EU Response to COVID-19

March 2020

Authors: **Dr. Dennis Heuer**, **Dr. Carsten Loesing**, **Claire-Marie Mallad**, **Alexander Kreibich**, **Reetu Vishwakarma**

In response to the universal COVID-19 public health emergency, the Governing Council of the European Central Bank (ECB) has called upon Member States' governments and the European institutions to take timely and targeted actions to mitigate both the COVID-19 public health adverse impact and its economic repercussions. In line with its mandate under the Treaty on European Union (TEU), the Treaty on the Functioning of the European Union (TFEU) and the Statute of ESCB1 and ECB, the Governing Council has introduced a comprehensive package of monetary policy measures to: firstly, preserve monetary stability; secondly, support liquidity and funding for households, businesses and banks; and thirdly, to secure the smooth provision of credit to the real economy.

To this end, the ECB, EU Institutions and bodies and Member States adopted a three-pillar response to COVID-19 crisis:

1. **Liquidity Facilities/ Monetary policy measures:** indicatively, additional longer-term refinancing operations, unchanged interest rates on the main refinancing operations, banks' capital and operational relief, €750 billon Pandemic Emergency Purchase Programme (PEPP);

2. **Fiscal Initiatives:** indicatively, EU Commission's European Fiscal Framework Flexibility, Eurogroup's proposed set of national and European fiscal measures, fiscal policy measures and stimuli introduced by Member States' governments and National Central Banks to alleviate households, banks and firms of the significant economic effects;

3. **Regulatory Initiatives:** *i.e.* EU Commission's State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak.

[1] ESCB stands for the European System of Central Banks.

Austria	Latvia
Belgium	Lithuania
Croatia	Luxembourg
Czech Republic	Malta
Denmark	Norway
Estonia	Poland
Finland	Portugal
France	Romania
Germany	Slovenia
Greece	Spain
Hungary	Sweden
Ireland	Switzerland
Italy	The Netherlands
Slovakia	

Liquidity facilities/Monetary policy

European Central Bank

12-March-2020	Additional longer-term refinancing operations (LTROs) to provide immediate liquidity support to the euro area financial system	The ECB announced additional longer-term refinancing operations (LTROs) to provide immediate liquidity support to the euro area financial system. While there are no material signs of strains in money markets or of liquidity shortages in the banking system, these operations will provide an effective backstop, if necessary. The LTROs will provide liquidity at favourable terms to bridge the period until the TLTRO III operation on 24 June 2020.	Eurosystem[2]	The additional LTROs operations will be conducted as follows: They will be conducted as a fixed rate tender procedure with full allotment. The interest rate will be equal to the average rate on the deposit facility over the life of the respective operation. Interest will be paid when the respective operation matures. All operations mature on 24 June 2020.	
	Easing of conditions for targeted longer-term refinancing operations (TLTRO III)	The ECB decided to modify some of the key parameters of the third series of targeted longer-term refinancing operations (TLTRO III) to support the continued access of firms and households to bank credit in the face of disruptions and temporary funding shortages associated with the coronavirus outbreak. The changes will apply to all TLTRO III operations.	Eurosystem	From the period from 24 June 2020 to 23 June 2021: i. The interest rate on all TLTRO III operations outstanding during that time will be 25 basis points below the average rate applied in the Eurosystem's main refinancing operations. ii. For counterparties that maintain their levels of credit provision, the rate applied in these operations will be lower, and, over the period ending in June 2021, can be as low as 25 basis points below the	

[2] The Eurosystem comprises the European Central Bank (ECB) and the national central banks (NCBs) of those countries that have adopted the euro.

				average interest rate on the deposit facility. iii. The maximum total amount that counterparties will henceforth be entitled to borrow in TLTRO III operations is raised to 50% of their stock of eligible loans as at 28 February 2019. iv. Bid limit per operation removed on all future operations. v. Lending performance threshold reduced to 0%. vi. Early repayment option available after one year from settlement of each operation, instead of two years, starting in September 2021. It shall be noted that: The Governing Council will mandate the Eurosystem committees to investigate collateral easing measures to ensure that counterparties continue to be able to make full use of the funding support.	
	Interest rate on the main refinancing operations and interest rates on the marginal lending facility and the deposit facility	The interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 0.00%, 0.25% and -0.50%, respectively.	Eurosystem	The Governing Council expects the key ECB interest rates to remain at their present or lower levels until it has seen the inflation outlook robustly converge to a level sufficiently close to, but below, 2% within its projection horizon, and such convergence has been consistently reflected in underlying inflation dynamics.	

	will remain unchanged				
	A temporary envelope of additional net asset purchases of €120 billion will be added until the end of the year	A temporary envelope of additional net asset purchases of €120 billion will be added until the end of the year, ensuring a strong contribution from the private sector purchase programmes.	Eurosystem	In combination with the existing asset purchase programme (APP), this will support favourable financing conditions for the real economy in times of heightened uncertainty. The Governing Council continues to expect net asset purchases to run for as long as necessary to reinforce the accommodative impact of its policy rates, and to end shortly before it starts raising the key ECB interest rates.	
	Reinvestments of the principal payments from maturing securities purchased under the APP will continue, in full, for an extended period of time	Reinvestments of the principal payments from maturing securities purchased under the APP will continue, in full, for an extended period of time past the date when the Governing Council starts raising the key ECB interest rates, and, in any case, for as long as necessary to maintain favourable liquidity conditions and an ample degree of monetary accommodation.	Eurosystem		
	ECB Banking Supervision provides temporary capital and operational relief in reaction to coronavirus	The ECB announced a number of measures to ensure that its directly supervised banks can continue to fulfil their role in funding the real economy, in particular:	Eurosystem	Measures re banking temporary capital and operational relief: i. The ECB will allow banks to operate temporarily below the level of capital defined by the Pillar 2 Guidance (P2G), the capital conservation buffer (CCB) and the liquidity coverage ratio (LCR).	

		Banks can fully use capital and liquidity buffers, including Pillar 2 Guidance. Banks will benefit from relief in the composition of capital for Pillar 2 Requirements. ECB to consider operational flexibility in the implementation of bank-specific supervisory measures.		ii. Banks will also be allowed to partially use capital instruments that do not qualify as Common Equity Tier 1 (CET1) capital, for example, Additional Tier 1 or Tier 2 instruments, to meet the Pillar 2 Requirements (P2R). This brings forward a measure that was initially scheduled to come into effect in January 2021, as part of the latest revision of the Capital Requirements Directive (CRD V). iii. ECB supports the decision by the European Banking Authority to postpone the 2020 EBA EU-wide stress test and will extend the postponement to all banks subject to the 2020 stress test. It shall be noted that: These actions follow a letter sent on 3 March 2020 to all significant banks to remind them of the critical need to consider and address the risk of a pandemic in their contingency strategies. Banks were asked to review their business continuity plans and consider what actions could be taken to enhance preparedness to minimise the potential adverse effects of the spread of COVID-19.	
18-March-2020	ECB announced €750 billion Pandemic Emergency Purchase Programme (PEPP)	The ECB's Governing Council decided to launch a new temporary asset purchase programme of private and public sector securities with an overall envelope of €750 billion to counter the serious risks to the monetary	Eurosystem	The Governing Council decided the following: i. The new Pandemic Emergency Purchase Programme (PEPP) will have an overall envelope of €750 billion. Purchases will be conducted until the end of 2020 and will include all the asset categories eligible under the existing asset purchase	

		policy transmission mechanism and the outlook for the euro area posed by the outbreak and escalating diffusion of the coronavirus, COVID-19.		programme (APP). Purchases under the new PEPP will be conducted in a flexible manner. ii. The Governing Council will terminate net asset purchases under PEPP once it judges that the COVID-19 crisis phase is over, but in any case, not before the end of the year. iii. To expand the range of eligible assets under the Corporate Sector Purchase Programme (CSPP) to non-financial commercial paper, making all commercial papers of sufficient credit quality eligible for purchase under CSPP. iv. To ease the collateral standards by adjusting the main risk parameters of the collateral framework. In particular, we will expand the scope of Additional Credit Claims (ACC) to include claims related to the financing of the corporate sector. This will ensure that counterparties can continue to make full use of the Eurosystem's refinancing operations. It shall be noted that: The yield on Italian ten-year bonds dropped 106 basis points to 1.37 per cent - almost halving the Italian government's financing costs, and soothing fears that investors could test the ECB's ability to backstop the debts of peripheral nations. German ten-year yields fell nine basis points to minus 0.33, while	

				equivalent Greek yields slid 45 basis points to 3.49 per cent.	
20-March-2020	ECB Banking Supervision provides further flexibility to banks in reaction to COVID-19	The ECB announced further measures to ensure that its directly supervised banks can continue to fulfil their role to fund households and corporations amid the coronavirus-related economic shock to the global economy, supporting sustainable solutions to temporarily distressed debtors in the context of the current outbreak. To this end, the ECB has introduced supervisory flexibility regarding the treatment of non-performing loans (NPLs), in particular to allow banks to fully benefit from guarantees and moratoriums put in place by public authorities to tackle the current distress.	Eurosystem	The ECB announced in particular that: (i) it gives banks further flexibility in prudential treatment of loans backed by public support measures; (ii) it encourages banks to avoid excessive pro-cyclical effects when applying the IFRS 9 international accounting standard; (iii) it activates capital and operational relief measures announced on 12 March, 2020; (iv) capital relief amounts to €120 billion and could be used to absorb losses or potentially finance up to €1.8 trillion of lending.	
24-March-2020	ECB allots US$4.12 billion in seven day dollar swap	ECB lent Euro Zone banks US$4.12 billion in a newly created daily tender aimed at easing stress in the US dollar funding market.	Eurosystem		
25-March-2020	ECB Decision (EU) 2020/440 on a temporary pandemic emergency purchase	ECB Decision on a temporary pandemic emergency purchase programme (PEPP) with an overall envelope of €750 billion, as announced on March 18, 2020	Eurosystem	In particular: i. Purchases under the PEPP will be separate from, and in addition to, purchases carried out under the APP, with	

	programme (ECB/2020/17)			an overall additional envelope of €750 billion until the end of 2020. ii. The Governing Council will terminate PEPP net asset purchases once it considers that the COVID-19 crisis phase is over, but in any event not before the end of 2020. **iii. Eligibility criteria:** Under the PEPP the Eurosystem central banks shall, except as explicitly provided otherwise in the Decision, purchase: • eligible marketable debt securities; • eligible corporate bonds and other marketable debt instruments; • eligible covered bonds; and • eligible asset-backed securities. In order to be eligible for purchase under the PEPP, marketable debt securities shall have: • a minimum remaining maturity of 70 days and • a maximum remaining maturity of 30 years at the time of their purchase by the relevant Eurosystem central bank. It shall be noted that: • Marketable debt instruments with a remaining maturity of 30 years and	

				364 days shall be eligible under the PEPP. • Euro-denominated marketable debt securities issued by the central government of **the Hellenic Republic** shall be eligible for purchases under the PEPP. Purchases shall be carried out under the PEPP to the extent deemed necessary and proportionate to counter the threats posed by the extraordinary economic and market conditions on the ability of the Eurosystem to fulfil its mandate.	
27-March-2020	ECB Recommendation to banks on dividend distributions	To boost banks' capacity to absorb losses and support lending to households, small businesses and corporates during COVID-19 pandemic, the ECB asked banks not to pay dividends for the financial years 2019 and 2020 until at least 1 October 2020. Banks should also refrain from share buy-backs aimed at remunerating shareholders.	Significant supervised entities and Significant supervised groups[3] & National competent authorities and designated authorities with regard to less significant supervised entities and less significant	The ECB recommends to credit institutions, which fall under the scope of the present Recommendation, that: i. at least until 1 October 2020 no dividends are paid out; ii. no irrevocable commitment to pay out dividends shall be undertaken by the credit institutions for the financial year 2019 and 2020, and iii. credit institutions shall refrain from share buy-backs aimed at remunerating shareholders. Credit institutions that are unable to comply with this Recommendation because they	

[3] 'Significant supervised entities' and 'significant supervised groups' are defined in points (16) and (22) of Article 2 of Regulation (EU) No 468/2014 of the European Central Bank (ECB/2014/17).

			supervised groups[4]	consider themselves legally required to pay-out dividends should immediately explain the underlying reasons to their joint supervisory team.	

4 'Less significant supervised entities' and 'less significant supervised groups' are defined in points (7) and (23) of Article 2 of Regulation (EU) No 468/2014 of the European Central Bank (ECB/2014/17).

EU Institutions & Bodies

13-March-2020	EU Commission	Mobilising the EU budget To bring immediate relief to hard-hit SMEs, the EU budget will deploy €1 billion that will be redirected as a guarantee to the European Investment Fund to incentivise banks to provide liquidity to SMEs and mid-caps. This will help at least 100,000 European SMEs and small mid-caps with about €8 billion of financing. The EU will also provide credit holidays to the existing debtors that are negatively affected. Coronavirus Response Investment Initiative The Commission proposes to direct €37 billion under Cohesion policy to the fight against the coronavirus crisis. To this effect, the Commission proposes to relinquish this year its obligation to request Member States to refund unspent pre-financing for the structural funds. This amounts to about €8 billion from the EU budget, which Member States will be able to use to supplement €29 billion of structural funding across the EU. This will effectively increase the amount of investment in 2020 and help to front-load the use of the unallocated €28 billion of Cohesion policy funding within the 2014 - 2020 Cohesion policy programsme. European Fiscal Framework Flexibility The Commission will propose to apply the full flexibility provided for in the EU fiscal framework so that Member States can implement the measures needed to contain the coronavirus outbreak and mitigate its negative socio-economic effects. This allows accommodating exceptional spending to contain the COVID-19 outbreak such as health care expenditure and targeted relief measures for firms and workers. The Commission will recommend adjusting the fiscal efforts required from Member States in case of negative growth or a large drops in activity. Finally, the Commission stands ready to propose to activate the general escape clause to accommodate a more general fiscal policy support. This clause would suspend the fiscal adjustment in case of a severe economic downturn in the euro area or the EU as a whole. Alleviating the impact on employment Firstly, the Commission will accelerate the preparation of the legislative proposal for a European Unemployment Reinsurance Scheme aiming at supporting Member State policies that preserve jobs and skills. Secondly, the Coronavirus Response Investment Initiative will facilitate the deployment of the European Social Fund – a fund geared towards supporting workers and healthcare. Thirdly, the European Globalization Adjustment Fund could also be mobilised to support dismissed workers and the	Proposed fiscal measures

		self-employed under the conditions of the current and future Regulation. Up to €179 million is available in 2020.	
16-March-2020	European Investment Bank (EIB)	EIB proposed a €40 billion financing package EIB has proposed measures to be taken in cooperation with the European Commission and national partners in support of European companies, health expenditure and the EU economy as a whole. The EIB Group has proposed a plan to mobilise up to €40 billion of financing. This will go towards bridging loans, credit holidays and other measures designed to alleviate liquidity and working capital constraints for SMEs and mid-caps. The proposed financing package consists of: (i) Dedicated guarantee schemes to banks based on existing programmes for immediate deployment, mobilising up to €20 billion of financing; (ii) Dedicated liquidity lines to banks to ensure additional working capital support for SMEs and mid-caps of €10 billion; (iii) Dedicated asset-backed securities (ABS) purchasing programmes to allow banks to transfer risk on portfolios of SME loans, mobilising another €10 billion of support. (iv) In addition, EIB called for Member States to set up a significant and scalable additional guarantee for the EIB and national promotional Banks to ensure that access to finance for SMEs and midcaps remains open.	Proposed fiscal measures
	European Council / Council of the EU	Eurogroup proposed set of national and European fiscal measures The Eurogroup put together a first set of national and European measures while setting a framework for further actions to respond to developments and to support the economic recovery. The Eurogroup decided fiscal measures of about 1% of GDP, on average, for 2020 to support the economy. In addition, the Eurogroup has, so far, committed to provide liquidity facilities of at least 10% of GDP, consisting of public guarantee schemes and deferred tax payments. Part of the Eurogroup's coordinated response is that all national authorities, to the extent required by the evolving situation in each country, will implement temporary measures such as: • Immediate fiscal spending targeted at containment and treatment of the disease;	Proposed fiscal measures

