

Corona Information Hub

Emerging From the Crisis With Confidence and Full Power¹

Economic Stimulus Package

The economic stimulus package with comprehensive measures totaling around [130 billion euros](#) is providing strong impetus to help Germany emerge quickly from the crisis.

On 29 June 2020, the Bundestag and Bundesrat passed the Corona Tax Assistance Act, thereby finalizing the first central elements of the Federal Government's economic stimulus package. From July 1 to December 31, 2020, the value-added tax will thus be reduced from 19 to 16 percent and the reduced rate from 7 to 5 percent. Families will receive a child bonus of 300 euros per child. The law also provides for numerous tax reliefs for all companies and short-term aid for small and medium-sized enterprises.²

These measures form part of an unprecedented, comprehensive stimulus package agreed between Germany's governing parties. The package is worth a total of €130 billion and is designed to ensure that Germany emerges from the crisis with full strength. Its central aims are to give a major boost to the economy and to enhance Germany's ability to master the challenges of the future. The federal cabinet has prepared a second supplementary budget containing the necessary financing to ensure that the stimulus package is implemented swiftly and decisively.³

The economic stimulus package top priorities:

1. Strengthen Demand, Safeguard and Specifically Stabilize Employment

The following measures in particular will be taken:

- The VAT is reduced for a limited period from 1.7.2020 to 31.12.2020. The regular tax rate fell from 19 % to 16 %, the reduced tax rate from 7 % to 5 %. This strengthens purchasing power and benefits in particular citizens with lower incomes who spend a larger proportion of their income. These and other measures are implemented in the [Second Corona Tax Assistance Act](#).
- Families will receive a one-off child bonus of 300 euros per child. The child benefit will be increased accordingly. These payments will give a targeted stimulus to aggregate demand precisely in those areas where it is most needed. The bonus will not be offset against basic income support for jobseekers. However, in the case of households with higher incomes, the bonus will be offset against the tax allowance for children.
- In order to stabilize the incomes of single parents, the amount of relief in income tax will be more than doubled to EUR 4,000 for the years 2020 and 2021.

¹Overview Aid Measures in German: <https://bit.ly/331Qdlf> (Federal Ministry of Finance)

²<https://www.gtai.de/gtai-en/meta/press/germany-announces-2billion-startup-booster-to-combat-coronavirus-236004>

³<https://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Schlaglichter/Konjunkturpaket/2020-06-03-konjunkturpaket-beschlossen.html>

- The government will also guarantee that social security contributions will not exceed 40% until the end of 2021. Costs that exceed this 40% cap will be covered by the federal budget. This will bolster the net incomes of employees while simultaneously providing a reliable framework for employers.
- Easy access to basic security without an assets audit will be extended until the end of 2020.
- A protective shield for trainees ensures that school leavers can start their training and trainees can properly complete their current training. This includes a training bonus for small and medium-sized enterprises.
- An aid program for the cultural sector supports cultural projects and the cultural infrastructure in Germany.
- In order to support the federal states in their measures to stabilize non-profit organizations, the federal government is launching a special loan program via the state-owned bank for domestic and foreign economic development for 2020 and 2021.

A [comprehensive support program](#) is being set up to provide targeted assistance to small and medium-sized enterprises that have been hit particularly hard by the corona crisis:

- A short-term aid program enables support measures for small and medium-sized enterprises that are experiencing high turnover losses due to corona. It applies across all sectors, but also takes into account the specific situation of particularly affected industries. This applies, for example, to event logistics companies, showmen, clubs or travel agencies and many other companies affected by ongoing closures. A total of 25 billion euros is available for this purpose.
- The program provides eligible companies with a subsidy towards fixed operating costs for the months June to August 2020. The prerequisite for this is an average drop in sales of at least 60 % in the months of April and May 2020 compared to the same period of the previous year. Depending on the extent of the decline in sales in the months June to August, up to 80 % of the fixed costs will be covered. The maximum subsidy amount is 150,000 euros for larger companies and 9,000 and 15,000 euros respectively for micro-enterprises and solo self-employed persons of up to five or ten employees.
- Enterprises of all sizes can continue to apply for liquidity support under the state-owned bank for domestic and foreign economic development's [Special Program 2020](#). More information on this is also available at corona.kfw.de.⁴

