



PRESS RELEASE

CMF extends the treatment of provisions and information requirements for Covid-19 loans to supervised cooperatives

May 5, 2020 - The Board of the Financial Market Commission (CMF) approved to issue today **Circular Letter No. 2,253**. The document contains instructions for supervised Savings and Credit Cooperatives regarding Covid-19 loans from the Guarantee Fund for Small and Medium-Sized Entrepreneurs (FOGAPE, for its Spanish acronym). Said instructions will be in force starting today and until October 31, 2021.

This Circular Letter covers the following topics:

- Exceptional measures for the treatment of provisions for loans in installments of the commercial portfolio.
- Classification of debtors and calculation of arrears.
- Establishment of procedures for controlling and checking debtor eligibility.
- Destinations of funding.
- Regular submissions of information to the CMF.

For loans granted under the FOGAPE Covid-19 program, the provisions of the debtor's rescheduled installment loans which meet the established conditions may remain unchanged during the grace or rescheduling period granted by the financial institution. The maximum period is six months. This measure facilitates the conditions for providing financing and, at the same time, safeguards the prudential aspects of credit risk that must be complied with by all financial institutions participating in the FOGAPE Covid-19 credit lines.

The document also details the information that the institutions must submit to the Financial Market Commission to adequately monitor the evolution of loan granting, rates registration, and the main features of these operations.

Likewise, the CMF will require procedures for verification of loan granting requirements and commitments related to the use of these resources. This is pursuant to the Law and Regulations of the FOGAPE Covid-19 program and shall be made available to the Commission.

The text of Circular Letter No. 2,253 is available on the [CMF website](#).

Area of Communications, Education, and Image – Financial Market Commission (CMF)

Contact: prensa@cmfchile.cl | [Press Room](#)

[@CMFChile](#)

[@CMF_Educa](#)

[@CMF_HEsenciales](#)

[CMF on LinkedIn](#)