Market Authority (FSMA) and the National Bank of Belgium (NBB) have taken the Following financial measures in the context of the coronavirus crisis:

1. The Belgian government, the NBB and the financial sector have reached an agreement in order to provide viable non-financial businesses, self-employed individuals, and mortgage borrowers, experiencing payment problems due to the coronavirus crisis, with a deferral of payments until September 30, 2020 without charge.

For its part, the Belgian government will activate a guarantee for all new credits and credit lines of a maximum duration of 12 months that the Belgian banks will grant to non-financial companies and viable self-employed persons.

The goal of these measures is to ensure that the financing of the economy is maintained.

2. Pursuant to Article 20 of European Regulation 236/2012, the FSMA has banned the practice of "short selling". This measure only applies to companies listed on "Euronext Brussels" and "Euronext Growth" between 18th March 2020 and 17th April 2020.

Short selling is the sale of a security that the seller does not own at the time of entering into the agreement, with the intention of buying it back at a later point in order to deliver it. If generalized, such practices could concretely induce a price decline of a security.

3. The FSMA has announced that it will refrain, in the coming weeks, from undertaking any initiative that could have the effect of burdening the operations of the intermediaries and lenders under its supervision.

If you wish to be kept informed of all the measures taken by the Belgian authorities in the context of the coronavirus crisis, you can visit our website: <http://www.llj.be>