

THE MAXIMUM RATIO OF SHORT-TERM CAPITAL SOURCES BY THE END OF SEPTEMBER 30, 2021 OF FOREIGN BANK IS 40%



The State Bank of Vietnam promulgates the Circular No. 08/2020/TT-NHNN on amending and supplementing a number of articles of the Circular No. 22/2019/TT-NHNN dated November 15, 2019 by the Governor of the State Bank of Vietnam on prescribing limits and prudential ratios in operations of banks and foreign bank branches on August 14, 2020.

In accordance with this Circular, banks and foreign bank branches shall comply with the maximum ratio of short-term capital sources for provision of medium- and long-term loans according to the schedules below: From January 01, 2020 to the end of September 30, 2021: **40%**; From October 01, 2021 to the end of September 30, 2022: **37%**; From October 01, 2022 to the end of September 30, 2023: **34%**; From October 01, 2023: **30%**.

Besides, Chief of Office, Chief Inspector of the Banking Supervision Agency, Heads of units under the State Bank of Vietnam, Directors of State Bank branches in provinces and centrally-run cities, Directors of banks and foreign bank branches shall be responsible for the implementation of this Circular.

This Circular takes effect on October 01, 2020.