		• Liquidity support for firms facing severe disruption and liquidity shortages, especially SMEs and firms in severely affected sectors and regions, including transport and tourism – this can include tax measures, public guarantees to help companies to borrow, export guarantees and waiving of delay penalties in public procurement contracts; • Support for affected workers to avoid employment and income losses, including short-term work support, extension of sick pay and unemployment benefits and deferral of income tax payments.	
	EU Commission	Aid in the form of direct grant or tax advantage Member States would be able to set up schemes to grant up to €500,000 to a company to address its urgent liquidity needs. This can be done through a direct grant or a tax advantage. Aid in the form of subsidised guarantees on bank loans Member States can grant State guarantees or set up guarantee schemes supporting bank loans taken out by companies. These would have subsidised premiums, with reductions on the estimated market rate for annual premiums for new guarantees for SMEs and non-SMEs. The guarantees may relate to both investment and working capital loans. Aid in the form of subsidised interest rates Member States can enable public and private loans to companies with subsidised interest rates. These loans must be granted at an interest rate which is at least equal to the base rate applicable on 1 January 2020 plus the credit risk premium corresponding to the risk profile of the recipient, with different rates for SMEs and non-SMEs. Aid channelled via banks The fourth and final measure recognises the important role of the banking sector and other financial intermediaries to deal with the economic effects of the COVID-19 outbreak. The Temporary Framework makes clear that, if Member States decide to channel aid to the real economy *via* banks, this is direct aid to the banks' customers, not to the banks themselves. Should direct aid to banks become necessary under Article 107(2)(b) TFEU to compensate for damages resulting directly from the COVID-19 outbreak, such aid would not be considered as extraordinary public	Draft proposal for State aid Temporary Framework

		support under State aid rules. Similarly, this would also apply to any residual indirect aid granted to banks under the Temporary Framework.	
22-March-2020	EU Commission Member state proposals under the **State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak** adopted by the Commission on 19 March 2020 (Temporary Framework)	Portugal The European Commission has found four Portuguese guarantee schemes for small and medium-sized enterprises (SMEs) and midcaps affected by the coronavirus outbreak to be in line with EU State aid rules. The schemes, with a total budget of €3 billion, were approved under the Temporary Framework. The Commission approved the four Portuguese schemes two days after the entry into force of the Temporary Framework. Particulars of the Portuguese support measures: Under the Temporary Framework, Portugal notified to the Commission four guarantee schemes for SMEs and midcaps affected by the coronavirus outbreak, addressed to four different sectors: (i) tourism; (ii) restaurants (and other similar activities); (iii) extractive and manufacturing industry; and (iv) travel agency activities, touristic animation, event organisation (and similar activities).	State aid / Approval of Portuguese guarantee schemes
		Germany The European Commission has approved two German State aid schemes to support the German economy in the context of the Coronavirus outbreak. The schemes were approved under the Temporary Framework. Particulars of the German support measures: Germany notified to the Commission two separate support measures under the Temporary Framework, implemented through the German promotional bank Kreditanstalt für Wiederaufbau (KfW): A loan programme covering up to 90% of the risk for loans for companies of all sizes. Eligible loans may have a maturity of up to five years and can reach €1 billion per company, depending on the company's liquidity needs. A loan programme in which the KfW participates together with private banks to provide larger loans as a consortium. For this scheme, the risk taken by the State may cover up to 80% of a specific loan but not more than 50% of total debt of a company.	State aid / Approval of German State aid schemes

		Italy The European Commission has approved a €50 million Italian aid scheme to support the production and supply of medical devices, such as ventilators, and personal protection equipment, such as masks, goggles, gowns, and safety suits. The scheme will help Italy provide the necessary medical treatment to those infected, while protecting healthcare operators and citizens. The scheme was approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak adopted by the Commission on 19 March 2020. Under the scheme, financial support will be available to companies of all sizes which: • set up new facilities for the production of medical devices and personal protection equipment; • expand the production of their existing structures producing such equipment; or • convert their production line to that effect. The beneficiaries of the support will make the products available to the Italian authorities at the market prices applied in December 2019, i.e. prior to the outbreak in Italy. The aid will take the form of direct grants or repayable advances. The repayable grants will be converted into direct grants, if the beneficiaries supply the equipment and devices in an expedited manner to the Italian authorities. State aid/ Approval of Italian support measures	State aid/ Approval of Italian support measures
23-March-2020	Eurogroup	European Union finance ministers formally endorsed the suspension of EU limits on government borrowing to give the 27 EU countries a free hand in fighting the disastrous effects of the coronavirus epidemic on the economy. EU rules require that governments cut budget deficits until their books are in balance or in surplus and that they reduce public debt every year until it is below 60% of GDP. However, EU governments do not want to be bound by any limits to try to resuscitate the economy and they endorsed the European Commission’s proposal to activate what is called a “general escape clause” in the rules.	Fiscal measures
23-March-2020	EU Commission	Latvia	State aid / Approval of Latvian loan

	Member state proposals under the **State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak** adopted by the Commission on 19 March 2020 (Temporary Framework)	The European Commission has found Latvian loan guarantee scheme and subsidised loan scheme for companies affected by coronavirus outbreak to be in line with EU State aid rules. The schemes were approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak adopted by the Commission on 19 March 2020. In particular, they entail: • Guarantees at reduced guarantee fees on loans with limited maturity and size. The measures limits the risk per loan taken by the State to a maximum of 50%; and • Working capital loans at reduced interest rates with limited maturity and size. This ensures that support is swiftly available at favourable conditions and limited to those who need it in this unprecedented situation. To achieve this goal, the measures also involve minimum remuneration and safeguards to ensure that the aid is effectively channeled to the beneficiaries in need.	guarantee scheme and subsidised loan scheme
24-March-2020	EU Commission Member state proposals under the **State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak** adopted by the Commission on 19 March 2020 (Temporary Framework)	Luxembourg The European Commission has found Luxembourg's €300 million scheme to support companies affected by the coronavirus outbreak to be in line with EU State aid rules. The scheme was approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak. The scheme aims at supporting companies, as well as liberal professions, affected by the economic impact of the coronavirus outbreak. The support takes the form of a repayable advance granted in one or more instalments to allow beneficiaries to face their operating costs in the difficult situation caused by the coronavirus outbreak.	State aid / Approval of Luxembourg aid scheme
		Spain The European Commission has found two Spanish guarantee schemes for companies and self-employed workers affected by the coronavirus outbreak to be in line with EU State aid rules. The schemes, with a total budget of approximately €20 billion, were approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak adopted by the Commission on 19 March 2020. Spain notified to the Commission under the Temporary Framework two guarantee schemes on new loans and refinancing operations for (i) self-employed workers and small and medium-sized enterprises (SMEs);	

		and (ii) larger companies, all affected by the coronavirus outbreak. The schemes have a total budget of approximately €20 billion.	
		Germany The European Commission approved a German State aid scheme to support the German economy in the context of the coronavirus outbreak. The scheme was approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak adopted by the Commission on 19 March 2020. Following the approval of the German measures adopted on 22 March 2020, Germany notified to the Commission an additional support measure under the Temporary Framework, implemented through the German federal and regional authorities, as well as promotional and guarantee banks. The scheme is open to all companies. It enables the granting of guarantees on loans at favourable terms to help businesses cover immediate working capital and investment needs.	
25-March-2020	EU Commission Member state proposals under the **State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak** adopted by the Commission on 19 March 2020	Italy The Commission approved the Italian State guarantee supporting a debt moratorium from banks to small and medium-sized enterprises (SMEs) affected by the coronavirus outbreak. The Commission found that the Italian measure is in line with the conditions set out in the Temporary Framework. In particular, the guarantee covers: i. a well-defined set of financial exposures and is limited in time: the scheme runs until 30 September 2020 and the guarantee extends for 18 months after the end of the moratorium; and ii. the payment obligations falling under the moratorium, the risk taken by the State is limited to 33 per cent and, in any case, before calling on the State guarantee, financial intermediaries must make recovery efforts themselves. To ensure that the measure benefits only SMEs, who experience difficulties due to the coronavirus outbreak, eligible beneficiaries must not have non-performing exposures prior to 17 March 2020. They also	State aid / Approval of Italy aid scheme

	(Temporary Framework)	need to certify that their business activity has suffered due to the economic effects of the coronavirus outbreak.	
		Denmark The Commission approved an €1.3 billion Danish scheme that partially compensates the self-employed for the losses of turnover suffered due to the coronavirus outbreak. Under the scheme, which will run until 9 June 2020, self-employed registered in the Danish Civil Registration System will be entitled to be partially compensated for the losses of turnover suffered as a result of the coronavirus outbreak. The compensation will take the form of grants and will cover 75 per cent of the expected loss of turnover for a period of three months, calculated on the basis of the average monthly turnover in 2019. The maximum compensation will be €3000 per month and per person.	State aid / Approval of Denmark aid scheme
25-March-2020	EBA clarifications to banks and consumers on the application of the prudential framework in light of COVID-19 measures	The EBA issued a statement to explain a number of additional interpretative aspects on the functioning of the prudential framework in relation to the classification of loans in default, the identification of forborne exposures, and their accounting treatment. In this regard: i. The classification of loans in default. The EBA is of the opinion that: • public and private moratoria should be treated similarly to defaults to the extent they have similar purpose and characteristics; the EBA will shortly provide criteria to determine under what characteristics such similar treatment may apply. • this type of restructuring should not be considered as a distressed restructuring; on the contrary it has to be considered a suitable measure to give relief to borrowers, which are temporarily not able to serve their loan obligations due to COVID-19 disruptions, thus there is no need to classify the exposure as defaulted (no automaticity in the classification as defaulted). As regards the moratoria, the EBA considers that: • in the case of public and private moratoria permitting suspension or delays in payments, institutions are still obliged to assess the obligor's unlikeliness to pay on a case-by-case basis; this assessment refers to the modified schedule of payments, and where there are no concerns in that regard the exposure may remain in performing status; and	EBA statement

- such individual assessments should be done in a careful manner, which does not entail any automatism in the classification; institutions face a substantial number of individual assessments, they should prioritize the analysis, using their risk-based approach.

ii. The identification of forborne exposures. The EBA is of the view that:

- the offering and acceptance of terms set out in general moratoria would not necessarily lead to a reclassification of any loan under the definition of forbearance, as either performing or non-performing; in other words, no automatic reclassification is needed when general measures are being offered;
- the individual assessment of the borrower's financial difficulties and granting measures tailored to this financial situation of the borrower are at the core of the EBA's definition of forbearance; and
- the moratoria being introduced as a response to COVID-19 pandemic aim to address systemic risks and, in this sense, these measures are not borrower-specific, although they may be based on broader product classes, as the length of the delays in payments is fixed for every borrower irrespective of the borrowers' specific financial circumstances.

iii. The accounting treatment. The EBA is of the view that:

- the application of public or private moratoria, aimed at addressing the adverse systemic economic impact of the COVID-19 pandemic, should not be considered by themselves as an automatic trigger to conclude that a significant increase in credit risk has occurred;
- institutions should carefully assess the extent to which, amongst other facts, the high-degree of uncertainty and any sudden changes in the short-term economic outlook are expected to result in impacts over the expected life of the financial instrument;
- in doing so, institutions would be expected to distinguish between obligors for which the credit standing would not be significantly affected by the current situation in the long term, from those that would be unlikely to restore their credit worthiness;
- in determining the impact on banks' income statements stemming from the recognition of the expected credit losses (ECL) the mitigation provided by the existence of collateral or public guarantees would need to be considered. Competent authorities should also duly consider the

		exceptional circumstances when authorizing institutions to opt for the application of IFRS 9 transitional arrangements envisaged in the CRR.	
27-March-2020	European Parliament	Parliament adopted three proposals to help people and business tackle the crisis during an extraordinary plenary session on 26 March 2020. The approved measures are: • The Corona Response Investment Initiative: €37 billion from available EU funds will be channeled to people, regions and countries that have been hit the hardest by the pandemic. The funds will go to healthcare systems, small and medium-sized firms, labour markets and other vulnerable parts of EU countries' economies. • The extension of the EU Solidarity Fund to cover public health emergencies. The measures will make up to €800 million available for European countries in 2020. • Temporarily suspending EU rules on airport slots. This will stop air carriers from operating empty flights during the pandemic. The Council has to formally approve Parliament's position. The adopted measures will enter into force once published in the Official Journal of the European Union in the coming days. The proposals are part of the EU-coordinated response to counter the impact of the coronavirus pandemic, set out by the European Commission on 13 March 2020.	Fiscal measures
	EU Commission EU Commission's action on COVID-19	Liquidity measures to help hard-hit SMEs • The EIB Group will aim to create an additional €20 billion of investment in small and medium-sized businesses, partly using its own capital and partly backed by the EU budget. • The Commission will make available €1 billion in an EU budget guarantee to the European Investment Fund (EIF), so it can provide liquidity to SMEs, mobilising €8 billion in all to help at least 100,000 companies. The Coronavirus Response Investment Initiative The Commission's proposal for an investment initiative of €37 billion has been approved. It consists of unused cohesion policy funds, and it involves the bringing forward of expenditure and redirecting it to the fight against the coronavirus:	Fiscal measures

		• About €8 billion of unspent EU cohesion money that Member States can keep instead of reimbursing to the EU. • €29 billion of co-financing from the EU budget. In addition, the Commission proposes to allow Member States to use for coronavirus-related expenditure up to €28 billion that had been allocated for spending under 2014-2020 structural funding, but not yet awarded to projects.	
	EU Commission Member state proposals under the **State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak** adopted by the Commission on 19 March 2020 (Temporary Framework)	Luxembourg The European Commission has approved another Luxembourg State aid scheme to support the Luxembourgish economy in the context of the coronavirus outbreak. The scheme was approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak adopted by the Commission on 19 March 2020. Following the approval of the Luxembourg measure adopted on 24 March 2020, Luxembourg notified to the Commission an additional support measure under the Temporary Framework in the form of guarantees on loans. The scheme is open to all companies, except those active in the promotion, renting and sale of building as well as holding of investments. It enables the granting of guarantees on loans at favourable terms to help businesses cover immediate working capital and investment needs.	State aid / Approval of Luxembourg's aid scheme
	EU Commission Draft proposal for consultation re extension of the State aid Temporary Framework	The Commission sent to Member States for consultation a draft proposal to extend the State aid Temporary Framework adopted on 19 March 2020. The Commission is now proposing to extend the Temporary Framework by adding additional support possibilities for five types of aid measures. These are: i. More support for coronavirus related research and development (R&D) to address the current health crisis; ii. More support for the construction and upgrading of testing facilities for products relevant to tackle the coronavirus outbreak;	Regulatory Initiative

		iii. More support for the production of products relevant to tackle to coronavirus outbreak, such as vaccines, medical equipment or devices, protective material and disinfectants; iv. Targeted support in the form of deferral of tax payments and/or suspensions of employers' social security contributions to help avoid lay-offs due to the coronavirus crisis in specific regions or sectors that are hardest hit by the outbreak; v. Targeted support in the form of wage subsidies for employees to help avoid lay-offs due to the coronavirus crisis in specific regions or sectors that are hit hardest by the outbreak.	
	EU Commission Amendment of the Short-term export-credit insurance Communication	The Commission decided to temporarily remove all countries from the list of “marketable risk" countries under the Short-term export-credit insurance Communication until 31 December 2020. Before that date to give legal certainty, the Commission will re-assess the situation and give clarity on “marketable risk countries” beyond 31 December 2020. This will make public short-term export credit insurance more widely available in light of the current crisis linked to the coronavirus outbreak.	Regulatory Initiative
30-March-2020	EU Commission Member state proposals under the **State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak** adopted by the Commission on 19 March 2020	France The European Commission has found France's €1.2 billion scheme to support small and micro-enterprises as well as self-employed people affected by the economic repercussions of the coronavirus outbreak to be in line with EU State aid rules. The scheme, called “Fonds de solidarité”, was approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak adopted by the Commission on 19 March 2020. France notified to the Commission a scheme for small and micro-enterprises, as well as self-employed people affected by the coronavirus outbreak under the Temporary Framework. The measure has an estimated budget of €1.2 billion. The support takes the form of direct grants to allow beneficiaries to face their operating costs in the difficult situation caused by the coronavirus pandemic. The beneficiaries are companies with a maximum of 10 employees and a yearly turnover not exceeding €1 million. Companies are eligible when their business was closed by administrative decision as a result of the coronavirus outbreak, or when their monthly turnover in March 2020 dropped by 70% compared to their turnover in the same period last year.	State aid / Approval of French support scheme