2. Encourage Investment by Businesses and Local Authorities

Cities and local governments must be financially capable of acting in order to make the necessary investments in the future and enable good living conditions on the ground. To this end, the following measures in particular will be taken:

⁴<https://www.gtai.de/gtai-en/meta/press/germany-coronavirus-relief-program-coronavirus-232020>

- In the future, the federal and local governments will cover up to 75% (up from the current cap of 50%) of the housing costs that local authorities pay for benefit claimants. This increase is permanent.
- Revenue shortfalls for trade tax (Gewerbesteuer), which are expected to total roughly EUR 12 billion in 2020, will be covered 50-50 by the federal and local governments (trade tax is the most important direct source of revenue for local authorities).
- The federal and local governments will provide financial support for local public transport. To this end, a one-off extra government subsidy of EUR 2.5 billion for public transport will be provided in 2020.
- Starting on 1 January 2021, the federal government will increase its share of the costs for supplementary pension schemes of the GDR from 40% to 50%

To support companies in their economic recovery and provide investment incentives, the economic stimulus package includes the following measures:

- For the fiscal years 2020 and 2021, companies will receive temporarily improved depreciation options for movable assets such as machinery. This so-called declining balance depreciation provides investment incentives.
- The possibility of offsetting losses against profits from the previous year for tax purposes is being extended. The tax loss carryback will be extended to a maximum of 5 million euros (or 10 million euros in the case of joint assessment) for 2020 and 2021. In addition, the possibility will be created to make the carryback usable already in the tax return for 2019.
- The due date for import turnover tax will be postponed to the 26th of the following month. This provides companies with additional liquidity.
- Corporate income tax law is being modernized and now allows, among other things, partnerships the option to be taxed as corporations. This improves the competitive conditions for companies.

3. Investing in the Modernization of the Country

A comprehensive package for the future with a volume of 50 billion euros is intended to ensure that the country's modernization is actively pursued and that Germany emerges from the crisis stronger. This includes numerous measures in various future fields.⁵

In order to promote sustainable mobility, the future package includes numerous measures for the mobility turnaround. It aims to accompany the structural change in the automotive industry and to contribute to the establishment of sustainable value chains. [More information.](#)

- The government will invest an additional EUR 2.5 billion in the expansion of state-of-the-art, safe charging infrastructure and in R&D funding for electric mobility and battery cell production.⁶

⁵<https://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Public-Finances/Articles/2020-06-04-fiscal-package.html>

⁶<https://www.bmwi.de/Redaktion/EN/Dossier/electric-mobility.html>

- Additional 2.5 billion euros will be invested in the expansion of modern and safe charging point infrastructure and the promotion of research and development in the field of electro mobility and battery cell production.
- Future investments by manufacturers and suppliers in the automotive industry will be funded with 1 billion euro in the years 2020 and 2021 through a bonus program.
- From 2021, vehicle tax will be more closely aligned to CO2 emissions, making clean cars cheaper to tax than high-emission models.⁷
- Temporary fleet exchange programs are intended to promote electric mobility. This includes vehicles for social services in urban traffic and electric vehicles for craftsmen and small and medium-sized enterprises.
- The German government is investing in a bus and truck fleet modernization program to promote alternative drive systems. Funding for e-buses and their charging infrastructure will be temporarily increased until the end of 2021.
- To promote the use of cleaner heavy goods vehicles, the federal government is calling for an EU-wide HGV replacement programme that will provide grants for the replacement of older, higher-emission vehicles (i.e. compliance with Euro 3 to Euro 5 emissions standards) with new vehicles that comply with Euro VI standards.⁸
- The federal government will provide the railway company Deutsche Bahn with EUR 5 billion in additional equity. This means that, despite the revenue losses caused by the Covid-19 pandemic, Deutsche Bahn will be able to make key investments in the modernisation, expansion and electrification of rail networks and the overall railway system.

The energy transition and compliance with climate targets are two of the greatest challenges facing society in coming decades. Planned measures in this area include⁹:

- The federal government is entering into the promotion of hydrogen technology with an ambitious investment package. This will also lay the foundation for new export technologies and pave the way for greenhouse gas neutrality in heavy goods transport in industry.
- The federal government will provide a subsidy to reduce the EEG levy, so that it will be 6.5 ct/kWh in 2021 and 6.0 ct/kWh in 2022.
- The cap on the expansion of photovoltaics will be abolished and the expansion target for offshore wind energy will be raised.
- The CO2 building refurbishment program will be increased by 1 billion euros to 2.5 billion euros for 2020 and 2021.

