addition to payment moratoriums, waiver of penalties and other fees and additional low-interest facilities, the bank has also "proactively implemented loans restructuring… to recalibrate and adjust the payment schedules and terms of outstanding loans of enterprises given the new realities of their operations."

"Conditions that are now the 'new normal' of their business transactions are considered in either extending loan tenors, repricing loans, extending grace periods, and other payment schemes that allow the bank to capture cash flow for repayment without impairing the businesses' capacity to operate sustainably," Mr. Herbosa said.

For its part, BDO Unibank, Inc. said it has proactively engaged with its borrower clients to help them weather the challenges brought by the health and economic crisis.

"We ensured continued access to credit facilities for clients with resilient and sustainable business models amid the pandemic, as well as granted loan moratoria to qualified customers in compliance with Bayanihan Acts I and II," BDO said.

BDO added it offered loan restructuring packages for its clients in the hard-hit travel, tourism, retail, and transportation sectors to tailor fit cash flow capabilities that are specific to their needs.

Thrift bank Bank of Makati, Inc. (BMI) also provided loan restructuring, as well as payment arrangements and the waiving of penalties among their qualified clients.

BMI said it would be favorable for bank if the BSP retains some of its relief measures such as the use of qualified MSME loans for compliance with reserve requirements, the lower risk weight for qualified MSME loans for the purposes of CAR (capital adequacy ratio) computation.

DBP's Mr. Herbosa shared a similar assessment, noting that the measures that reduced credit risk weights of loans to MSMEs, the staggered booking of allowance for credit losses, and the counting of MSME loans as compliance to the RRR "greatly enhanced" DBP's ability to continue lending to those that were most adversely affected by COVID-19.

"Without such relief measures, the bank's capital ratios would not have been able to carry the additional risks of continuous on-lending to distressed industries," Mr. Herbosa said.

Nevertheless, Mr. Herbosa said the prevailing economic conditions has compressed the state lender's margins this year.

"The low interest rate environment resulting in a lack of high-yielding investment instruments, as well as the bank's mandate to lend to distressed sectors at below market rates, have limited its capacity to generate profits. Additionally, due to a number of loans falling past due this year, the provisioning requirements for non-performing loans have further reduced its bottom line. Its thinning margins has caused the Bank to prioritize and carefully consider its interventions and assistance, recognizing its own institutional challenges," Mr. Herbosa said.

"[A]s a licensed universal bank, DBP also maintains the same minimum capital and other regulatory ratios expected from