	(Temporary Framework)	Estonia The Commission approved two Estonian State aid schemes to support the Estonian economy in the context of the coronavirus outbreak. Estonia notified two support schemes to support companies affected by the coronavirus outbreak under the Temporary Framework: i. The first support scheme will be implemented and administered by the public Foundation KredEx. It will be open to all companies, subject to certain exceptions defined by Estonia (for example excluding certain activities or companies active in sectors such as agriculture, tobacco, cloning and genetic modification). ii. The second scheme will be implemented and administered by the public Estonian Rural Development Foundation. It will be open to companies in all sectors and for the whole territory of Estonia. Under both schemes, with a total estimated budget of €1.75 billion, the support will consist either in the provision of public guarantees on existing or new loans or in the granting of loans at favourable terms.	State aid / Approval of Estonian support schemes
		Denmark The Commission found a DKK 1 billion (approximately €130 million) Danish liquidity guarantee scheme for small and medium-sized enterprises (SMEs) affected by the coronavirus outbreak to be in line with EU State aid rules. The support, in the form of State guarantees on loans and credits, will be accessible to SMEs whose exports represent at least 10% of their yearly revenue, to the extent they experience or expect to experience a decline in revenue of at least 30% compared to their revenue before the coronavirus outbreak in Denmark. The support will also be available to the sub-suppliers of these companies if they are SMEs themselves. The guarantees will support lending to those SMEs but will not take the form of export aid contingent on export activities. The scheme aims at limiting the risk associated with issuing operating loans to those companies that are most severely affected by the economic impact of the coronavirus outbreak	State aid / Approval of Danish support schemes
	EU Commission Mobilisation of immediate	As part of the global response to the coronavirus outbreak, the European Commission has announced up to €38 million in immediate support for the Western Balkans to tackle the health emergency caused by coronavirus and reallocation of €374 million to help the socio-economic recovery of the region.	Financial support to

	support to Western Balkan partners	The EU will assist: • Albania and North Macedonia to cover the immediate needs of their public health systems with up to €4 million each; • Bosnia and Herzegovina with €7 million; • Montenegro will receive up to €3 million; • Kosovo will receive up to €5 million, and • up to €15 million will go to Serbia, the most affected country until now. The Commission is also including the Western Balkans in EU initiatives to tackle the coronavirus crisis like the joint procurement schemes of protective personal equipment and has accelerated the implementation of a project with the European Centre for Disease Prevention and Control (ECDC). Initially envisaged for 2021, this project will enhance their capacities to survey and control communicable diseases, improve their health emergency preparedness capabilities, and support the development of their public health microbiology laboratory systems. To help mitigate the socio-economic impact of the coronavirus, the EU will also redirect funds from the Instrument for Pre-Accession Assistance (IPA) to help the recovery in the Western Balkan partners in the short and medium term. This will include support to the private sector, increasing social protection, with a specific attention to the vulnerable groups, and strengthening resilience in the public health sector. For this purpose, the Commission will mobilise: • up to €46.7 million to support the social and economic recovery of Albania; • €73.5 million for Bosnia and Herzegovina; • €50 million for Montenegro; • North Macedonia will benefit from €62 million; • Serbia from €78.4 million, and • Kosovo will receive up to €63 million.	Western Balkans

31-March-2020	EU Commission Member state proposals under the **State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak** adopted by the Commission on 19 March 2020	Ireland The Commission found a €200 million Irish scheme to support companies affected by the coronavirus outbreak to be in line with EU State aid rules. The support, in the form of repayable advances, will be accessible to companies that experience or expect to experience a decline in turnover of at least 15% compared to their revenue before the coronavirus outbreak in Ireland. The scheme applies to undertakings in Ireland employing 10 or more full-time employees in certain manufacturing sectors and/or internationally traded sectors. The estimated budget of the scheme amounts to €200 million.	State aid / Approval of the Irish support scheme
		France The Commission found a French scheme deferring the payment by airlines of certain aeronautical taxes to be in line with EU State aid rules. The scheme will be accessible to airlines with an operating license in France and will offer them the possibility to defer the payment of certain taxes that would in principle be due between March and December 2020 to after January 1st 2021 and to pay the taxes over a period of up to 24 months. The scheme aims at compensating airlines for part of the damage suffered due to the coronavirus outbreak, by temporarily reducing the pressure on their cash flows.	State aid / Approval of the French scheme
	EBA Statement on supervisory reporting and Pillar 3 disclosures in light of COVID-19	Supervisory reporting EBA stipulates that institutions should be allowed up to one additional month for submitting the required data. Each competent and resolution authority should clarify the precise terms for institutions in their jurisdiction. Such exception should not apply to: i. information on the liquidity coverage ratio (LCR) and on the Additional Monitoring Metrics (ALMM) and data sets identified as a priority by the competent or resolution authority; this data should be reported in accordance with the deadlines specified in the applicable reporting standard; ii. reporting for resolution planning purposes: information on the institution's liability structure, including intra-group financial connections, should be reported to resolution authorities by the set	EBA statement

		date in the applicable reporting standard (April 30th 2020 or earlier if set by the resolution authority). Where an adequate level of data quality is not achieved, resubmissions are necessary. In order to facilitate operational efficiency, however, a specific timeframe for updating, correcting and resubmitting the data can be discussed and agreed with the competent authority. Competent and resolution authorities are asked to give particular considerations to the ad-hoc data requests they issue to institutions at this point in time. The EBA suggests that competent and resolution authorities do not prioritise their supervisory actions towards ad-hoc data collections that are not specifically needed to monitor institutions in the context of the COVID-19 outbreak. In line with this commitment and the statement of March 25th 2020, and in coordination with the Basel Committee on Banking Supervision, the EBA has decided to cancel the QIS exercise based on June 2020 data. Pillar 3 disclosures The EBA stresses that competent authorities should consider the difficulties that institutions may face to prepare their Pillar 3 reports within the usually applicable deadlines for publication and should make use of the flexibility that they may have when exercising the powers set in point (a) of Article 106 CRD. In particular, the EBA encourages competent authorities to be flexible when assessing the institutions' compliance with the deadlines for the publication of their Pillar 3 reports as set out in accordance with Article 106 (1) CRD. In addition, competent authorities and institutions should assess the need for additional Pillar 3 disclosures on prudential information that may be necessary in order to properly convey the risk profile of the institution[6] in the context of the COVID 19 outbreak.	

	EBA Statement on dividends distribution, share buybacks and variable remuneration	The EBA urges all banks to refrain from dividends distribution or share buybacks which result in a capital distribution outside the banking system, in order to maintain its robust capitalisation. The EBA also considers that ensuring the efficient and prudent allocation of capital within banking groups is crucial and should be monitored by competent authorities. Competent authorities should ask banks to review their remuneration policies, practices and awards to ensure that they are consistent with and promote sound and effective risk management also reflecting the current economic situation. Remuneration and, in particular, its variable portion should be set at a conservative level.	EBA statement
01-April-2020	Single Resolution Board Communication from the SRB on the potential COVID-19 outbreak relief measures	The SRB issued the Communication on the potential COVID-19 outbreak relief measures providing that the SRB: i. is committed to working on the 2020 resolution plans and issuing 2020 MREL decisions according to the planned deadlines in early 2021; ii. will show some flexibility on data requests and submitting certain deliverables; iii. will monitor market conditions "in the next months" and analyse the potential impact on transition periods needed for the build-up of MREL; and iv. is ready to use its discretion and the flexibility given by the regulatory framework to adapt transition periods and interim targets applied to banking groups, as well as to adjust MREL targets in line with capital requirements, with particular reference to capital buffers.	SRB Communication

02-April-2020	EU Commission Member state proposals under the **State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak** adopted by the Commission on 19 March 2020	Germany The European Commission has approved a German State aid scheme extending measures adopted on 22 March 2020 to support the economy in the context of the coronavirus outbreak. In particular, the extension enables support to be granted by other regional authorities and promotional banks not covered by the existing measures. This scheme was approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak adopted by the Commission on 19 March 2020. Following the approval of theGerman measures for subsidised loans adopted on 22 March 2020, Germany notified to the Commission an additional support measure under the Temporary Framework, implemented through the German federal and regional authorities, and promotional banks. Similar to the first subsidised loan scheme, this new scheme is open to all companies of the real economy. While the initial scheme was designed in a way that subsidised loans could only be granted by the German Kreditanstalt für Wiederaufbau ("KfW"), this new scheme now also allows other regional authorities and promotional banks to provide support along the same lines. It enables the granting of loans at favourable terms to help businesses cover immediate working capital and investment needs. The objective of the measure is to provide companies with liquidity to continue their activities faced with the difficult situation caused by the coronavirus outbreak. The schemes for subsidised loans are complemented by another scheme approved by the Commission on 24 March 2020, under which guarantees on loans can be provided.	State aid / Approval of German State aid scheme
		Sweden The European Commission has approved a SEK 100 billion SEK (approximately €9.1 billion) Swedish aid scheme to support the economy in the context of the coronavirus outbreak. The scheme was approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak adopted by the Commission on 19 March 2020. Sweden notified to the Commission under the Temporary Framework a guarantee scheme on new loans granted by commercial banks to support companies, mainly small and medium-sized enterprises (SMEs), affected by the coronavirus outbreak.	State aid / Approval of the Swedish aid scheme

		The scheme aims at limiting the risk associated with issuing loans to those companies that are most severely affected by the economic impact of the current crisis, thus ensuring the continuation of their activity.	
		Malta The European Commission has approved a Maltese State aid scheme to support the economy in the context of the coronavirus outbreak. The scheme was approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak. Malta notified to the Commission under the Temporary Framework a guarantee scheme for working capital loans granted by commercial banks to support companies affected by the coronavirus outbreak. The scheme has an estimated budget of €350 million. The Commission found that the Maltese measure is in line with the conditions set out in the Temporary Framework. In particular: (i) the underlying loan amount per company is linked to cover its liquidity needs for the foreseeable future, (ii) the guarantees will only be provided until the end of this year, (iii) the guarantees are limited to a maximum of six years, and (iv) guarantee fee premiums do not exceed the levels foreseen by the Temporary Framework.	State aid / Approval of the Maltese State aid scheme
	EU Commission Proposal of the new temporary instrument "SURE"	The new instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE) is designed to help protect jobs and workers affected by the coronavirus pandemic. It will provide financial assistance, in the form of loans granted on favourable terms from the EU to Member States, of up to €100 billion in total. These loans will assist Member States to address sudden increases in public expenditure to preserve employment. Specifically, these loans will help Member States to cover the costs directly related to the creation or extension of national short-time work schemes, and other similar measures they have put in place for the self-employed as a response to the current coronavirus pandemic. In particular: • Financial assistance under the SURE instrument will take the form of a loan from the EU to the Member States that request support. • SURE will provide additional EU support to finance Member States' short-time work schemes, and other similar measures, helping to protect jobs. Short-time work schemes are programmes that under certain circumstances allow firms experiencing economic difficulties to temporarily reduce	EU Commission Fiscal support / Proposal

		the hours worked by their employees, which are provided with public income support for the hours not worked. Similar schemes apply for income replacement for the self-employed. • To finance the loans to Member States, the Commission will borrow on financial markets. The Commission would then provide the loans to Member States on favourable conditions. Member States would, therefore, benefit from the EU's strong credit rating and low borrowing costs. • The loans will be underpinned by a system of voluntary guarantees from Member States committed to the EU. The instrument will start to function once all Member States have committed to those guarantees. A minimum amount of committed guarantees (i.e. 25% of the maximum amount of loans of €100 billion) is needed. The Commission's proposal for a SURE instrument will need to be swiftly approved by the Council. The new instrument will be of a temporary nature. Its duration and scope are limited to tackling the consequences of the coronavirus pandemic.	
	EBA Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of COVID-19 crisis	In order to minimise the medium- and long-term economic impacts of the COVID-19 pandemic, EU Member States have implemented different forms of moratorium on payments of credit obligations to support the short-term liquidity and operational challenges faced by borrowers, especially small and medium enterprises (SMEs) and entrepreneurs. As these moratoria are adopted in various forms across jurisdictions, clarification is needed on the application of the definition of default and classification of forbearance. Conditions for the general payment moratoria The guidance aims to clarify the requirements for public and private (i.e. legislative and non-legislative) moratoria schemes, which if fulfilled, will help avoid the classification of exposures as forbearance or as defaulted under distressed restructuring. These conditions include, in particular, the following: • The moratorium was launched in response to the COVID-19 pandemic. It is required that the moratorium in question is announced and applied before 30 June 2020. If necessary, depending on the further developments, this time limit may be extended at a later point in time. • The moratorium has to be broadly applied. Given that legislative moratoria apply to all institutions within a given jurisdiction, a similarly broad scope of application also has to be ensured for the non-legislative moratoria. This condition aims to ensure that the proposed treatment applies to the	EBA Guidelines

		moratoria that are similar in economic substance, regardless of whether they are legislative or non-legislative. • The moratorium has to apply to a broad range of obligors. The moratorium has to be available to a large, predefined group of obligors, regardless of the assessment of their creditworthiness. This is to ensure that the change of the schedule of payment does not address specific financial difficulties of specific obligors, as this would meet the definition of forbearance. • The same moratorium offers the same conditions. It is possible that different moratoria apply to different segments of exposures or obligors. In any case, it has to be ensured that the moratorium applies broadly and to a large number of obligors of an institution. This gives institutions the possibility of participating in different moratoria, depending on their business model. • The moratorium changes only the schedule of payments. Except for the schedule of payments, the moratorium should not affect other conditions of the loan, in particular the interest rate, unless such change only serves for compensation to avoid losses which an institution otherwise would have due to the delayed payment schedule under the moratorium. Otherwise, a forbearance classification would have to be considered; and • The moratorium does not apply to new loans granted after the launch of the moratorium. It has to be ensured that the moratorium addresses a specific issue arising as a result of the COVID-19 pandemic and is not used for new lending granted after the outbreak. Assessment of unlikeliness to pay Institutions should continue to apply their normal policies for the regular reviews of indications of unlikeliness to pay. Even where the general payment moratoria are not classified as forbearance measures, this does not remove the obligations for institutions to carefully assess the credit quality of exposures benefiting from these measures. Institutions should, to the extent possible, prioritise the assessment of cases where it is most likely that the short-term shock may transform into long-term financial difficulties and eventually lead to insolvency. The guidelines clarify that, if the schedule of payment has been revised due to the application of the moratorium, the assessment of unlikeliness to pay should be based on the revised schedule.	

		Documentation and notifications The Guideline specifies that institutions should clearly identify all obligors and exposures subject to the moratorium (i.e. those within the scope and those where the moratorium was actually applied). Institutions should identify potential economic losses that they may experience because of the application of the moratorium and that may have an impact on their financial statements. The EBA will identify any necessary short-term supervisory reporting and disclosure requirements to monitor the implementation of the measures introduced against COVID-19 and loans that fall under the scope of these guidelines. These specific requirements on public disclosures and reporting will be provided separately at a later point in time.	
03-April-2020	EU Commission State aid: Extension of the Temporary Framework adopted by the Commission on 19 March 2020	The European Commission has adopted an amendment extending the Temporary Framework adopted on 19 March 2020 to enable Member States to accelerate the research, testing and production of coronavirus relevant products, to protect jobs and to further support the economy in the context of the coronavirus outbreak. The amendment extends the Temporary Framework by providing for additional five types of aid measures: i. Support for coronavirus related research and development (R&D) To address the current health crisis, Member States can grant aid in the form of direct grants, repayable advances or tax advantages for coronavirus and other relevant antiviral R&D. A bonus may be granted for cross-border cooperation projects between Member States. ii. Support for the construction and upscaling of testing facilities Member States can grant aid in the form of direct grants, tax advantages, repayable advances and no-loss guarantees to support investments enabling the construction or upscaling of infrastructures needed to develop and test products useful to tackle the coronavirus outbreak, up to first industrial deployment. These include medicinal products (including vaccines) and treatments; medical devices and equipment (including ventilators and protective clothing, as well as diagnostic tools); disinfectants; data collection and processing tools useful to fight the spread of the virus. To encourage cooperation and to support quick action, companies can benefit from a bonus when their investment is supported by more than one Member State and when the investment is concluded within two months after the granting of the aid.	Regulatory Initiative

		iii. Support for the production of products relevant to tackle the coronavirus outbreak Member States can grant aid in the form of direct grants, tax advantages, repayable advances and no-loss guarantees to support investments enabling the rapid production of coronavirus-relevant products (as listed under ii.). To encourage cooperation and to support quick action, companies may benefit from a bonus when their investment is supported by more than one Member State and when the investment is concluded within two months after the granting of the aid. iv. Targeted support in the form of deferral of tax payments and/or suspensions of social security contributions. To further reduce the liquidity constraints on companies due to the coronavirus crisis and to preserve employment, Member States can grant targeted deferrals of payment of taxes and of social security contributions in those sectors, regions or for types of companies that are hit the hardest by the outbreak. v. Targeted support in the form of wage subsidies for employees. To help limit the impact of the coronavirus crisis on workers, Member States can contribute to the wage costs of those companies in sectors or regions that have suffered most from the coronavirus outbreak, and would otherwise have had to lay off personnel. The amendment Temporary Framework also expands on the existing types of support that Member States can give to companies in need. For example, it now enables Member States to give zero-interest loans, guarantees on loans covering 100% of the risk, or provide equity up to the nominal value of € 800 000 per company. This can be combined also with so-called de minimis aid (to bring the aid per company to up to €1 million) and with other types of aid. It should be particularly useful to address urgent liquidity needs of small and medium-sized enterprises in a very speedy manner. The amendment Temporary Framework will be in place until the end of December 2020. With a view to ensuring legal certainty, the Commission will assess before that date if it needs to be extended.	