⁷ https://www.bmwi.de/Redaktion/DE/Downloads/G/germany-2020-energy-policy-review.pdf?__blob=publicationFile&v=4

⁸ <https://www.bmwi.de/Redaktion/EN/Artikel/Industry/regulatory-environment-and-incentives-for-using-electric-vehicles.html>

⁹ <https://www.bundesregierung.de/breg-en/issues/climate-action/klimaschutzziele-finanzieren-1694724>

The program for the future will also strengthen investments in the field of digitalization in business and administration:

- The planned investments in artificial intelligence (AI) by 2025 will be increased from EUR 3 billion to EUR 5 billion. This will support a competitive European AI network.
- The Federal Government will provide the necessary funds for the construction of at least two quantum computers by suitable consortia.
- 5 billion is to be provided to the new mobile infrastructure company to build a nationwide 5G network by 2025.
- In order to play a leading role as a technology provider in future communication technologies such as 6G, the Federal Government is investing in the testing of new network technologies.
- The digitalization of administration is being promoted, among other things so that administrative services can be made available online.

Strengthening sustainability also includes measures to improve protection against pandemics:

- The Federal Government is striving for a "Pact for the Public Health Service". Within this framework, the public health offices will be supported in the technical and digital upgrading and equipping of equipment and will be strengthened in their ability to recruit personnel.
- The Federal Government is setting up a "Hospitals of the Future Program", which promotes necessary investments by hospitals.
- The Federal Government supports the CEPI initiative and German corona vaccine development. The aim is to ensure that an effective and safe vaccine is available promptly and can also be produced in Germany.
- Another focus of the economic stimulus package with great importance for the future of Germany is the promotion of education and research:

The investment program for the expansion of all-day schools and all-day childcare will be accelerated. Countries that call on funds for investments in 2020/2021 will receive the corresponding amount additionally in the later years of the period.¹⁰

- In order to promote the expansion of capacity in the area of kindergartens, daycare centers and crèches, as well as extensions, conversions and new buildings, an additional one billion euros will be made available for expansion measures to be carried out in 2020 and 2021.
- The fiscal research allowance will be improved. The subsidy will be granted retroactively from the beginning of 2020 and limited until the end of 2025 on an assessment basis of up to 4 million euros per company.

¹⁰ <https://www.deutschland.de/en/news/german-federal-government-informs-about-the-corona-crisis>

- In application-oriented research, the co-financing obligations for companies that are particularly affected by the corona crisis will be reduced.

Funding Opportunities for Companies in the Corona Crisis

1. Temporary Framework of the EU Commission¹¹

Who Can Receive the Aid?

- Eligible to apply are companies that were not in difficulty on 31 December 2019. This exclusion does not apply to small and micro enterprises**, as long as these enterprises are not subject to insolvency proceedings and have not received rescue or restructuring aid.
- Credit and financial institutions are largely excluded.

What Does the Aid Consist Of?

The Temporary Framework adopted by the Commission allows:

- Recapitalization aid to companies in the form of equity and/or hybrid capital instruments such as profit participation certificates or silent partnerships. The aid may only be granted if, without the recapitalization, the company ceases trading or would encounter serious difficulties in maintaining its business. The aid must be in the common interest, for example to avoid social hardship or the exit of a systemically important company. It must be limited to the amount necessary to ensure the viability of the company and should only restore the capital structure as at 31 December 2019.¹²
- In the case of recapitalizations amounting to more than 25% of equity, it is generally necessary to develop an exit strategy. If after 6 years (7 years for SMEs and unlisted companies) the state participation has not fallen below 15%, a restructuring plan must be proposed to the Commission.
- The company may not use the aid to support the economic activities of integrated companies that were already in economic difficulties on 31 December 2019. Until at least 75% of the recapitalization has been repaid, companies that are not SMEs are in principle prohibited from acquiring more than 10% of the shares in competitors or other companies in the same business sector, including upstream and downstream activities.¹³
- Recapitalizations exceeding the EUR 250 million thresholds must be notified individually, even in the case of an aid scheme.

