

End of Active Ratio Calculations

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As a further step towards normalization and reversing restrictions imposed following the onset of the COVID-19 pandemic, on 24 November 2020, the Turkish Banking Regulatory and Supervision Agency ("[BRSA](#)") decided to abolish the requirement for banks to calculate an active ratio.

In April 2020, in an attempt to increase the liquidity in the market as part of its measure to control the economic effects of the COVID-19 pandemic, the BRSA introduced a requirement for banks to calculate an active ratio, where their level of lending was measured against their deposits. Having come into effect on 1 May 2020, this decision was perceived as (among other measures) a push by the regulator on private banks to increase their lending.

Subsequently, as part of its normalization procedures, the BRSA gradually relaxed the active ratio requirements. The BRSA announced on 24 November 2020 (with its decision numbered 9271) that, effective as of 31 December 2020, the previously introduced requirements shall be abolished in full.

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