	EU Commission Member state proposals under the **State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak** adopted by the Commission on 19 March 2020	Denmark The European Commission has found a Danish State loan facility of up to DKK 1.5 billion (approx. €200 million) in support of the Travel Guarantee Fund ("Rejsegarantifonden") to be in line with EU State aid rules. The loan was approved under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak adopted by the Commission on 19 March 2020. Denmark notified to the Commission an aid measure in the form of a State loan under the Temporary Framework. The loan aims to support the Travel Guarantee Fund, which provides reimbursement to travellers in case of travel cancellations. In particular, the measure covers travel packages that were cancelled due to the exceptional circumstances caused by the coronavirus outbreak and the subsequent travel restrictions imposed by the Danish Government. The loan aims (i) to ensure that sufficient liquidity remains available for travel organisers to counter the damage inflicted in the package travel market, (ii) to preserve the continuity of economic activity during and after the coronavirus outbreak, and (iii) to ensure the quickest possible settlement of related refunds or reimbursements to travellers. The measure has a total budget of DKK 1.5 billion (approx. €200 million).	State aid / Approval of Danish State loan facility

EU Countries' response to COVID-19

Italy			
09-March-2020	Italian Banking Association (ABI)	The Italian Banking Association (ABI) announced an agreement with local trade bodies to offer debt moratoria to micro, small and medium-sized enterprises (SMEs) affected by the COVID-19 (*Addendum All' Accordo per il Credito 2019*). Lenders representing 90% of total banking assets have embraced the moratorium, offering SMEs hurt by the outbreak the choice to freeze repayments or lengthen the maturity of loans granted up until 31 January, 2020. The duration of the payment suspension can be up to one year. (Expected measure: A State guarantee is expected to be provided to further offset the economic damage caused by said loans.)	Fiscal measures / Agreement
10-March-2020	Government	A payment holiday will apply to residential mortgage borrowers throughout the country. (Expected measure: A State guarantee is expected to be provided to further offset the economic damage caused by said loans.)	Fiscal measures / Announcement
11-March-2020	Government	The government announced a US$28.3 billion plan on stimulus measures to be divided into two separate packages. The plan includes: i. Help for workers facing temporary layoffs; ii. Boosting a guarantee fund for loans to SMEs; iii. Compensation for firms whose turnover has plunged more than 25%; and iv. Moratorium for business and personal mortgage repayments.	Fiscal measures / Plan
16-March-2020	Government	The Italian government adopted an emergency decree worth €25 billion. Among a variety of measures, the decree, which is immediately effective:	Decree

		i. Suspends loan and mortgage repayments for companies and families thanks to State guarantees for banks; ii. Increases funds to help firms pay workers temporarily laid off due to the lockdown; iii. Provides €3.5 billion to help the hard-pressed health service; iv. Provides €10 billion to support families and workers; v. Extends parental leave, offers funds to families to pay for babysitters ; and vi. Suspends all firing procedures begun after Feb. 23.	
17-March-2020	Government	The Italian Government issued a new decree-law introducing a package of measures to mitigate the effects of the ongoing coronavirus outbreak on the national economy. The actions set forth in the Decree have been reported to entail a €25 billion expenditure. The measures include the following: Tax and Social Security Payment and Reporting Deadlines' Deferral Payment of income taxes, VAT, social security and compulsory insurance premiums due between 8 March and 31 March 2020 may be postponed until 31 May 2020, and made thereafter in one instalment or spread interest-free on a straight-line basis over a five-month period as of May 2020. The measure applies to any business or professional located in Italy and having 2019 revenues not exceeding Euro 2 million. Tax Administration and Enforcement Deadlines' Deferral and Statute of Limitations Postponement All administrative and enforcement actions to be performed by the tax authorities, such as rulings, audits, assessments, collections, and litigation, are suspended from 8 March 2020 through 31 May 2020. Collections due during such period are postponed through 30 June 2020 (penalties and interest are waived). Any tax statute of limitations expiring on 31 December 2020 is postponed to 31 December 2022.	Decree

		Certain DTAs Converted into Tax Credits Upon payment of a 1.5% fee, deferred tax assets (DTAs) arising from tax losses or allowances for corporate equity may be converted into tax credits for an amount not exceeding 20% of the face value of non-performing loans transferred to a third party in exchange for consideration no later than 31 December 2020. A €2 billion receivable face value cap applies to third-party transfers made by companies' members of the same corporate group. COVID-19 Charitable Contributions Businesses may entirely deduct cash or in-kind charitable contributions made in 2020 to public institutions or not-for-profit organisations to finance the COVID-19 emergency. Individuals are entitled to a 30% tax credit, up to €30,000. Financial support to affected companies and lenders Further to the debt moratorium measures previously adopted, the Decree affords small-medium enterprises (SME) various forms of financial support. In particular, SMEs owing debt to banks, financial intermediaries or other entities authorised to grant credit in Italy may obtain the following relief (provided they self-certify to have suffered a temporary shortage of liquidity as a direct consequence of the COVID-19 pandemic): i. Outstanding lines of credit (used or unused) to become irrevocable until 20 September 2020; ii. Bullet loans with contractual maturity before 30 September 2020 to be automatically extended (together with any security or guarantee) until 30 September 2020 on the same terms; iii. With respect to mortgages and other loans repayable in instalments, the payment of instalments or lease payments falling due before 30 September 2020 to be deferred until that date, and the repayment schedule to be extended without additional costs for either parties;	

		SMEs may also opt to request the suspension of principal payments only. In turn, lenders are entitled to obtain (free of charge) a guarantee by the Central guarantee fund for SMEs (*Fondo centrale di garanzia per le PMI*) covering 33% of the additional drawdowns on credit lines, of loans whose maturity is extended, or of the instalments that are suspended, as a consequence of the above-mentioned measures. Labour support measures The Decree introduces measures supporting employers in the re-organisation of their activities throughout the duration of the state of emergency. In particular, the Decree enables eligible employers to apply for the Ordinary Wage Guarantee Fund (*Cassa Integrazione Guadagni Ordinaria* - CIGO) in a simplified and expedited manner, for up to nine weeks, from 23 February 2020 and until the end of August 2020. The Decree also introduces for the first time a general temporary layoff scheme applicable to every employer for the same time period. This scheme will have to be implemented by regional governments.	
Germany			
13-March-2020	Government	The German Government announced a significant aid package, stating that there is no upper limit on the loan amount that KfW can grant. There is room in the federal budget for a guarantee amounting to €460 billion, while an increase of €93 billion is possible in a timely manner. A protective shield for employees and companies is based on the following pillars: *Kurzarbeitergeld*: The hurdles for short-time work are reduced, and the Federal Employment Agency (*Bundesagentur für Arbeit*) relieves companies of social security contributions. *Steuerliche Liquiditätshilfen*: The deferral of taxes due and the reduction of tax prepayments for the current year are made easier. The deferral of the tax debt should also be possible without interest. Enforcement measures such as bank attachments and late payments are to be waived until	Fiscal measures / Announcement

		31 December 2020 if the taxpayer is directly affected by the effects of the coronavirus. *Milliarden-Schutzschild*: The conditions for existing programmes such as the KfW entrepreneur loan and ERP start-up loan are reduced and have increased risk-taking. The same applies to the programme for larger companies with sales of up to €5 billion (KfW credit for growth). The maximum guarantee amount at guarantee banks is doubled to €2.5 million, the large guarantee programme is no longer restricted to structurally weak regions. Lastly, KfW is launching additional special programmes for companies that temporarily run into serious financing difficulties due to the crisis and do not have easy access to the existing funding programmes.	
19-March-2020	German Association of Retailers	The German Association of Retailers (*Handelsverband Deutschland*) is urging the government to compensate companies for the economic damage caused by the decision to close down all non-essential businesses in an attempt to slow the spread of the coronavirus. The lobby group estimated that affected retailers in Germany are losing a combined €1.15 billion in revenue per day because of the drastic measures that came into force on Wednesday. The HDE proposed the following plan to the federal government: Setting a nationwide uniform legal framework The nationally active companies need a uniform legal framework in order to be able to implement the guidelines for combating the coronavirus crisis in their companies. Different legal requirements in the federal states and different implementations in cities, counties and municipalities, are leading to chaos in implementation and are no longer manageable for companies. Ensure liquidity through emergency aid The state must grant the medium-sized retailers immediate aid in the form of direct grants so that the liquidity of the medium-sized companies affected by business closures is maintained. These direct grants should be paid out by the tax offices.	Proposed fiscal measures

		Taxes, fees and social security contributions Taxes, fees and social security contributions due should be deferred for at least six months without interest. Compensate companies for financial losses The companies affected by the state-ordered business closures must be compensated for the financial losses suffered. The Infection Protection Act (*Infektionsschutzgesetz*) could be a legal basis. Suspend commercial rents During the closings of their businesses, traders need to suspend commercial rents and reduce rent to ongoing operating costs. In addition, retail tenants should be able to defer these costs. Enable easier hiring of workers, liberalisation of the Working Hours Act (*Arbeitszeitgesetz*) and raise of the income limit for marginally employed workers Workers who are currently out of work due to business closures should be able to be work for retail companies that have an urgent need for additional workers. In addition, the maximum daily working hours permitted in the Working Hours Act must be abolished immediately nationwide and the income limit for marginally employed persons temporarily raised from €450 to €1,000 so that, in this crisis situation, the increased workload in logistics and open shops can be managed and the population can be supplied with food. Ensure freedom of movement for workers across borders Workers from neighbouring European countries must be able to come to work as they are essential for the continued operation of many retail companies.	

22-March-2020	Government	A government official stated that a supplementary budget to counter the economic impact of the coronavirus will be worth around 150 billion euros (US$161.18 billion). Chancellor Angela Merkel’s cabinet is expected to discuss the special budget on Monday. The Minister of Economy also announced that the Ministry is planning to loosen anti-trust laws to allow greater cooperation between retail businesses in the fight against coronavirus.	Fiscal measures / Announcement
22-March-2020	Government	The German Government proposes an Economic Stabilisation Fund (*Wirtschaftsstabilisierungsfonds* or *WSF*) which will be largely modelled upon the 2008 German bank bailout “Financial Market Stabilisation Fund” (*Sonderfonds Finanzmarktstabilisierung* or SoFFin). The WSF will reportedly: Dedicate €100billion to recapitalise companies affected by COVID-19 through investing equity capital and thereby taking stakes in distressed companies; Be equipped with €400billion towards state guarantees for (financing) liabilities of companies affected during the current situation; and Grant an additional €100billion loan to the German state development bank (*Kreditanstalt für Wiederaufbau* or *KfW*) in order to provide cash injections to German companies facing liquidity problems as the result of the COVID-19 outbreak. Additionally, the government proposes: Adoption of a €50 billion direct support as emergency aid (as opposed to loans) in an amount of up to €50 billion is planned for pubs and small businesses which have to close. The thresholds of company size are still being discussed.	Fiscal measures / Proposition

		Adoption of a €156 billion supplementary budget which will, amongst other measures, provide for bridging loans to SME sector for up to €50 billion.	
30-April-2020	Government	The Federal Ministry for Economic Affairs and Energy has agreed with the Federal Ministry of Finance to make it possible for the Federal Government to issue export guarantees for transactions with short-term payment obligations (of up to 24 months) within the EU and with certain OECD countries. This is to make up for potential liquidity shortages in the private market for export-credit insurance.	Fiscal measures
01-April-2020	Government	The Federal Ministry for Economic Affairs and Energy announced the release of a new €2 billion package of support measures for start-ups. Despite in principle having access to all support measures of the Corona aid package, start-ups in many cases do not meet the requirements placed by house banks on borrowers due to their young age and innovative business models. The package of measures is to include the following elements, which are to be implemented gradually: • strengthening venture capital investors (at fund level) to provide additional capital to portfolio companies facing liquidity constraints; • support of financing rounds for defaulting fund investors ("secondary market"); and • support of young start-ups not having venture capitalists as their shareholders and SMEs	Fiscal measures
France			
13-March-2020	Banque de France	Banque de France announced its decision to propose: i. A complete relaxation of the current countercyclical buffer from 0.5% to 0%;	NCB measures

		ii. An extension of the range of banks' exposures towards SMEs that it is prepared to refinance in order to provide additional facilities for banks that lend to SMEs; iii. A mobilisation of the Credit Mediation Unit (*Mediation du Credit*) so it is ready to intervene if companies face difficulties in accessing credit with their local banks as a result of COVID-19.	
17-March-2020	Ministry of Finance	French Finance announced a €45 billion aid package for small businesses and other hard-hit sectors of the economy. The €45 billion stimulus will mainly take the form of: i. Reduced social security contributions for an amount of €35 billion, which the state could partly claw back later; ii. Unemployment benefits linked to forced part-time employment will cost the government €8.5 billion; iii. While a solidarity fund for the self-employed and shopkeepers will require at least €2 billion.	Fiscal measures / Announcement
18-March-2020	Government / Bpifrance	The government has made several announcements regarding the provision of financial aid to companies and other business organisations in France. At this stage, no specific law, regulation or rule has been adopted. However, a draft bill was discussed on Wednesday, 18 March 2020, to determine the precise terms and conditions of these measures. Technical leave & subsidy The government has declared that companies will be able to cite the current COVID-19 epidemic as justification for placing all or some of their employees on "technical leave", allowing companies to either reduce their employees' working time or request that they do no work at all. During technical leave, employees are paid approximately 70% of their salary by their employer for the hours not worked; employees will then receive a government subsidy to cover part of the cost of technical leave. The precise amount of the subsidy should be set forth in the upcoming bill.	Fiscal measures / Announcement

		Deferral of payment of social security contributions without penalty Employers are allowed to defer the payment of all or part of their employee and employer social contributions due to URSSAF by 15 March 2020, for up to three months, without incurring any penalty. Deferral of payment of tax instalment without penalty Companies (or accountants acting on behalf of their clients) may request from the tax authorities (*Service des Impôts des Entreprises, SIE*) to defer the payment of their next direct tax instalments (corporate tax, payroll tax), without penalty. Possible rebate of tax and social security charges In the most serious situations, direct tax and social security rebates may be granted, on a case-by-case basis, after an individualised review, as confirmed by Minister of Economy and Finance Bruno Le Maire in a press conference held on 17 March 2020. Credit mediation from the state and the Banque de France Support from the state and the Banque de France to negotiate a rescheduling of bank loans with the relevant bank. Mobilisation of the French public investment bank (Bpifrance) to guarantee bank lines of credit that companies may need because of the epidemic. State guarantees of up to €300 billion for all bank loans Bpifrance measures The following support measures have been set up by Bpifrance, irrespective of the size of the company: i. 90% guarantee for loans between three and seven years granted by French private banks to affected companies; ii. Guarantee of up to 90% of the bank overdraft if the bank confirms the overdraft over a period of 12 - 18 months;	

		iii. Offer of unguaranteed loans between three to five years of €10,000 to €5 million for SMEs and several tens of millions of euros for "mid-cap" companies (ETIs), with a significant delay in repayment; iv. Monetisation of all receivables for an amount of up to 130% of the receivables' amount; v. Suspension of repayments for loans granted by Bpifrance as of 16 March 2020; vi. Support for the handling of conflicts with customers or suppliers by a business mediator.	
24-March-2020	Government	The French Finance Minister announced that the government has drawn up a list of companies that may need state support due to the coronavirus outbreak such as a capital injection or even outright nationalisation. Le Maire urged big companies to show "moderation" about paying dividends to their shareholders and also to pay their suppliers strictly on time. Those who fail to do so will not be able to get a state guarantee for their loans, he said. The government has offered to guarantee up to €300 billion euros in business loans through commercial banks as part of its response to the economic crisis triggered by the coronavirus outbreak. It has also launched a package of crisis measures worth €45 billion – 2% of GDP – in the form of deferred tax payments and payroll charges as well as payments to companies that keep workers on their payroll even if they are not working.	Fiscal measures / Announcement
27-March-2020	Government	The Government announced the implementation of the following immediate measures to support the economy: i. Remission of direct taxes. An enterprise facing payment difficulties related to the virus can put a request for a settlement plan to spread or defer the payment of its tax	Fiscal measures

		debt. In the most difficult situations, a remission of direct taxes (profit tax, territorial economic contribution, for example) is permitted. ii. Solidarity fund for SMEs, freelancers and micro-enterprises. The State and the have set up a solidarity fund to help small businesses most affected by the crisis. Inter-municipal authorities and large companies can help finance the fund. Insurance companies have already announced a contribution of 200 million euros. The aid, which can range up to € 3,500, is directed towards very small businesses, freelancers, micro-entrepreneurs and liberal professions who generate: • less than €1 million in turnover, and • a taxable annual profit of less than 60 000 euros; and who: • undergo an administrative closure or • who experience a loss of turnover of more than 70% in March 2020 compared to March 2019. For the most difficult situations, additional support may be granted to avoid bankruptcy on a case-by-case basis. iii. State guarantee scheme. The Government is implementing an exceptional guarantee scheme to support bank financing for businesses of up to €300bn. Until December 31, enterprises of all sizes, regardless of their legal form (including companies, traders, artisans, farmers, liberal professions, micro-entrepreneurs, associations and foundations with an economic activity), with the exception of civil property companies, credit institutions and finance companies, may apply to their usual bank for a loan guaranteed by the State to support their cash flow. This loan may represent up to 3 months of the 2019 annual turnover, or two years of payroll for innovative companies or companies created since January 1, 2019. No reimbursement will be required the first year;	

		enterprises may choose to amortize the loan over a maximum period of five years. In addition, French banks have committed to postpone the reimbursement of corporate loans for up to 6 months, free of charge. For companies with fewer than 5,000 employees and a turnover of less than 1.5 billion euros in France it is possible to apply for more than one loan. The cumulative amount of these loans must not exceed 25% of turnover or 2 years of payroll for start-up or innovative companies. For companies with at least 5,000 employees or with a turnover of more than 1.5 billion euros in France the state guarantee is granted by individual decree of the Minister of Economy and Finance. iv. Partial unemployment scheme. The company pays compensation equal to 70% of gross salary (around 84% of the net) to its employees. Employees with minimum wage or less are 100% compensated. The company will be fully reimbursed by the State, for salaries up to 6,927 euros gross monthly, i.e. 4.5 times the minimum wage. v. Public contracts. The State and local authorities recognise the Coronavirus as a case of force majeure with regard to their public contracts. Consequently, for all state and local government contracts delay penalties will not be applied.	
Spain			
13-March-2020	Government	The Spanish government decided to inject around €3.8 billion into the country's healthcare system at both the national and regional levels. Small businesses and freelance workers affected by the outbreak would be exempt from paying taxes for six months.	Fiscal measures / Announcement