¹¹https://ec.europa.eu/commission/presscorner/detail/en/ip_20_838

¹²<https://www.squirepattonboggs.com/-/media/files/insights/publications/2020/04/updated-covid19-summary-of-government-financial-support-across-europe-and-the-middle-east/covid19-summary-of-government-financial-support.pdf>

¹³<https://www.noerr.com/-/media/news/2020/coronavirus/covid-19-government-support-measures.pdf?la=de>

- Direct subsidies, tax concessions, guarantees (up to full coverage), loans (including interest-free), etc., provided that the total value of these measures per undertaking does not exceed EUR 800 000. The aid must be granted under an aid scheme
- Guarantees (duration max. 6 years, coverage max. 90% loan amount) for bank loans with certain guarantee premiums. Alternatively, Member States may notify aid schemes with variations in terms of duration, guarantee premiums and guarantee coverage, whereby lower guarantee coverage could compensate for a longer duration or allow lower guarantee premiums.
- Subsidized loans (maximum duration of 6 years) with an interest rate based on 1 year IBOR (as of 1 January 2020 or the date of notification) plus certain risk premiums. Alternatively, Member States may notify aid schemes which differ in terms of the duration of the loan and the level of risk premiums, e.g. a flat-rate risk premium for the entire duration of the loan is possible under certain conditions.
- Subordinated debt (maximum maturity of 6 years), which is subordinated to ordinary preferential creditors in the event of insolvency proceedings, with an interest rate based on 1-year IBOR (as at 1 January 2020) plus specific risk premiums. Alternatively, Member States may notify schemes that modulate the maturity of subordinated debt and the level of risk margins.¹⁴
- Short-term export credit insurance: The Commission considers that the Corona crisis has led to a general lack of sufficient private insurance capacity for short-term export credits. Therefore, state-supported export credit insurance is now available for exports to more countries than before. This aid can also be granted to companies that were already a company in difficulties on 31 December 2019.
- Direct grants, repayable advances or tax concessions for COVID-19-relevant research and development. The aid intensity for each beneficiary may cover 100% of eligible costs for fundamental research and may not exceed 80% of eligible costs for industrial research and experimental development. The aid intensity for industrial research and experimental development may be increased to 95%, for example in the case of cross-border cooperation.
- Direct grants, repayable advances or tax concessions for the establishment or expansion of testing and upscaling infrastructures required for COVID-19-relevant products. The aid intensity can be up to 75% of the eligible costs and can be increased to 90% under certain conditions.
- Direct grants, repayable advances or tax concessions for the production of COVID-19-relevant products. The aid intensity can be up to 80% of the eligible costs and can be increased to 95% under certain conditions.
- Deferral of taxes or social security contributions for companies (including the self-employed) particularly affected by the COVID-19 outbreak, e.g. in certain sectors, regions or of a certain size. The aid must be granted under an aid scheme. This aid may also be granted to enterprises that were already a company in difficulties on 31 December 2019.

¹⁴ <https://www.competitionpolicyinternational.com/state-aid-covid-19-temporary-framework/>

- Wage subsidies for employees to avoid redundancies during the COVID-19 outbreak or to the wage equivalent income of self-employed persons for whom national measures to cope with the COVID-19 outbreak have led to a reduction of their business activities. Aid to enterprises can only be granted through an aid scheme targeted at enterprises active in a specific sector of activity or region, or of a certain size, which are particularly affected by COVID-19. This aid may also be granted to enterprises that were already a company in difficulties on 31 December 2019.¹⁵
- Not all these aids can be combined.

From Whom Can Companies Receive the Aid?

Aid may be granted by any public body.

Is Notification to the EU Commission Necessary?

Germany must notify the Commission of any aid it intends to grant on this basis. Germany has already notified several programs to the Commission, which were all approved within a few days. If aid is granted on the basis of these approved programs, no further notification to the EU Commission is necessary. This does not apply to recapitalization measures of more than EUR 250 million, which must be notified individually, even if they are granted on the basis of an approved aid scheme.

2. Economic Stabilization Fund for Germany¹⁶

Who Can Receive the Aid?

Companies in the real economy are eligible to apply

- Exceed two of the following three characteristics: (i) a balance sheet total of EUR 43 million, (ii) a turnover of EUR 50 million, and (iii) more than 249 employees on an annual average.
- Exceptions are possible in sectors with importance for Germany's security (e.g. critical infrastructure and the software required for it, cloud computing services, producers of pharmaceuticals and medical devices).

What Does the Aid Consist Of?

