

RESPONSE TO THE COVID-19 PANDEMIC



European Guarantee Fund mobilises **€93.9 billion** to finance pandemic recovery for small companies

Since the start of the pandemic, the EIB Group has mobilised all possible resources to counter both the economic fallout of the COVID-19 outbreak, as well as the disease itself.

FACTS AND FIGURES

- €28 billion mobilised in an initial response package in March 2020.
- €365 million in investments for research and development against COVID-19. Part of a €6 billion pipeline of health sector projects.
- €6.5 billion committed outside Europe, of which €600 million for the **COVAX** initiative.
- €24.4 billion **European Guarantee Fund** (EGF) resources to support SMEs, mid-caps and the public sector in 2021.
- To date, €11.7 billion in EGF funding have been approved, expected to mobilise €93.9 billion in total financing.

The European Guarantee Fund, set up by the EIB Group to help small and medium-sized enterprises recover from the economic impact of the COVID-19 pandemic, has reached €11.7 billion in approved investments, nearly half its target size, in less than 6 months. These investments will mobilise €93.9 billion in total financing, putting the European Guarantee Fund on track to hit its target to mobilise up to €200 billion of investment.

- Since December 2020, the EIB Group has signed €2.1 billion in European Guarantee Fund deals. The Group expects to reach around €5.8 billion by early summer.
- The European Investment Fund, the EIB Group's small business specialist subsidiary, signed the biggest deal so far with the Portuguese Banco Comercial Portugues. A guarantee agreement will support a new lending portfolio exceeding €1.6 billion.
- Nordea, one of the largest financial services groups in the Nordic and Baltic Sea region, signed a guarantee agreement to support a loan portfolio of up to €1 billion, backing 1 100 small and medium-sized enterprises in Denmark, Finland and Sweden.

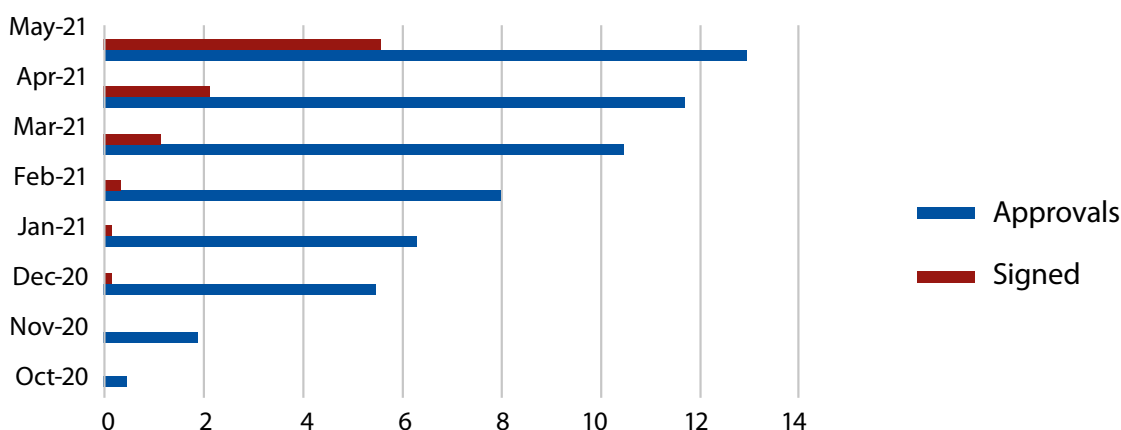
FUNDING WHERE IT MATTERS

The European Guarantee Fund has approved deals in all the 22 countries participating in the fund. Many of these operations have already been signed. Highlights include deals with Finnvera, Raiffeisen and Banca March. The fund is on track to mobilise up to 8 times its initial size, as planned when it was set up in last year.

The EGF is part of the **€540 billion EU recovery package** agreed in 2020 by European leaders. Besides EGF, the recovery package includes SURE, a €100 billion fund to support temporary work schemes and other measures against unemployment caused by the pandemic, and €240 billion in financing through the European Stability Mechanism.

EGF approvals and signatures in €bn

Figures for May are projected



OTHER NOTABLE DEALS

1. **Caixa Geral de Depositos**, the largest financial institution in Portugal. An uncapped guarantee that will benefit 4 300 Portuguese companies.
2. **ALMI**, the Swedish national promotional institution ALMI, will launch a new green loan product backed by the European Guarantee Fund to benefit 3 000 small businesses.
3. **Erste Banka Croatia** uses guarantees from the European Investment Fund, to create a credit line that will support more than 300 Croatian companies.
3. **Credito Emiliano** signed a guarantee agreement with the EIF to support small and medium-sized businesses and small mid-caps in Italy, mobilising over €1.1 billion in investments.
3. **PayRay**, a Lithuanian financial intermediary, received a guarantee to support up to €50 million in new lending to local SMEs.

THE BIGGER PICTURE

Besides EGF, the EIB Group's COVID-19 response includes several initiatives worth tens of billions in funding. The Group has backed research and development for COVID-19 vaccines, testing and treatment. We financed **BioNTech**, the company that has developed one of the most successful COVID-19 mRNA vaccines to date. Also, to ensure vaccine availability in the poorest countries, the EIB has committed €600 million to the COVAX initiative. Because no one will be safe from COVID-19, until we all are.

BACKGROUND INFORMATION



The **European Investment Bank** (EIB) is the long-term lending institution of the European Union owned by its Member States. We make long-term finance available for sound investments that contribute to EU policy goals.

The **European Investment Fund** (EIF) is part of the European Investment Bank Group. Our central mission is to support Europe's micro, small and medium-sized businesses (SMEs) by helping them access finance. The EIF designs and develops venture and growth capital, guarantees and microfinance instruments that specifically target this market segment. We foster EU objectives in innovation, research and development, entrepreneurship, growth and employment.



The **EIB Group** consists of
the European Investment Bank and the European Investment Fund.

European Investment Bank
98-100, boulevard Konrad Adenauer
L-2950 Luxembourg
☎ +352 4379-1
www.eib.org – ✉ info@eib.org

🐦 twitter.com/EIB
📘 facebook.com/EuropeanInvestmentBank
📺 youtube.com/EIBtheEUbank

European Investment Fund
37B, avenue J.F. Kennedy
L-2968 Luxembourg
☎ +352 2485-1
www.eif.org – ✉ info@eif.org

www.eib.org/covid-19