		A €400- million credit line will be opened to aid the tourism sector.	
17-March-2020	Government	The Spanish Prime Minister announced a relief package of €200 billion to fight the economic fallout of the coronavirus crisis. The amount of this package, which comprises public and private funds, is the equivalent of 20% of Spain's gross domestic product (GDP). The aid package revolves around three main guidelines: i. Guaranteeing liquidity for businesses – €100 billion is tied up to a public guarantee scheme to ensure liquidity for struggling businesses; ii. Supporting workers and businesses affected by the slump in activity – €17 billion is being earmarked to support the groups most likely to suffer from the blow; iii. Easing the conditions of the temporary collective layoffs (ERTE) – the draft contemplates lifting social security contribution requirements for small and medium businesses who do not lay off workers and adjusting the social security system contributions made by self-employed workers.	Fiscal measures / Announcement
18-March-2020	Government	The Spanish Government has approved a **€200 billion emergency programme** to fund efforts to contain the COVID-19 epidemic. By virtue of Royal Decree-Law 8/2020, as published in the 18 March 2020 edition of the Official State Gazette, the following measures came into force to confront the economic impact of COVID-19: • The ministry of foreign affairs and digital transformation will grant **up to €100,000,000,000 in guarantees** for funding provided by credit institutions, specialised credit institutions (*establecimientos financieros de crédito*) and electronic money and payment institutions, to any companies and self-employed workers needing that funding to meet their needs arising from managing their invoices, need for working capital (cash), financial or tax obligations or other liquidity needs.	Royal Decree-Law 8/2020

		• The net indebtedness limit for Spanish official credit institute ICO is raised by **€10,000,000,000 for the purpose of increasing the ICO facilities** providing funding to companies and the self-employed. • Authorisation is given for an **insurance cover facility amounting to up to €2,000,000,000** for the working capital credit facilities needed for export companies out of the reserve fund for risks in international trade, for certain small and medium enterprises that are encountering liquidity problems (but which are not in technical insolvency or at the pre-solvency stage) as a result of the impact of the crisis caused by COVID-19. This insurance cover will be provided by CESCE. • Financial measures are granted targeted at any owners of farm operations that had entered into credit facility loans as a result of the drought in 2017, who will be allowed to enter into agreements with financial institutions to extend their repayment periods by up to a year. i. Suspension of tax time periods. ii. Moratorium on the payment of mortgage debts for acquisition of the principal residence for mortgagors who are unemployed or who, as entrepreneurs or professionals, suffer a substantial loss of income or drop in sales greater than 40%, or mortgagors whose family unit, in the month prior to the request for the moratorium, does not reach a certain level of income, and depending on its members, the mortgage payment represents more than 35% of their income and the health emergency has altered their economic circumstances.	
24-March-2020	Government	The Spanish government approved a burden-sharing scheme for banks as part of state-backed credit lines to help companies limit the impact of the coronavirus outbreak and released an initial tranche of €20 billion. As part of the scheme, the state will guarantee around 80% of unpaid loans by small - medium-sized companies and self-employed workers. The guarantees will cover new or renewed lending but not restructured loans.	Fiscal measures / Decision

		The measures are part of a total of €100 billion in state-backed credit lines approved last week, embedded in a wider, unprecedented €200 billion package.	
Portugal			
10-March-2020	Government	Portugal's government will double the credit line for corporate treasury support from €100 million to €200 million. The credit line is aimed at micro, small and medium enterprises (SMEs) – it has a fully subsidised guarantee commission and will be available from 12 March onwards.	Fiscal measures / Announcement
13-March-2020	Government	A €2.3 billion package was announced, including delaying some tax payments and granting soft loans. Companies would be allowed to suspend social security payments and maintain employees' contracts with payments equal to two-thirds of salaries, funded largely by the state. Government measures re companies: i. Credit line of €200 million to support companies' cash flow; ii. Credit line of €60 million for microenterprises in the tourism sector; iii. Extraordinary support for the maintenance of employment contracts in companies whose business suffers from crisis, amounting to two thirds of pay, with Social Security paying 70% of this amount, the remainder being borne by the employer; iv. Acceleration of payments to companies by the public sector; v. Extension of payment deadlines for tax and other reporting obligations.	Fiscal measures / Announcement
18-March-2020	Government	Portugal's government announced a €9.2 billion package equivalent to 4.3% of the country's GDP to support workers and provide liquidity for companies affected by the coronavirus outbreak. The package includes: i. 5.2 billion in fiscal stimulus measures such as flexible payment schedules for tax payments and social contributions in the second	Fiscal measures / Announcement

		trimester, and a reduction of social security contributions between March and May, ii. Three billion in state-backed credit guarantees. Just over half of the 3 billion euros in credit lines is earmarked for companies working in tourism, hotels and restaurants. The other half goes to industries such as textiles, clothing and wood. Around a third is set aside for micro and small enterprises. EU Commission has approved this under the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak, on 22 March 2020. iii. One billion related to social security payments. The government is currently in talks with the Bank of Portugal and the Portuguese Association of Banks about a temporary moratorium on loan repayment schedules due to come to effect by end of March.	
Denmark			
12-March-2020	Government	The government made an extra 200 billion Danish kroner (US$30 billion) available for banks to lend to companies. The proposed measures are as follows: i. The release of the so-called '"countercyclical capital buffer"' banks have been required to keep on their books since the 2007 financial crisis. This will provide them an extra 200 billion Danish kroner in liquidity, which they can either use to lend to businesses or to withstand losses on existing loans. ii. Two new loan guarantee schemes, one for large companies and one for small and medium enterprises (SMEs). The government will guarantee 70% of the value of any new bank loans given to SMEs who have seen operating profits fall by more than 50%. This could back up to 4.8 billion kroner in new loans. It will guarantee 70% of the value of new loans to large companies who can demonstrate a fall in turnover on more than 50%. This could back 2.7 billion kroner in new loans.	Fiscal measures / Announcement

		iii. Employers from now on be completely reimbursed by the government from the first day that an employee becomes ill or enters quarantine due to coronavirus, rather than having to themselves absorb the bill for the few days. iv. Employment legislation is being relaxed to allow companies to reduce employees hours temporarily, with the employees' incomes then supplemented by unemployment benefits.	
13-March-2020	Danmarks Nationalbank / Government	Denmark's National Bank (*Danmarks Nationalbank*) will launch an extraordinary lending facility that will make it possible for monetary policy counterparts to take -one week loans against collateral with an interest rate of -0.50 per cent. The new lending facility will ensure the banking sectors access to liquidity at favourable terms, should the effects of the spread of coronavirus have an impact on the liquidity situation in the Danish banking sector. The facility will remain available as long as *Danmarks Nationalbank* deems it necessary. The Danish government has decided to release the countercyclical capital buffer and cancel the planned increases meant to take effect later. *Danmarks Nationalbank* has agreed.	NCB & Government measures/ Announcement
18-March-2020	Government	Denmark launched a DKr 40billion (US$6 billion) package to help small businesses and the self-employed as it seeks to shield the most vulnerable companies and workers from the effects of the coronavirus. The finance minister proposed that the Danish state would cover costs such as rent or electricity bills, aimed mostly at small - mid-sized companies. It is also offering compensation to self-employed workers for lost revenues as they are not covered by a separate agreement for the state to pay a large part of the salaries of laid-off workers.	Fiscal measures / Announcement

The Netherlands			
12-March-2020	Government	The Dutch government has chosen a targeted approach, mainly aimed at eliminating temporary liquidity issues of solvent firms: i. Firms with lower profits due to the virus can request a revision to their provisional tax bill; ii. The existing guarantee scheme for SME-credit will temporarily be extended starting by the end of March. The coverage share of a credit (with a maximum duration of one year) will be increased from 50% to 75%, of which the government guarantees 90%. This applies to bridging loans or overdraft credit; iii. Frms can request postponement for (provisional) tax payments concerning corporate income tax, value added tax and labour income tax; iv. An existing working time reduction scheme (*werktijdverkorting*) is available for businesses that lost 20% of work in two weeks' time due to unforeseen circumstances. COVID-19 has been deemed as a relevant unforeseen circumstance. Businesses can use the scheme for a maximum of four periods of six weeks. Employees will get unemployment benefits for the hours not worked.	Fiscal measures / Announcement
17-March-2020	Government	The Dutch government has decided to take exceptional fiscal measures: Temporary scheme for compensation of wages An entrepreneur who expects a loss of turnover (at least 20%) can apply to the scheme for a salary contribution for a period of three months (maximum 90% of the wage bill, depending on the loss of turnover). The scheme will provide an advance of 80% of the requested contribution. Extra support for independent entrepreneurs The government is introducing a temporary, relaxed arrangement to support independent entrepreneurs, including self-employed persons, so that they	Fiscal measures / Announcement

		can continue their business. The scheme is implemented by municipalities. Self-employed persons can receive additional income support for maintenance for a period of three months through an accelerated procedure. This supplements the income to the social minimum and does not have to be repaid. Relaxation of deferral of payment of tax and reduction of fines Affected entrepreneurs can more easily apply for a deferment of tax. The tax authorities will then immediately stop the collections. This applies to income, corporate, wage and turnover taxes (VAT). Any default penalties for late payment do not have to be paid. The recovery interest that normally starts after the expiry of the payment term is temporarily reduced from 4% to almost 0%. This applies to all tax debts. The rate of the tax interest also temporarily goes to almost 0%. This reduction will apply to all taxes subject to tax interest. Broadening of the Guarantee for Entrepreneurial Financing Businesses that experience problems in obtaining bank loans and bank guarantees can use the Guarantee Business Financing Scheme (GO). The government proposes to increase the GO’s guarantee ceiling from 400 million to 1.5 billion euros. This will help both SMEs and large companies with a 50% bank guarantee loans and bank guarantees (minimum 1.5 million – maximum 50 million per company). The maximum per company is temporarily increased to 150 million euros. Interest discount for small entrepreneurs on microcredits offered by *Qredits* Microcredit provider *Qredits* finances and coaches a large group of small and starting entrepreneurs, who often find it difficult to obtain financing through the bank. *Qredits* opens a temporary crisis measure: for small entrepreneurs affected by the corona issue, a repayment of six months is offered and the interest during this period is automatically reduced to 2%. The Cabinet supports Qredits for this measure with a maximum of 6 million euros. Temporary guarantee for agricultural and horticultural companies	

		For agricultural and horticultural companies, a temporary guarantee for working capital will be provided under the Guarantee for SME Agricultural Credits (BL) scheme. The adjusted BL scheme will apply from 18 March 2020. Consultation on tourist tax (central government / municipalities) and culture sector	
17-March-2020	Dutch Central Bank	DNB has decided to take the following measures: i. the systemic buffers will be lowered, from its current 3% of global risk-weighted exposures to 2.5% for ING, 2% for Rabobank and 1.5% for ABN Amro; ii. the introduction of a floor for mortgage loan risk weighting will be postponed. Combined, these measures will free up €8bn in capital. This will enable the banks to continue lending to the real economy in the face of rising losses. As the total impact on lending could rise to a maximum of €200bn, it is paramount that banks use this freed-up capital to support lending, and not to pay dividend or share repurchases. These measures will remain in force as long as necessary.	NCB measures
Poland			
12-March-2020	National Bank of Poland	The National Bank of Poland decided to cut the NBP reference rate by 0.5 percentage points, *i.e.* to 1.00%. At the same time, it set the remaining interest rates at the following levels: i. Lombard rate at 1.50%; ii. Deposit rate at 0.50%; iii. Rediscount rate at 1.05%; iv. Discount rate at 1.10%.	NCB measures

		In order to limit the risk of current economic disruption weighing on credit supply, the Bank cut the required reserve ratio from 3.5% to 0.5% and increased the remuneration of required reserves from 0.5% to the reference rate level. The Bank will also purchase government bonds on the secondary market as part of the structural operations that change the long-term liquidity structure in the banking sector and contribute to maintaining the liquidity in the government bond secondary market. Furthermore, it will offer bill discount credit aimed at refinancing new loans granted to economic entities by banks.	
18-March-2020	Government	The Polish government has unveiled an emergency 212 billion zloty (US$51.96billion) stimulus package to help mitigate the impact of the coronavirus on the country's economy. The package, worth around 9% of GDP, would help people and businesses cope with the fallout from the crisis The measures include: i. Deferral of social security contributions; ii. An income support scheme for companies that can prove that the crisis has hit their turnover; iii. 7.5 billion zloty of additional funding for the health services; and iv. A 30 billion zloty infrastructure investment fund. The prime minister said the fiscal plan will be translated into draft legislation by the end of this week and then sent for parliamentary approval.	Fiscal measures / Announcement
Greece			
13-March-2020	Government	The Ministry of Finance announced: i. A -three month deferral of insurance contributions, *i.e.* until the end of June; ii. An injection of €15 million into the budget of the Ministry of Health.	Fiscal measures / Announcement

18-March-2020	Government	The Ministry of Finance announced a new package of measures, including: Suspension of business taxes and levies The measures strictly apply to businesses in the sectors most affected by the emergence and spread of coronavirus. Business Financing An extended financing framework of a total amount of €1 billion, in the form of an advanced refundable payment, with an extended repayment period, will be provided to all affected businesses. Employees All employees will receive a compensation of €800 for the period of the suspension of their employment. The State also fully covers the insurance, pension and health rights of workers and their social security contributions on the basis of their total nominal wages. The budgetary cost of March and April, for approximately 500,000 employees, is about €450 million. Further, the regular unemployment benefit as well as the long-term unemployment benefit, which is to end on 31 March, will be extended for two months. Freelancers, self-employed and self-employed For self-employed and individual businesses operating in sectors sharply affected due to the emergence and spread of coronavirus, all tax liabilities, payable in March, are deferred for four months. For the self-employed, self-employed professionals and sole proprietors affected between 15 March and 30 April, an aid of 800 euros will be granted at the beginning of April. In addition, €1.8 billion will be allocated through the European Special Investment Fund Overall, there will be further enhancement of business liquidity by optimally combining funds from the Public Investment Programme, the NSRF, the	Fiscal measures / Announcement

		Hellenic Development Bank and the European Investment Bank Group, in order to ensure maximum leverage. Specifically, it provides: i. Interest rate subsidy for up-to-date business loans for three months for the sectors of the economy that are directly affected by the coronavirus. Should the crisis continue, the measure may be further extended. ii. In consultation with the European Commission, for the start-up period of the economy, a guarantee mechanism for lending to small - and medium-sized enterprises up to EUR 3 billion will be implemented. iii. The European Investment Bank will grant banks € 2 billion in liquidity for new business loans. iv. In collaboration with the European Investment Bank Group, a guarantee mechanism for investment loans of up to EUR 500 million is being set up. v. The Entrepreneurial Fund of the Hellenic Development Bank will increase its resources, by 250 million euros, to provide new loans to corporations affected by the coronavirus with a 100% interest rate subsidy for two years. Reduction of VAT to 6% from 24% on products needed to protect against coronavirus and to prevent its transmission Intervention in the real estate market For businesses that are compulsorily ceasing their business due to the spread of coronavirus, it will be provided by law that they will pay 60% of the rent on the commercial property, if rented, for the months of March and April. It shall also be noted that: i. The Independent Public Revenue Office proceeds with immediate repayment of all outstanding liabilities to citizens and businesses, refunding up to € 30,000 in all cases under review.	