¹⁵https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response/jobs-and-economy-during-coronavirus-pandemic/state-aid-cases_en

¹⁶<https://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Priority-Issues/Corona/2020-04-01-immediate-assistance-programme-economic-stabilisation-fund.html>

The WSF offers two combinable stabilization instruments:

- Guarantees of the Federal Government to secure loans, including credit lines, and capital market products in the debt capital area.
- Recapitalizations to strengthen equity capital.

Standardized conditions and products apply to guarantees and recapitalizations up to EUR 100 million. The first product is "Guarantee for bank loans": For volumes in excess of EUR 100 million, individual solutions are developed within the framework of the WSF regulations.

More detailed information on the concrete implementation of the WSF is expected to be provided by the implementing regulation for the Economic Stabilization Fund Act.

From Whom Can Companies Receive the Aid?

Applications must be submitted to the Federal Ministry of Economics and Energy (BMWi).

The state-owned bank for domestic and foreign economic development (KfW) decides on guarantees of up to EUR 100 million.

The BMWi and the Federal Ministry of Finance (BMF) decide on guarantees of EUR 100 to 500 million and recapitalizations of up to EUR 200 million by mutual agreement.

The interministerial WSF committee decides on guarantees of EUR 500 million and recapitalizations of EUR 200 million and more.

Is a Registration With the EU Commission Necessary?

No. An exception applies to recapitalization measures exceeding the threshold value of EUR 250 billion. These must be notified individually.

3. KfW Quick Loan 2020

Who Can Receive the Aid?

Eligible for application are medium-sized enterprises¹⁷ which have made a profit in 2019 or on average over the last three years (or since they entered the market, if shorter); and were not in difficulty on 31 December 2019, and have more than 10 employees available, and have been active on the market at least since 1 January 2019, and have an orderly economic situation.¹⁸

What Is the Nature of the Aid?

¹⁷https://www.bmwi.de/Redaktion/EN/Downloads/P/package-of-measures-to-combat-the-impact-of-coronavirus-on-companies.pdf?__blob=publicationFile&v=10

¹⁸<https://www.pwc.de/de/startups/financial-support-during-the-covid-19-crisis.pdf>

New loan program. The bank receives a 100% indemnity from the bank for domestic and foreign economic development, secured by a guarantee from the federal government. [More information.](#)

From Whom Can Companies Receive the Aid?

The KfW loans must be applied for through the company's bank. Further information on KfW's services can be found at the bank for domestic and foreign economic development.

Is Notification to the EU Commission Necessary?

No. The scheme has been approved by the EU Commission.

4. Bridging Aid¹⁹

Who Can Receive the Aid?

Eligible for application are solo self-employed persons and companies and organizations that do not qualify for the WSF and whose turnover in the months of April and May 2020 combined is reduced by at least 60% in comparison to April and May 2019. For companies founded after April 2019, the months of November and December 2019 should be used for comparison.

Applicants must not have been in difficulty on 31 December 2019.

Applications may also be submitted by non-profit enterprises and organizations that are economically active on the market on a permanent basis (e.g. youth training centers, inter-company vocational training centers, family holiday centers). In the case of these companies and organizations, the application is based on income (including donations and membership fees) rather than on turnover. Public enterprises are excluded from funding with a few exceptions.

There are special rules for companies from particularly affected sectors.

What Does the Aid Consist Of?

The short-term aid program is granted for the months June to August.

The short-term aid is granted for the months June to August 2020. Eligible are ongoing fixed costs which are either contractually based or fixed by the authorities and cannot be changed unilaterally. A share of the fixed costs is reimbursed depending on the slump in sales in the month of promotion compared to the same month of the previous year. [More information.](#)

¹⁹ <https://www.thelocal.de/20200714/explained-what-you-need-to-know-about-germanys-new-coronavirus-aid-for-small-and-medium-businesses>

From Whom Can Companies Receive the Aid?

The aid is applied for and paid out by the relevant authorities of the local governments. Applications must be submitted by 31 August 2020 at the latest.

The digital application procedure is carried out exclusively by a tax consultant, auditor or sworn auditor appointed by the applicant. In the course of the application process, these auditors check the claimed sales slumps and fixed costs and transmit the necessary data and proofs directly to the respective state authority via an interface.

Is a Registration With the EU Commission Necessary?

No. The program is based on a scheme approved by the EU Commission.

