Media Release

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FINANCIAL INSTITUTIONS IN SINGAPORE LAUNCH INDUSTRY’S FIRST CUSTOMISED DEBT RESTRUCTURING PROGRAMME TO HELP SMES OVERCOME IMPACT OF COVID-19

16 financial institutions to adopt common approach in helping SMEs restructure their debt holistically

Singapore - The Association of Banks in Singapore (ABS), with the support of the Finance Houses Association of Singapore, today announced the launch of the Extended Support Scheme – Customised (ESS-C), the first industry programme to help small- and medium-sized enterprises (SMEs) restructure their credit facilities across multiple banks and finance companies.

The programme is available to SMEs with viable businesses and facilitates a coordinated approach to the restructuring of an SME’s existing credit facilities across multiple banks and finance companies. These credit facilities include loans under Enterprise Singapore’s Temporary Bridging Loan Programme and Enhanced Working Capital Loan Scheme.

The industry effort was led by UOB, together with the other major banks¹, and the Monetary Authority of Singapore (MAS).

The ESS-C is part of the package of extended relief measures announced by MAS, the ABS, and the Finance Houses Association of Singapore on 5 October 2020² to assist borrowers facing cashflow challenges due to the COVID-19 pandemic. It complements other customised restructuring assistance schemes under the Ministry of Law (MinLaw)’s Simplified Insolvency Programme for micro and small companies and Credit Counselling Singapore (CCS)’s scheme for sole proprietors and partnerships (SPP Scheme).


Mrs Ong-Ang Ai Boon, Director, ABS, said, “The deep and prolonged impact of COVID-19 has resulted in many SMEs experiencing tremendous financial strain. SMEs make up 99 per cent of all businesses and employ 65 per cent of workers in Singapore, so it is vital that we do all we can to help them weather this crisis. Given the depth of this crisis, the financial industry has come together to adopt a collective approach to help SMEs with viable business models restructure their debt. The intent is to facilitate a more holistic restructuring of an SME’s loans compared to if the SME had to approach its lenders individually.”

The ESS-C is intended for SMEs with loans with more than one lender and for whom MinLaw’s Simplified Insolvency Programme and CCS’ SPP Scheme are not suitable. To apply for the ESS-C, SMEs may approach any of their lending banks and finance companies to recommend them to the programme. The current list of banks and finance companies that will offer the ESS-C are:

- Bank of China Limited;
- CIMB Bank Berhad;
- Citibank N.A. and Citibank Singapore Limited;
- DBS Bank Ltd;
- HL Bank;
- Hong Leong Finance Limited;
- The Hongkong and Shanghai Banking Corporation Limited;
- Indian Overseas Bank;
- Industrial and Commercial Bank of China Limited;
- Malayan Banking Berhad and Maybank Singapore Limited;
- Oversea-Chinese Banking Corporation Limited;
- RHB Bank Berhad;
- Sing Investments & Finance Limited;
- Singapura Finance Ltd;
- Standard Chartered Bank (Singapore) Limited; and
- United Overseas Bank Limited.

SMEs will be able to apply for the ESS-C from 2 November 2020 to 30 June 2021. More information may be found at [https://abs.org.sg/sme/relief-measures/ess](https://abs.org.sg/sme/relief-measures/ess).
About The Association of Banks in Singapore:

The Association of Banks in Singapore (ABS) plays an active role in promoting and representing the interests of the banking community in Singapore. In doing so, ABS works closely with the relevant government authorities towards the development of a sound financial system in Singapore. Since its establishment in 1973, ABS has promoted common understanding among its members and projected a unifying voice on banking issues. It has brought its members closer together through various guidelines and banking practices as well as the support of projects of mutual benefit to face the challenges of the financial and banking community in Singapore. Today, ABS has a membership of more than 150 local and foreign banks. More information on ABS is available on the website: [www.abs.org.sg](http://www.abs.org.sg).

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