		ii. Banks will suspend until September 2020 the payment of debt obligations of the companies that meet their debt obligations.	
20-March-2020	Government	The Greek PM announced that apart from a package of measures worth 3.8 billion euros already announced the government would spend another 3 billion euros (US$3.20 billion) from the budget and an equal amount from EU structural funds to shield businesses and economic activity.	Fiscal measures/ Announcement
Sweden			
13-March-2020	National Bank of Sweden	The Executive Board of the National Bank of Sweden (*Riksbank*) has decided to offer loans to banks to safeguard the supply of credit to companies. *Riksbank* is offering banks up to SEK 500 billion against collateral for onward lending to non-financial companies operating in Sweden. The loans will be granted at a variable interest rate equivalent to the *Riksbank's* repo rate, at present 0 %, and they will have a maturity of two years.	NCB measures
16-March-2020	Government	The government presented a package of measures worth more than 300 billion Swedish crowns (US$30.94 billion) to support the economy in the face of the coronavirus pandemic. The package included measures such as the central government assuming the full cost for sick leave from companies through the months of April and May, as well as the brunt of the cost for temporary redundancies due to the crisis. The biggest cost will come from allowing companies to put off paying tax and VAT for up to a year – retroactive to the start of 2020.	Fiscal measures/ Announcement
18-March-/2020	Government	In response to the ongoing spread of COVID-19, the government proposed the following measures to mitigate the negative economic consequences to the transport industry, in particular to the aviation industry: i. Airlines will be able to receive credit guarantees in 2020 amounting to a maximum of SEK 5 billion, of which SEK 1.5 billion is intended for SAS, the Scandinavian Airlines.	Fiscal measures / Proposition

		ii. The Export Credit Agency's credit guarantee framework will be expanded to support Swedish export companies and, by extension, the shipping industry. iii. The Export Credit Agency's credit guarantee framework will be expanded by SEK 50 billion.	
19-March-2020	Government	The government decided that the cultural sector and sports movement will receive an extra SEK 1 billion in support due to the economic consequences affecting these sectors as a result of the spread of the COVID-19 virus, and that: i. The funds to culture – SEK 500 million – will be granted to activities that lose revenue as a result of the restriction on public gatherings. ii. The funds to sport – SEK 500 million – will be granted to associations that organise sporting events, such as major championships, recreational races or elite-level matches. The money will be distributed by grant-allocating agencies in the area of culture and by the Swedish Sports Confederation.	Fiscal measures / Decision
	National Bank of Sweden	To mitigate the effects on the Swedish economy and combat the ongoing market unease, the Riksbank has decided on three new measures at an extraordinary monetary policy meeting: i. US loans. The Bank will enable loans in US dollars to ensure continued good supply of one of the most important currencies for Swedish companies to mitigate the consequences for output and employment in the wake of the corona pandemic. The Riksbank will now offer loans in US dollars against collateral. The framework amount is $60bn for the period 19 March 2020 up to and including 18 September 2020; ii. Covered bonds limits removed. To provide banks with more scope to borrow from the Riksbank, the limit rules for mortgage bonds (covered bonds) are being removed. This is to enable counterparties to use significantly more covered bonds for credit at the Riksbank and help improve functionality on the market for covered bonds.	NCB measures/ Decision

		The decision means that: • the permitted share of covered bonds of a counterparty's total collateral volume when borrowing from the Riksbank will increase from the currently applicable 80% to 100%; • the permitted collateral value for covered bonds issued by an individual issuer, or group of individual issuers, will be raised from 50% to 100%; and that • the Riksbank will accept covered bonds issued by the counterparty, or institution with close links to the counterparty, as collateral for credit at the Riksbank. iii. Commercial paper. Within the framework of the decision to purchase more securities for up to 300bn Swedish kronor this year, the Riksbank also intends to include purchases of securities issued by non-financial companies. On Thursday 2 April, the Riksbank intends to initiate purchases of commercial paper issued in Swedish kronor by Swedish non-financial corporations to a nominal amount of 4bn Swedish kronor. The purchases will be made on the secondary market and the issuing companies shall have a rating of BBB- or higher.	
20-March-2020	Government	The government presented further measures to make it easier for Swedish businesses, particularly small- and medium-sized businesses, to access finance at this difficult time. The measures include: i. *Almi Företagspartner AB* will receive a capital contribution of SEK 3 billion to increase its lending to small- and medium-sized businesses throughout the country. This reinforcement of the loan fund will increase Almi's preparedness to meet the needs of businesses whose activities have been adversely affected by the coronavirus outbreak. ii. The Swedish Export Credit Corporation's credit framework will be increased from SEK 125 billion to SEK 200 billion and can be used to provide both state-supported and commercial credit to Swedish export companies.	Fiscal measures / Proposition

		iii. The Swedish Export Credit Agency increased credit guarantees totalling SEK 500 billion and lower risk for banks will provide new and improved credit opportunities for companies. A new guarantee for faster and more secure payment to Swedish export companies will also be introduced. This will apply to small- and medium-sized export companies, major export companies and their suppliers.	
25-March-2020	Government	The Government presented additional measures to mitigate the economic impact of the COVID-19 virus outbreak. The measures include: i. Emergency package for affected small and medium-sized companies. A central government loan guarantee has been proposed to make it easier for companies to access financing. The central government will guarantee 70% of new loans banks provide to companies that are experiencing financial difficulty due to the COVID-19 virus but that are otherwise robust. The guarantee will be issued to banks, which in turn will provide guaranteed loans to companies. The loan guarantee primarily targets SMEs. However, there is no formal limit on company size to take part in the programme. The Swedish National Debt Office will administer the guarantee and it is proposed that each company be allowed to loan up to SEK 75 million, although exceptions can be made. ii. Temporary reduction of employers' social security contributions and individual contributions. A temporary reduction of employers' social security contributions will be proposed for the period 1 March to 30 June 2020 so that only the old age pension contribution is paid. It is proposed that this reduction should apply to up to 30 employees and on that portion of the employee's wage that does not exceed SEK 25 000 per month. This entails tax relief of up to SEK 5 300 per employee and month. To provide equivalent relief to sole traders, a reduction of individual contributions is also proposed. The proposal's cost to public finances are estimated to SEK 33 billion. iii. Measures targeting small enterprises.	Fiscal measures

		The rules for tax allocation reserves will be temporarily changed so that sole proprietors severely affected by the COVID-19 outbreak will receive tax cuts. The new rules mean that 100% of the taxable profits for 2019, up to SEK 1 million, can be set aside in the tax allocation reserve, which can then be set off against possible future losses. This proposal concerns sole traders and natural persons who are partners in Swedish partnerships. The proposal is expected to result in a maximum liquidity reinforcement of more than SEK 13 SEK billion.	
Switzerland			
16-March-2020	Government	The government announced that it is making available a CHF 10 billion (US$10.6 billion) aid package aimed at helping companies survive the economic downturn caused by coronavirus. Most of the money (CHF 8 billion) is earmarked to fund the imposition of short-time work at firms while other tranches have been set aside for hardship loans and to support specific sectors such as event management.	Fiscal measures / Announcement
20-March-2020	Government	The Swiss government announced a new 32 billion Swiss franc (US$32.56 billion) aid package to support companies and workers hit by the widening coronavirus outbreak which has pushed the country into "drastic measures". The package follows one worth 10 billion francs announced last week to cushion the expected downturn caused by the virus. The bulk of the cash – 20 billion francs – will go into guarantees for bank loans to companies at "very modest" interest rates. Firms will be able to get loans worth up to 10% of their revenue, to a maximum of 20 million francs. Amounts of 500,000 francs will be paid out immediately and guaranteed by the government. It expects the loans of up 500,000 francs to cover more than 90% of the companies. The government's short-time working scheme – which compensates the lost wages – would also be extended to fixed-term, temporary workers and trainees.	Fiscal measures/ Announcement

25-March-2020	Swiss National Bank	The Swiss National Bank introduced the new SNB COVID-19 refinancing facility (CRF). This measure is aimed at strengthening the supply of credit to the Swiss economy by providing the banking system with additional liquidity. There is no upper limit on the amounts available under the CRF, and drawdowns can be made at any time. Under this facility, liquidity can be drawn as a covered loan against credit claims in accordance with the COVID-19 ordinance on joint and several guarantees (COVID-19-Solidarbürgschaftsverordnung) and, at the discretion of the SNB, against other collateral it deems eligible. The CRF is available to banks domiciled in Switzerland (including the Principality of Liechtenstein) under the following conditions: i. the interest rate corresponds to the SNB policy rate; ii. the loan transaction has no fixed term. The bank has the option on a daily basis to increase or reduce the loan; iii. if the bank defaults under the contractual agreement, default interest is payable to the SNB until the day when the payment is made; the default interest rate is calculated as the SNB policy rate plus twice the special-rate surcharge, but is at least 1%; and the SNB has the right under the terms of the contract to terminate the loan at any time with immediate effect if there is a material change to the legal framework with respect to the guaranteed COVID-19 loans. Under the CRF, the SNB can also conduct additional refinancing transactions in order to supply the banking system with further liquidity if required. The CRF will be available from 26 March 2020.	Central Bank measures

	Government	The Federal Council decided to take further measures to cushion the economic consequences of the spread of the corona virus. They concern: i. job registration; ii. unemployment insurance; iii. short-time work allowance; and iv. occupational pensions. The new measures in favour of the employees lead to estimated additional costs for unemployment insurance amounting to around CHF 600mm per month. The measures are: in the area of unemployment insurance (ALV), the submission of proof of work efforts is no longer required; i. in order to avoid tax evasion, all eligible persons will receive a maximum of 120 additional daily allowances; ii. the framework period for the receipt of benefits is extended by 2 years if full receipt is not possible within the current framework period; iii. the approval period for short-time work is extended from 3 to 6 months; and iv. employers may temporarily use the employer contribution reserves they have built up to pay employee contributions to the occupational pension scheme.	Fiscal measures
27-March-2020	Government	The Federal Council approved the proposal of the Swiss National Bank (SNB) to deactivate the countercyclical capital buffer with immediate effect. In view of the exceptional situation caused by the coronavirus pandemic, the SNB has also submitted a proposal to the Federal Council requesting that the countercyclical capital buffer be reduced to 0% with immediate effect.	Approval of Central Bank measures

31-March-2020	Government	Switzerland's Federal Finance Administration (FFA) decided to step up its funding plans in response to government measures to cushion the economic impact of the COVID-19 pandemic, doubling the volume of outstanding short-term money market instruments. The Federal Finance Administration will increase the outstanding volume of short-term money market instruments from around CHF 6 billion ($6.24 billion) to CHF 12 billion. In addition, it will once again step up sales of its own Confederation bond holdings. The extra expenditure will be financed by using the existing substantial liquidity and by raising additional funds. This also addresses the heightened uncertainty regarding the short-term trend of receipts. The issuance calendar for Swiss government bonds remains unchanged, but the FFA announced that it would step up sales of its own unplaced tranches to support liquidity in bond trading.	Fiscal measures
Czech Republic			
17-March-2020	Czech National Bank	Czech National Bank (CNB) has reduced the two-week repo rate by 50 basis points to 1.75 %, the Lombard rate to 2.75 % and the discount rate to 0.75 %. From 18 March, delivery repos will be promulgated three times a week (Monday, Wednesday, Friday). CNB has revised the countercyclical capital buffer for exposures located in the Czech Republic to 1.75 %.	Monetary Policy measures / Central Bank decision
	Government / CMZRB	The following measures were introduced: i. Extension of the deadline for the filing of tax returns until 1 July (standard deadline: 31 March) and remission of any fines stemming from the late submission of tax declarations or reports. ii. To keep the employment rate, State will provide 100 billion CZK in direct support and 900 billion CZK in indirect in the form of guarantees. Government will pay out (through the respective employers) 60% of the average contribution base to employees affected by the quarantine. At the same time, the Government will support employers who continue, despite their businesses being shut down, to pay out 100% of the salary	Fiscal measures / Announcement

		to affected employees by covering 80% of salary costs (all this up to 1,2 billion CZK). iii. The Czech-Moravian Guarantee and Development Bank (CMZRB) is running a programme for the promotion of business liquidity, where will be an allocation of up to 10 billion CZK for immediate granting of interest-free loans with a one-year deferral with the possibility of a two-year extension for businesses affected by the coronavirus. Businesses will also be supported from other EU operation programmes. iv. The state will help self-employed persons, who are taking care of a child from 6 to 13 years of age and are not able to go to work due to the coronavirus, by 424 CZK per day. v. Three-month grace period introduced for the projected launch of 3rd and 4th wave of the Electronic Sales Record system (EET) (due as of 1 May). During the grace period controls will not be carried out and sanctions not handed out.	
26-March-2020	Czech National Bank	The Bank Board of the Czech National Bank lowered the two-week repo rate (2W repo rate) by 75 basis points to 1.00%. At the same time, it lowered the Lombard rate to 2.00% and the discount rate to 0.05%. The new interest rate levels come into effect on 27 March 2020.	Central Bank measures
01-April-2020	Czech National Bank	The Czech National Bank (CNB) decided to relax the limits on three credit ratios used in assessing applications for new mortgages with immediate effect. In this regard: i. The limit on the LTV ratio (the size of the loan relative to the value of the pledged property) has been increased to from 80% to 90%. In addition, providers may apply a 5% exemption to mortgages with higher LTVs. ii. The changes to the LTV ratio do not apply to "investment" mortgages;	Central Bank measures

		iii. The limit on the DSTI ratio, which expresses what proportion of an applicant's net monthly income is spent on total debt repayments, has been increased to from 45% to 50%; and iv. The CNB decided to cancel the duty to assess new mortgages according to the DTI ratio, which reflects the number of the household's annual net incomes needed to repay all its debts.	
	Government	The Czech government introduced further measures in response to the COVID-19 outbreak: i. An amendment to the Act on the Czech National Bank. The amendment eases the existing restrictions on open market transactions owing to which the CNB can now trade instruments with maturities of more than one year; in addition, the CNB can from now on trade with other entities, such as insurance and pension companies and other institutional investors; ii. Liberation packages. Liberation Package I – the state will not impose fines for late submission of personal and corporate income tax return, for late payment of a tax claim and for late submission of control tax reports. Liberation Package II - excuse of the June advance on personal and corporate income tax, the state will not impose fines for late submission of real estate property tax return, and suspension of the obligation to electronically record sales for entities in all phases of EET (during the state of emergency and following three months). Road tax advances due in April and July can be paid until October 15th and proposal for VAT exemption from goods that are supplied free of charge. iii. Company support programme "Antivirus". The state will contribute to employers' salaries. Companies have to fulfil several conditions, such as strict adherence to the Labour	Fiscal measures

		Code, employees must not be in a probationary period and employers have to pay wages and all lawful contributions. Companies also have to prove that the liquidity problems are connected to the COVID-19 pandemic. The amount of state compensation paid to employers is derived from the average super-gross wage. iv. All self-employed workers, whose business is their only source of income, will be given a six-month holiday in the payment of health and social insurance; and v. Compensation Bonus that will directly support self-employed persons with the amount of CZK 25.000. This will be paid if the following conditions are met: • it is a self-employed person according to the pension insurance law; • the activity performed is the principal activity; • the decrease in gross sales during the period from January to March 2020 was at least 10% compared to the period from January to March 2019 (if a business was set up after January 2019, the comparison counts for the first three months period after setting up the business); and the entity achieved at least CZK 180.000 of gross income in 2019 or at least CZK 15.000 per month in case the business was set up after January 2019	
Belgium			
22-March-2020	Federal Government & Belgian National Bank	In order to safeguard funding for families, the self-employed and businesses during this difficult time, the federal government, on the initiative of the Finance Minister and with the support of the National Bank of Belgium, has drawn up an agreement with the financial sector. This agreement consists of two pillars:	Fiscal & NCB measures

		i. The financial sector undertakes to grant viable, non-financial businesses and the self-employed, as well as mortgage borrowers with payment problems as a result of the corona crisis, postponement of payment until 30 September 2020 without charge; and ii. The federal government will activate a guarantee scheme for all new loans and credit lines with a maximum duration of 12 months, which banks provide to viable non-financial businesses and the self-employed. In this way, funding to the economy will be maintained. The guarantee scheme will have the following characteristics: i. A total guarantee amount of €50 billion. ii. All new additional loans and credit lines with a maximum maturity of 12 months (excluding refinancing loans) provided until 30 September 2020 will be covered by the guarantee scheme. iii. Upon expiry of the guarantee scheme, the amount of losses incurred on loans under the guarantee scheme will be assessed. The burden will be shared between the financial sector and the public sector as follows: • The first 3% of losses will be borne entirely by the financial sector; • For losses between 3% and 5%, 50% of the losses will be borne by the financial sector and 50% by the government; and • For losses higher than 5%, 80% of the losses will be borne by the government and 20% by the financial sector. The National Bank of Belgium, together with Febelfin, the official Belgian federation of the financial sector, will set up a monitoring system to monitor the guarantee scheme as well as the sector's commitments.	