5. Federal Rules on Aid for Research, Development and Investment²⁰

Who Can Receive the Aid?

The scheme is open to all companies that are able to conduct COVID-19 related research, provide relevant testing and upscaling infrastructure or manufacture COVID-19 related products, regardless of the sector in which they operate.

Aid may only be granted to companies that were not in difficulty before 1 January 2020.

What Does the Aid Consist Of?

The aid may be granted in the form of direct grants, repayable advances and tax benefits.
[More information.](#)

From Whom Can Companies Receive the Aid?

The aid can be granted by all public bodies at federal and state level as well as at municipal level.

Is Notification to the EU Commission Necessary?

No. The scheme has been approved by the EU Commission.

6. Rescue and Restructuring Aid²¹

Who Can Receive the Aid?

²⁰<https://www.bmwi.de/Redaktion/EN/Dossier/investment-strategy.html>

²¹<https://www.cms-lawnow.com/ealerts/2020/04/state-aid-available-to-businesses-in-germany-during--the-coronavirus-crisis>

Eligible are companies in difficulty or (to a limited extent) companies with acute liquidity needs due to exceptional circumstances (e.g. the Corona crisis).

This is interesting, for example, for companies that were already in difficulty before 31 December 2019 (and therefore do not qualify for the other schemes).

What Does the Aid Consist Of?

Short-term rescue aid in the form of a loan or loan guarantee and longer-term restructuring aid (which is in principle free in its form) are possible.

In the case of companies in difficulties, a restructuring plan must be submitted within 6 months, including the reduction of certain activities. This does not apply if the loan has been repaid/the guarantee has expired by then.

From Whom Can Companies Receive the Aid?

Aid may be granted by any public authority.

Is Notification to the EU Commission Necessary?

Germany must notify aid to the Commission on this basis.

7. Aid to Compensate for Damage Caused by Exceptional Occurrences²²

Who Can Receive the Aid?

All companies that meet the necessary criteria.

What Does the Aid Consist Of?

Aid may be granted to compensate for damage directly caused by the COVID-19 outbreak (e.g. quarantine measures which prevented the company from carrying out its economic activities). Aid which is more generally designed to cope with the economic downturn resulting from the COVID-19 outbreak must be justified on another basis. The Commission considers that sectors which have been particularly badly affected, such as transport, tourism, culture, hotels and restaurants and retail trade and/or organizers of cancelled events are particularly suitable for compensating for damage.

From Whom Can Companies Receive the Aid?

Any public body can be the provider of aid.

Is Notification to the EU Commission Necessary?

²²https://ec.europa.eu/commission/presscorner/detail/en/ip_20_752

Germany must notify aid to the Commission on this basis. The German government is currently planning a corresponding scheme for airports. While other countries have already introduced such programs, the Federal Government is not planning to do so at present. With regard to the transport sector, the Commission has already announced that it will carry out an in-depth investigation (e.g. decline in turnover, cost savings, comparison with reference period).

8. Support Measures Implemented by the EU

EIB Pan-European Guarantee Fund (EGF)²³

Who Can Receive the Aid?

The EGF is designed to support businesses in EU countries which are currently in difficulty but are sound in the long term and which, in the absence of the COVID-19 pandemic, would meet the credit requirements of banks and other financial intermediaries. The EGF operates with a specific allocation key:

What Does the Aid Consist Of?

The EGF provides guarantees to the EIB and its subsidiary, the European Investment Fund (EIF), to cover possible losses on the operations covered. The guarantees will enable the EIB Group to make its existing products more widely available to local banks and other financial intermediaries and to secure parts of their portfolios. The capital released will enable the intermediaries to resume new lending operations. Information on other EIB programs in the COVID 19 crisis [here](#).

From Whom Can Companies Receive the Aid?

Most of the financing is provided through financial intermediaries in all EU countries, i.e. either commercial banks or national development institutions (such as the KfW or the development banks of the German local governments). As soon as the funds are available, companies can submit applications to the banks and intermediaries involved. This means that there is usually no direct EIB lending to companies, not even under the EGF. The list will be available on www.eib.org.

Is Registration With the EU Commission Necessary?

No.

²³ <https://www.eib.org/de/press/all/2020-126-eib-board-approves-eur-25-billion-pan-european-guarantee-fund-to-respond-to-covid-19-crisis>

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