



COVID-19 support measures currently available by the Hungarian public sector

Information current as of: 03.04.2020

Measure	Hungarian National Bank (HNB) and Monetary policies for tackling COVID-19 epidemic
Type of support	<p>The MNB introduced extraordinary measures in order to enhance liquidity of Hungarian banks:</p> <ul style="list-style-type: none"> (i) The HNB provides repo financings with a term of 3, 6, 12 months or 3 or 5 years with fixed interest rate and with unlimited maximum amount (<i>keretösszeg</i>). The HNB accepts financing provided to large enterprises as collateral. The first tender for such financing was held on 25 March; (ii) Banks are exempted from their minimum reserve payment obligations (<i>kötelezőtartalék-teljesítés</i>) by suspending the penalty for under-provisioning (<i>alultartalékolás</i>). The measure is applicable with immediate effect. (iii) HNB allowing investment funds (<i>befektetési alapok</i>) to have access to HNB's long-term credit facilities with a term of 3, 6 or 12 months. (iv) Announcement of a 1-week term deposit tender to improve the efficiency of the banking system's liquidity management and support the reduction of banks' overnight deposits (v) Lift of the capital buffers applicable to systematically important credit institutions as of July 1, 2020.
Eligibility for application	<ul style="list-style-type: none"> (i) Central bank counterparties (ii) Banks having a license in Hungary and Hungarian branch offices (iii) Hungarian open-ended public investment funds (iv) Central bank counterparties (<i>jegybanki monetáris politikai partnerkör</i>) (v) Hungarian systematically important credit institutions (<i>hazai rendszerszinten jelentős hitelintézetek</i>)
Individual amount	<ul style="list-style-type: none"> (i) N/A (ii) N/A (iii) N/A (iv) N/A (v) N/A
Duration	<p>During the COVID-19 crisis</p>

Submission of application	<ul style="list-style-type: none"> (i) Banks may apply on tenders held by the HNB (ii) N/A (iii) Investment funds may apply through a partner credit institution or on tenders regularly held by the HNB (iv) Banks may apply on tenders held by the HNB every Thursday (v) N/A
Link	<p>https://www.mnb.hu/en/pressroom/press-releases/press-releases-2020/unlimited-amount-of-long-term-liquidity-available-at-fixed-interest-rates</p> <p>https://www.mnb.hu/en/pressroom/press-releases/press-releases-2020/the-total-value-of-available-eligible-assets-for-the-banking-system-rose-to-9600-billion-forint</p> <p>https://www.mnb.hu/sajtoszoba/sajtokozlomenyek/2020-evi-sajtokozlomenyek/a-magyar-nemzeti-bank-rendszeres-alapkamat-melletti-egyhetes-beteti-tendert-hirdet (only available in Hungarian)</p> <p>https://www.mnb.hu/sajtoszoba/sajtokozlomenyek/2020-evi-sajtokozlomenyek/az-mnb-a-rendszer-szinten-jelentos-bankok-tokepuffereinek-feloldasaval-tamogatja-a-bankrendszer-hitelezesi-aktivitasat (only available in Hungarian)</p>

The above information does not demonstrate the applicable legal framework in a conclusive manner. Also, some of the addressed topics might be subject to short-term changes and the above information reflects the legal status as of 03 April 2020. We therefore invite you to visit [our coronavirus info corner](#) to get more info!