Hungary			
16-March-2020	National Bank of Hungary	Hungary's central bank announced emergency steps to help businesses: i. Boosting the range of collateral it accepts from banks and calling on lenders to apply a loan repayment moratorium for firms hit by the coronavirus economic fallout; ii. Imposing a moratorium on repayments on loans extended under the central bank's Funding for Growth Scheme which had provided small businesses with cheap loans. Hungary's central bank stated that performing corporate loans in domestic banks' balance sheets totalled close to 3.6 trillion forints; a 30% haircut on these will apply. The total value of collateral that can be used will expand by more than 2.5 trillion forints ($8.10 billion).	NCB measures / Announcement
19-March-2020	Government	The Prime Minister announced that the principal and interest payment liabilities on loans taken out by private individuals and businesses up to the present day have been suspended up to the end of 2020. Other measure include: i. Short-term business loans have been extended until June 30. ii. The annual percentage rate (APR) of new consumer loans has been maximised at the central bank prime rate plus 5%. iii. Sectors already struggling with grave difficulties are cancelling the contribution payment liabilities of employers in their entirety for a period extending to June 30, and termination of rental agreements and the raising of rentals will not be allowed.	Fiscal measures / Announcement
19-March-2020	National Bank of Hungary	The Magyar Nemzeti Bank's Financial Stability Board took a comprehensive package of financial measures to reduce the administrative burden on banks and allow for the flexible application of macro- and micro-prudential rules. The MNB made the following decisions:	Central Bank measures

		The Magyar Nemzeti Bank's Financial Stability Board took a comprehensive package of financial measures to reduce the administrative burden on banks and allow for the flexible application of macro- and micro-prudential rules. The MNB made the following decisions: i. the MNB will provide relief from the maintenance of the systemic risk buffer (SyRB) in relation to commercial real estate project loan exposures until the end of 2020; ii. the internal capital adequacy assessment process reviews ("ICAAP reviews") of banks will be suspended until 30 September 2020, while the presently valid capital adequacy ratios ("TSCR ratio") expected by the MNB will be maintained; iii. in the case of a possible violation of the Pillar II capital guidance ("P2G"), the MNB will not apply the set of supervisory tools at its disposal; iv. meeting the level of the Minimum Requirement for own funds and Eligible Liabilities ("MREL requirement") planned for 2020 will be postponed by 6 months; v. the on-site examinations of financial organizations will be postponed by 2 months, and regarding examinations not requiring on-site presence, only the most important ones will be initiated; vi. the on-site phases of reviews related to the Internal Liquidity Adequacy Assessment Process ("ILAAP reviews") will be cancelled until December 31, but the MNB will monitor liquidity more closely based on regular data supplies; vii. regarding ongoing retail mortgage loan transactions, the MNB gives a temporary release from value appraisals and the production of notary documents, but they will have to be submitted after the disbursement. At the same time, in order to strengthen the banking system, the following steps are necessary:	

		i. the MNB requests banks and their owners to make sure that dividends are neither approved, nor paid until the end of September. ii. in the Foreign Exchange Funding Adequacy Ratio (FFAR) the weighting of long-term funds will be differentiated by maturity. iii. the maximum level of the Foreign Exchange Coverage Ratio (FECR) will drop to 10% from 15%, i.e. get tighter, thus constraining banks' on-balance sheet currency mismatch.	
24-March-2020	National Bank of Hungary	The Magyar Nemzeti Bank decided to take further liquidity measures. The Bank will introduce a long-term, i.e. three, six and twelve-month and three and five-year, collateralized lending facility of unlimited total amount at fixed interest rates, and, by suspending the sanctions on reserve deficiency, it will exempt banks from complying with reserve requirements. In addition to the introduction of a long-term lending facility, the Monetary Council also made a decision on the exemption from reserve requirements by suspending the sanctions on reserve deficiency. This measure will facilitate the management of liquidity for the banking system, providing liquidity of over HUF 250 billion. Banks will have free access to this amount.	Central Bank measures / Announcement
Norway			
13-March-/2020	National Bank of Norway	A rate cut was decided by the Norwegian Central Bank, *Norges Bank,* which reduced its key interest rate to 1% instead of 1.5%.	NCB measures
	Government	The government unveiled a 6.5 billion Norwegian Kroner financial package to help keep businesses afloat through the coronavirus pandemic. The government announced it was suspending fees and taxes for the airline industry, and would pay all but the two first days of the salaries of employees temporarily laid off in a bid to improve companies' liquidity.	Fiscal measures / Announcement
15-March-2020	Government	The Government announced two new loan and guarantee schemes with a combined volume of NOK 100 billion.	Fiscal measures / Announcement

16-March-2020	Government	The Government and the opposition in the Parliament agreed on a framework for even stronger measures based one the proposals put forward on 13 March, including support to self-employed and further deferral of tax payments. These changes are estimated to add about NOK 30 billon to the weakening of the budget.	Fiscal measures / Decision
19-March-2020	Government	All parties in the Parliament agreed on further expansion of Government support, including temporary reduction of the employers' social security contribution and compensation for losses in the culture and sports sectors, further weakening the budget by some NOK 14 billion.	Fiscal measures / Decision
19-March-2020	National Bank of Norway	Due to the market situation over the past few days, the Norges Bank introduces a range of measure to mitigate the economic impact of COVID-19. The measures include: Norges Bank will offer additional extraordinary NOK F-loans as from 19 March 2020. The Bank will offer extraordinary F-loans with a maturity of one week, one month, three months, six months and twelve months. The following conditions apply: i. The interest rate on F-loans with a maturity of one week, one month and three months is the prevailing policy rate. ii. The interest rate on F-loans with a maturity of six months is the prevailing policy rate plus 15 basis points. iii. The interest rate on F-loans with a maturity of twelve months is the prevailing policy rate plus 30 basis points. iv. All extraordinary F-loans will be fully allotted. All banks will receive the desired volume at the announced interest rate. The same collateral requirements will apply as for ordinary F-loans. v. Norges Bank will continue to aim to keep central bank reserves (banks' unrestricted bank deposits at the central bank) overnight at around NOK 35 billion (with a target range of plus/minus NOK 5 billion).	NCB measures

		vi. Surplus liquidity will be withdrawn from the banking system using daily F-deposits with one-day maturity. Banks can then draw on the liquidity from the extraordinary F-loans on a daily basis. The Bank decided to reduce the policy rate by 0.75% to 0.25%. Rate effective from 23 March 2020: i. Policy rate: 0.25 %. ii. Overnight lending rate: 1.25 %. iii. Reserve rate: - 0.75 %.	
20-March-2020	Government	The Government put forward two parliamentary propositions covering all economic corona-measures agreed between the parties in Parliament so far, and proposing a few additional measures, including a state guarantee scheme for airlines important for the Norwegian transport system. The total increase in budget outlays from the economic measures are estimated to exceed NOK 65 billion. Overview of measures to mitigate effects of COVID-19: i. Measures in the healthcare system to handle the acute crisis. This include securing necessary equipment and personnel. ii. Reduce the number of days that employers are obliged to pay salary to workers at temporary lay-offs, from 15 to 2 days. iii. Remove the three waiting days between the period when employers have to provide salary to workers in temporary layoffs and the period when the workers are entitled to daily unemployment benefits. iv. Change corporate tax regulations so that companies that are lossmaking can re-allocate their loss towards previous years' taxed surplus. v. Change the tax regulations so that owners of loss-making companies can postpone payments of wealth tax.	Fiscal measures / Proposition

		vi. Suspend the tax on air passengers for flights in the period from 1 January until 31 October 2020. vii. Suspend payments of aviation charges until 31 June 2020. viii. Reduce the low rate of VAT, which includes passenger transport, accommodation and parts of the cultural sector, from 12 to 8% in the period from March 20 to 31 October 2020. ix. Defer the deadline for payment of the first VAT period from 14 April to 10 June 2020. x. Postpone the deadline for payment of the second tax instalment for companies from 15 April to 1 September 2020. xi. Postpone the deadline for payment of employers’ contributions from 15 May to 15 August 2020. xii. Introduce a state guarantee scheme for new bank loans to small and medium-sized enterprises suffering losses because of the extraordinary situation arising from the COVID-10 pandemic. The initial package of NOK 50 billion will be increased if needed. xiii. Reinstate the Government Bond Fund to increase liquidity and access to capital in the Norwegian bond market, where larger companies typically raise their funding. The Fund will provide up to NOK 50 billion, to be invested in bonds issued by Norwegian companies. xiv. Purchase of home transport by air of Norwegians on travel and special shipping, NOK 100 million. xv. Purchase of domestic air routes where there is no basis for commercial operations, NOK 1,000 million. xvi. Aviation guarantee scheme totalling NOK 6 billion, with a 90 percent government guarantee on each loan. Of these, NOK 3 billion is directed to Norwegian Air Shuttle, 1.5 billion to SAS and the remaining 1.5 billion to *Widerøe* and other airlines.	

27-March-2020	Government	The Government proposed further measures to counter the negative economic impact of the COVID-19 crisis. Measures adopted and proposed to mitigate economic effects of Covid-19 include: Measures aimed at business and industries i. The employer-paid days are reduced from 15 to 2 days for temporary lay-offs, from 10 to 3 days for care-related leave and for corona-related sick leave the employer-paid days are reduced from 16 to 3 days. ii. A new broad scheme for cash support to otherwise sustainable businesses that are severely affected by measures to contain the pandemic. Companies may be compensated for a part of their fixed expenditures, like rent, debt servicing and insurance. Businesses that have been instructed by government decisions to close down will get the highest compensation. The duration of this measure is currently two months. iii. Companies that make a loss can re-allocate up to NOK 30 million of the tax loss against surplus from 2018 and 2019. iv. Deadlines for payment of value added tax, employer tax and payment of advance tax for self-employed and companies are postponed. v. The low VAT rate, which includes passenger transport, accommodation and parts of the cultural sector, is reduced from 12 to 8 per cent. Airlines-related measures include: i. Suspension of the tax on air passengers, for flights in the period from 1 January until 31 October 2020. ii. Suspension of payments of aviation charges. iii. Purchase of domestic air routes where there is no basis for commercial operations due to the crisis.	Fiscal measures

		iv. Introduction of an aviation guarantee scheme totalling NOK 6 billion, with a 90 percent government guarantee on each loan. Of these, NOK 3 billion is directed to Norwegian Air Shuttle, 1.5 billion to SAS and the remaining 1.5 billion to Widerøe and other airlines. v. Increased funding for Innovation Norway and the Research Council by a total of around NOK 3.8 billion, and NOK 1 billion increased investment capital in Investinor. vi. Pre- and after school cares and day cares are compensated for income loss. vii. A compensation scheme of NOK 900 million for culture, sport and voluntary sectors. Guarantee and loan schemes for businesses i. In the state guarantee scheme for bank loans to small and medium-sized enterprises the state guarantees 90 per cent of the loans within a total guarantee framework of NOK 50 billion. The scheme is planned to enters into force on Friday, March 27, after approval from ESA is available and rules for the scheme are laid down in regulations. ii. The Government Bond Fund shall increase liquidity and access to capital in the Norwegian bond market, and is aimed at larger companies. The investment budget is NOK 50 billion. iii. Increase borrowing limit in Innovation Norway's loans scheme by NOK 1.6 billion. iv. Increase funding for business-oriented research and development by NOK 250 million. Measures aimed at persons	

		i. Unemployment benefit are granted from the first day and the daily allowance increased. Temporary laid off persons are guaranteed 100 per cent compensation until a salary of 599 148 NOK for the first 20 days. The schemes for temporary laid off and unemployed are adjusted to include more people. The entitlement period are proposed extended to 30 June. ii. A temporary scheme to secure self-employed and freelancers who are not included in the unemployment benefit scheme and to give self-employed and freelancers sickness benefit from day four. iii. To establish a temporary benefit scheme based on social assistance rates for persons outside the EU / EEA area staying in Svalbard. iv. To double the number of days parents can stay home with sick children, and to permit transfer of days between co-parents. v. To entitle self-employed and freelancers to the same number of sick-kids days as employees, less a three-day waiting period. vi. Increased access to loans for students vii. Parents do not pay for pre- and after school cares and day cares during the period they are closed.	
Malta			
14-March-2020	Government	The Prime Minister of Malta announced: i. Postponement of the March and April payments of social security contributions; FSS Tax VAT; and Provisional Tax. ii. Refund scheme on expenses incurred by those who invested in teleworking schemes to allow their employees to work from home.	Fiscal measures / Announcement

Austria			
15-March-2020	Government	Austria is making €4 billion immediately available to deal with the economic fallout from the coronavirus pandemic. The initial €4 billion "corona crisis fund" would cover items such as bridge loans and credit guarantees to shore up businesses' liquidity.	Fiscal measures
Luxembourg			
16-March-2020	Chamber of Commerce	The President of the Chamber of Commerce announced a set of measures: i. Bank guarantee for companies during cash-flow difficulties. It enables the setup of a specific surety in the form of a guarantee that the Chamber of Commerce offers via its Mutual Guarantee Society (*Mutualite de Cautionnement*) to companies that need a line of credit or a bank loan. The guarantee will be up to 50% of the credit and will cover a maximum amount of €250.000 per guarantee. ii. Aid for SMEs. The granting of aid is subject to three conditions: • An event was recognised as having a harmful impact on the economic activity of the firm; • The firm is experiencing temporary financial difficulties, and • There is a causal link between the harmful event and the financial difficulties.	Fiscal measures / Announcement
Ireland			
18-March-2020	Irish banks	Five Irish banks, AIB, Bank of Ireland, KBC, Permanent tsb and Ulster Bank, said they would work collaboratively to ensure that continuity of service plans are in place and that critical functions can continue. The measures being introduced by the five main banks are as follows:	Banks' measures / Announcement

		i. Implement a payment break up to three months for business and personal customers affected by COVID-19, to be followed by ongoing reviews depending on the scale and extent of the situation. Customers wishing to avail of a payment break should contact their respective bank. ii. The banks agree there is a need for a simplified application process to make it as easy as possible for businesses and personal customers impacted by COVID-19 to receive support from their banks. We are working with all member banks to achieve this. iii. Banks will also defer court proceedings for three months. The banking system stands ready to provide working capital support.	
Finland			
20-March-2020	Government	The government agreed on a comprehensive package to safeguard jobs and livelihoods and ease the economic pressure on businesses. According to the Government's estimate, the overall scale of the measures will be approximately EUR 15 billion. The measures include: i. Some EUR 10 billion is to be allocated to the Finnish state's financing arm Finnvera in order to prop up businesses as the crisis continues. ii. The first supplementary budget will safeguard the resources of the authorities and increase the appropriations allocated to companies. The scope of the supplementary budget will be around EUR 400 million. Further supplementary budgets will be introduced over the coming weeks. iii. The Government would grant a State guarantee of up to EUR 600 million to support Finnair's financing needs. iv. The government will eliminate the waiting period before people can claim unemployment benefits and allow freelancers and sole traders to claim unemployment benefits without shutting down their businesses.	Fiscal measures

01-April-2020	Bank of Finland	The Bank of Finland has decided to lower the applied minimum size threshold on credit claims for domestic usage to €25.000. Credit claims must meet this threshold at the time of their submission as collateral. This change will take effect immediately	Central Bank measures
Romania			
18-March-2020	Government	The Government adopted the first set of measures aimed at helping local companies deal with the effects of the new coronavirus (COVID-19) epidemic. The measures include: i. Extended guarantees for companies that take loans for investments and working capital and covering the costs with technical unemployment for the companies that suspend their operations because of the coronavirus. The Government issued an emergency ordinance to increase the maximum total value of guarantees that can be extended to local SMEs. The ceiling was increased by RON 5 billion (EUR 1.04 billion), while the Government committed to increase it by another RON 5 billion, if necessary, reaching RON 15 billion. The loans for investments and working capital are guaranteed by the Government; the interest is 100% subsidised. The guarantee covers 90% of the loan value, for loans up to RON 1 million, and 80% of those over RON 1 million. ii. The Government also decided to reimburse VAT of up to RON 9 billion (EUR 1.87 billion) to allow companies to benefit from the working capital needed to operate. iii. The Government is to ensure the payment of technical unemployment, for employees sent into technical unemployment due to the coronavirus crisis. It will cover 75% of the gross salary, as much as the monthly unemployment benefit, but not more than 75% of the (national) average salary.	Fiscal measures

20-March-2020	National Bank of Romania	The Board of the National Bank of Romania convened for an emergency meeting and adopted a package of measures. The Board decided to implement the following measures: i. to cut the monetary policy rate by 0.50, percentage points from 2.5% to 2.0% starting 23 March 2020; ii. to narrow the symmetrical corridor defined by interest rates on standing facilities around the monetary policy rate to ±0.5 percentage points from ±1.0 percentage points. Thus, starting 23 March 2020, the deposit facility rate stays at 1.50%, while the lending (Lombard) facility rate is lowered to 2.50% from 3.5%. Against this background, the main ROBOR rates are expected to witness a significant downward adjustment. iii. to provide liquidity to credit institutions via repo transactions (repurchase transactions in government securities) with a view to ensuring the smooth functioning of money market and of other financial market segments; iv. to purchase leu-denominated government securities on the secondary market with a view to consolidating structural liquidity in the banking system that should contribute to the smooth financing of real economy and the public sector. Depending on how the situation evolves, the NBR Board stands ready to also proceed to cutting the minimum reserve requirement ratios on leu- and foreign currency-denominated liabilities of credit institutions.	Central Bank measures
27-March-2020	National Bank of Romania	The National Bank of Romania convened in an emergency meeting and analysed a series of relevant measures from the perspective of bank resolution, amid the economic effects of COVID-19 pandemic. Due to these reasons, the National Bank of Romania Board decided: i. to postpone the deadline for collecting the annual contributions to the bank resolution fund for 2020 by 3 months, with the possibility of extension to up to 6 months;	Central Bank measures

		ii. to delay the reporting deadlines of some information on resolution planning, in line with the approach communicated by the European Banking Authority; and iii. to correlate the terms and conditions on the minimum requirements for own funds and eligible liabilities (MREL) with the decisions adopted by the Supervisory Committee in the meeting of 20 March 2020.	
Lithuania			
14-March-2020	Government	The Government of the Republic of Lithuania issued the Ruling on Declaration of Quarantine in the Territory of the Republic of Lithuania (the Ruling). According to the Ruling, several measures have been introduced in order to mitigate the negative economic consequences of the pandemic outbreak: Employment In cases where remote work is not possible and employees have to be put on idle time, an employer may qualify for subsidies from the Guarantee Fund in the event of idle time under the following conditions; the subsidy may cover from 60% to 90% of the employee's wage, but not more than the minimum wage. Taxation The following measures are offered by the State Tax Inspectorate for businesses directly affected by COVID-19: i. There is an option to postpone tax payment terms by concluding a tax credit agreement. ii. Recovery enforcements may not be initiated during the quarantine. iii. Default interest for delayed payments will not be calculated.	Fiscal measures

