

To association representatives

ASO Taro,
Deputy Prime Minister, Minister of Finance and Minister of State for Financial Services
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Cash Flow Support for Companies in Consideration of the Spread and Prolongation of the Impact
of COVID-19 (Novel Coronavirus) Outbreak (Request)

Under the second supplementary budget bill, which was approved at the Cabinet meeting on May 27 and was submitted to the Diet on June 8, the central government is to take further measures from the perspective of facilitating cash flow support for companies, including raising of the upper limit for effectively interest-free and unsecured loans via government and private financial institutions and provision of funds recognizable as capital such as subordinated loans recognizable as capital.

We have issued requests repeatedly so that companies' cash management would not be seriously hindered due to the spread of the impact of COVID-19 infection, and we request continued cooperation for the following matters in consideration of further spread and prolongation of the impact. Please take required measures appropriately and promptly and properly inform your head offices, branches and agents.

1. Companies to which you have already provided loans may make consultations on new loans due to the prolonged impact of COVID-19 infection. Please deal with such consultations with respect based on the supplementary budget, which expanded countermeasures against the pandemic.
2. Endeavor to offer support promptly and positively depending on the circumstances of respective companies, including loans for funds that become necessary until the payment of various benefits such as subsidies for sustaining businesses, rent assistance subsidy, and employment adjustment subsidy.
3. As we have repeatedly requested, government financial institutions, in particular, are requested to give maximum consideration in loan screening depending on the circumstances of respective companies, instead of making judgments formalistically based only on such data as whether they have deficits or excessive debts or their loan terms have already been modified.