18-March-2020	National Bank of Lithuania	The Bank of Lithuania has decided to release the countercyclical capital buffer (CCyB), reducing the rate from 1% to 0% since the economic upturn in Lithuania is currently overshadowed with challenges of COVID-19. The released buffer would allow banks to provide up to €1bn in loans to businesses and residents, thus partly offsetting the adverse impact of COVID-19 on the country's economy, Since 30 June 2019, national banks have been subject to a 1% CCyB rate. Set in view of the prevailing financial and economic trends, the CCyB requirement is intended to ensure that the banking system accumulates sufficient capital to be able to cover potential losses in case of cyclical systemic risk or during periods of economic downturn or stress.	Central Bank measures
01-April-2020	Government & National Bank of Lithuania	The Lithuanian Parliament adopted an urgent amendment to the Law on the Bank of Lithuania, giving the green light for more financial institutions to apply to the central bank for liquidity loans. The amended Law will allow solvent credit or other financial institutions, including payment and electronic money institutions, management companies and insurance undertakings, which are facing temporary liquidity problems to apply to the Bank of Lithuania for emergency liquidity assistance. The Bank of Lithuania will provide liquidity assistance to financial institutions that are: • significant for the effective operation of the country's financial system; and • can secure loans by adequate collateral, in case they have already exhausted all other options, including borrowing from banks or other market participants, as well as used their shareholder contributions. Liquidity loans are to be provided at the European Central Bank's Marginal Lending Facility rate plus 1% The systemic significance of financial institutions, their weight in the financial system and compliance with other requirements for obtaining a	Central Bank measures

		liquidity loan will be subject to assessment by the Liquidity Loans Committee of the Bank of Lithuania.	
Latvia			
20-March-2020	Government	The Latvian parliament passed a special law on support measures related to the COVID-19 pandemic. The law enters into force retroactively, as of March 12th, when a state of emergency was declared in Latvia. The law contains provisions on the following support to companies registered in Latvia: i. State-funded salaries to employees of companies in selected industries. Employees of companies on a state-approved list of selected industries who do not work due to idle time as a direct consequence of limitations imposed by the Government, will be paid from the state budget up to 75% of their previous average salary calculated for the last six months and up to €700 monthly. No salary tax will be deducted from these payments. Support will be interrupted if the company on-boards new employees. Detailed rules on payment of support will be adopted by the Government, which also plans to approve the list of relevant industries within a week. ii. Possibility to suspend tax payments for three years to companies in selected industries. Companies on a state-approved list of selected industries that cannot fulfil their tax payments as a direct consequence of COVID-19 will be able to postpone their payment obligations for up to three years. In case of postponing tax payment obligations, no interest will be charged and the company will not be included on the list of tax debtors held by the Latvian State Revenue Service. The Government plans to approve the list of relevant industries within a week. iii. Rent release or lower rent for use of state and municipal properties to companies in selected industries. State and municipal institutions; as well as state companies; will release fully or decrease rent for use of state and municipal property (including properties in special economic zones and free zones) to companies in selected industries to be approved by the Government. The release or decrease will not apply to	Fiscal measures / Law

		services used (e.g. electricity, heating, water). The release will be in effect while the special law is in force. iv. Faster repayment of overpaid VAT. Repayment in 30 days to all companies is mandated by the law. v. Prolonged timeline for filing annual reports. All companies can delay filing their 2019 annual reports by three months. This means a new deadline of 31 July 2020 for companies usually filing their annual reports by 30 April and a new deadline of 30 October 2020 for companies usually filing their annual reports by 31 July 2020. vi. Possible postponement of real estate tax payments. According to the law, municipalities can set deadlines for payment of real estate tax differently than those provided in the law "On Real Estate Tax". The deadlines may be moved to a later time during 2020. vii. Protection for companies in financial difficulty. Until 1 September 2020, the law limits creditors' right to file insolvency applications and allows certain procedural protection for debtors, e.g., on enforcement of commercial pledges. The Government is also organising support through the state development finance institution ALTUM: i. Loan guarantees by ALTUM: Small, medium and large companies that were not financial difficulty before COVID-19 will be entitled to guarantees to secure existing loan obligations or to secure new loans for working capital for up to three years. Maximum guarantee amount: €5 million per company and up to 50% of the loan obligation. ii. State loans by ALTUM: Small, medium and large companies that were not in financial difficulty before COVID-19 will be entitled to loans of up to €1 million per company, maximum term of three years and grace period of 12 months for payment of principal amount to finance their working capital at subsidised/lower interest rates and decreased security requirements.	

Estonia			
19-March-2020	Government	The Estonian Government decided to support companies and workers with a package of economic measures. State resources are directed to support companies through the KredEx Foundation and the Estonian Rural Development Foundation. The package also includes labour market support the Estonian Unemployment Insurance Fund, sickness benefits and tax incentives. The package allows for deferral of tax debt for 18 months, temporary suspension of second pillar pension scheme payments, as well as partial compensation for direct costs of cancelled events. As to the latest information available, the following measures have been taken or agreed: Taxes. The Tax and Customs Board has suspended calculation of interest on tax debts from 1 March 2020 until 1 May 2020. The Government supported a proposal to suspend tax interest calculation for two months and to allow tax debts to be rescheduled at lower interest rates than are currently in force. KredEx Foundation measures. Loan collateral amounting to €1 billion for bank loans already issued in order to allow for repayment schedule adjustments (maximum €600 million for surety collection), under the following conditions: (i) If the bank relaxes the repayment schedule of an existing bank loan which is not secured by KredEx, then KredEx will secure the loan. (ii) The maximum guaranteed amount is €5 million per company. (iii) If possible, a fixed guarantee will be restored or the guarantee rate will be increased to cover over 80% of guaranteed liability. KredEx Foundation business loan. KredEx issues a revolving business loan to a company in order to overcome liquidity problems caused by the coronavirus, including repayment of bank loans where necessary:	Fiscal measures / Law

		(i) The maximum loan is €5 million per company. (ii) The interest rate is approx. 4% per year. KredEx Foundation investment loan: KredEx grants an investment loan to a company enabling it to take advantage of business opportunities created by the coronavirus, and other new business opportunities: (i) The maximum loan is €5 million per company. (i) The interest rate is approx..4% per year. Wage reduction. The labour market service provided by the Estonian Unemployment Insurance Fund to cover for wage reduction – amounting to €250 million – under the following conditions: (i) The benefit can be used by a compliant employer to cover the two months from March to May 2020. (ii) Benefit of no more than EUR 1000 per month per employee in need of support is paid gross. (iii) Benefit is calculated based on the gross wages of the employee over the previous 12 months, plus remuneration payable by the employer to the employee being no less than €150 gross. The Unemployment Insurance Fund and the employer will pay all labour taxes on wages and benefits. Sick leave. From March to May, the state will compensate the first three days of sick leave for all incapacity leave applications. Rural companies. Rural companies can apply to the Rural Development Foundation for guarantees (up to €50 million), business loans (up to €100 million) or land capital financing (up to €50 million). Self-employed workers. Self-employed workers qualify for an advance social tax support measure.	

		II pillar. Payments into the II pillar of the pension fund are temporarily suspended. Events. The State compensates for the direct costs of cultural and sporting events cancelled due to the coronavirus in March-April, up to €3 million.	
25-March-2020	Estonian National Bank	Eesti Pank decided to reduce the systemic risk buffer for the commercial banks from 1% to 0%. This will free up 110 million euros for the banks, which they can use to cover possible loan losses or to make new loans. The systemic risk buffer requirement is expected to be cut to zero from 1 May. Eesti Pank has so far kept the countercyclical capital buffer requirement at zero and does not expect to raise it during the next 12 months. However, the systemically important institution buffer that applies to the four largest banks that operate in Estonia, Swedbank, SEB, Luminor and LHV, will be maintained by Eesti Pank.	Central Bank measures
Croatia			
23-March-2020	Croatian National Bank	The Croatian National Bank adopted a Decision amending the Decision on reserve requirements by which it reduced the reserve requirement rate from 12% to 9%. This reduction of the reserve requirement rate is aimed at freeing additional liquidity which should make it easier for the banking system and, ultimately, for the Croatian economy as a whole to weather the crisis we have found ourselves in. The reduction of the reserve requirement rate will lower the overall amount of the reserve requirement by HRK 10.45bn and the Bank will return the excess of the allocated kuna component of the reserve requirement, totalling HRK 6.33bn, to banks on 27 March 2020.	Central bank measures

Slovenia			
20-March-2020	Slovenian National Assembly	The Slovenian National Assembly passed an Act on the Intervention Measure of Deferred Payment of Borrowers’ Liabilities. The emergency bill will allow banks to defer liabilities of companies, co-operatives, self-employed and farmers by 12 months under the condition that the company is solvent and is in fact in business, is paying taxes. Banks will be obliged to grant such a deferral to operations that have been unable to do business under a government decree, such as bars or restaurants. The measures under the Act apply for a period of 18 months after reasons for its adoption cease to exist.	Legal Act
Slovakia			
29-March-2020	Government	The government has prepared a package of first measures to help the economy affected by the pandemic of the new coronavirus. The First Aid for Employees, Companies, and Tradesmen introduces the following measures: i. Reimbursement of 80% of employees' salaries in companies whose operations are mandatory; in addition, contributions will also be provided to sole traders and employees according to the specific rate of decline in the company's sales; ii. The government will also provide bank guarantees of €500mm per month in order to be able to refinance entrepreneurs on favourable terms; iii. Employees in quarantine and parents in the Czech Republic will be reimbursed 55% of their gross salary at all times;	Fiscal measures / Proposal

		iv. Deferred payment of employer levies when sales are reduced by more than 40%; v. Deferred income tax advances when sales are reduced by more than 40%; and vi. Entrepreneurs will be able to set off the unused loss from 2014 onwards.		
Multilateral actions				
15-March-2020	Coordinated action of the Bank of Canada, Bank of England, Bank of Japan, ECB, Federal Reserve and Swiss National Bank	The Bank of Canada, Bank of England, Bank of Japan, ECB, Federal Reserve and Swiss National Bank have announced today a coordinated action to: (i) To lower the pricing on the standing US dollar liquidity swap arrangements by 25 basis points, so that the new rate will be the US dollar overnight index swap (OIS) rate plus 25 basis points. (ii) To offer weekly US dollar operations with 84-day maturity, in addition to existing -one week operations currently offered. The changes will take effect during the week of 16 March and will remain in place as long as deemed appropriate.	Central Banks	
20-March-2020	Coordinated action of the Bank of Canada, Bank	The Bank of Canada, the Bank of England, the Bank of Japan, the European Central Bank, the Federal Reserve, and the Swiss National Bank	Central Banks	

	of England, Bank of Japan, ECB, Federal Reserve and Swiss National Bank	announced a coordinated action to further enhance the provision of liquidity via the standing US dollar liquidity swap line arrangements. To improve the swap lines' effectiveness in providing US dollar funding, these central banks have agreed to: (i) Increase the frequency of -seven day maturity operations from weekly to daily. (ii) Continue to offer operations with 84-day maturity weekly. (ii) Commence daily operations on Monday, 23 March 2020, and continue them at least through the end of April.		
20-March-2020	Coordinated action of the ECB and Danmarks Nationalbank	The European Central Bank (ECB) and Danmarks Nationalbank have reactivated a currency arrangement (swap line) and increased the maximum amount to be borrowed by Danmarks Nationalbank from €12 billion to €24 billion. It will remain in place for as long as needed. The purpose of the reactivation is for Danmarks Nationalbank to provide euro liquidity to Danish financial institutions.	Danish NCB & Danish financial institutions	
20-March-2020	French, Italian & Portuguese NCBs' proposal to Eurozone's Finance Ministers for a	The heads of the French, Italian and Portuguese central banks have called on Eurozone finance ministers to launch a coordinated rescue package to provide funding to European countries hit hardest	Central Banks	

	coordinated rescue package	by the coronavirus pandemic. The proposals include: (i) The provision of exceptional "European coronavirus loans" by the European Stability Mechanism, the EU's €500 billion bailout vehicle. (ii) Issuance of "*coronabonds*" to lend money to countries that could be repaid over many years via the EU budget.		
27-March-2020	Basel Committee on Banking Supervision	The Basel Committee's oversight body, the Group of Central Bank Governors and Heads of Supervision (GHOS), endorsed a set of measures to provide additional operational capacity for banks and supervisors to respond to the immediate financial stability priorities resulting from the impact of the coronavirus disease (Covid-19) on the global banking system. The measures endorsed by the GHOS comprise the following changes to the implementation timeline of the outstanding Basel III standards: i. The implementation date of the Basel III standards finalised in December 2017 has been deferred by one year to 1 January 2023. The accompanying transitional arrangements for the output floor have also been extended by one year to 1 January 2028;	Banks & Supervisors	

		ii. The implementation date of the revised market risk framework finalised in January 2019 has been deferred by one year to 1 January 2023; iii. The implementation date of the revised Pillar 3 disclosure requirements finalised in December 2018 has been deferred by one year to 1 January 2023.		
03-April-2020	Basel Committee on Banking Supervision	The Basel Committee on Banking Supervision published "technical clarifications" on how to factor in the risk-reducing effect of the support measures in risk-based capital requirements. Among others, the Committee has agreed on the following: i. Capital treatment of loans subject to payment moratoriums The Basel Framework applies higher capital requirements to loans that are categorised as past due by more than 90 days; or the borrower is unlikely to pay its credit obligations. In jurisdictions which apply the above criteria, the Committee has agreed that banks should: • exclude payment moratorium periods (both public and private) relating to	Banks & Supervisors	

		the Covid-19 outbreak from the counting of days past due; and • base the unlikely-to-pay assessment on whether the borrower is unlikely be able to repay the *rescheduled* payments. The above guidance also applies to non-performing assets. ii. Forbearance and loans subject to payment moratoriums The Committee has agreed that when borrowers accept the terms of a payment moratorium (public or granted by banks on a voluntary basis) or have access to other relief measures such as public guarantees, this should not automatically lead to the loan being categorised as forborne.		

AMERICAS

New York

Ian Cuillerier
Partner, New York
T +1 212 819 8713
E icuillerier@whitecase.com

Glen Cuccinello
Counsel, New York
T +1 212 819 8239
E gcuccinello@whitecase.com

Edward So
Partner, New York
T +1 212 819 7006
E edward.so@whitecase.com

Duane Wall
Partner of Counsel, New York
T +1 212 819 8453
E dwall@whitecase.com

Francis Zou
Partner, New York
T +1 212 819 8733
E francis.zou@whitecase.com

Washington, DC

Era Anagnosti
Partner, Washington, DC
T +1 202 637 6274
E era.anagnosti@whitecase.com

Steve Chabinsky
Retired Partner of Counsel,
Washington, DC
T +1 202 626 3587
E steven.chabinsky@whitecase.com

Nicole Erb
Partner, Washington, DC
T +1 202 626 3694
E nicole.erb@whitecase.com

Shamita Etienne-Cummings
Partner, Washington, DC
T +1 202 626 3695
E shamita.etienne@whitecase.com

Jeremy Kuester
Counsel, Washington, DC
T +1 202 637 6284
E jeremy.kuester@whitecase.com

Prat Vallabhaneni
Partner, Washington, DC
T +1 202 626 3596
E prat.vallabhaneni@whitecase.com

EMEA

Berlin

Henning Berger
Partner, Berlin
T +49 30 880911 540
E henning.berger@whitecase.com

Dubai

Adrianus Schoorl
Local Partner, Dubai
T +971 4 381 6273
E adrianus.schoorl@whitecase.com

Frankfurt

Dennis Heuer
Partner, Frankfurt
T +49 69 29994 1576
E dennis.heuer@whitecase.com

Matthias Kasch
Partner, Frankfurt
T +49 69 29994 1219
E matthias.kasch@whitecase.com

Carsten Loesing
Local Partner, Frankfurt
T +49 40 35005 265
E carsten.loesing@whitecase.com

Helsinki

Tanja Törnkvist
Partner, Helsinki
T +358 9 228 64 351
E tanja.tornkvist@whitecase.com

Istanbul

Asli Basgoz
Partner, Istanbul
T +90 212 354 2013
E asli.basgoz@whitecase.com

London

Jonathan Rogers
Partner, London
T +44 20 7532 2163
E jonathan.rogers@whitecase.com

Patrick Sarch
Partner, London
T +44 20 7532 2286
E patrick.sarch@whitecase.com

Julia Smithers Excell
Partner, London
T +44 20 7532 2229
E julia.smithers.excell@whitecase.com

Ingrid York
Partner, London
T +44 20 7532 1441
E ingrid.york@whitecase.com

Madrid

Yoko Takagi
Partner, Madrid
T +34 91 7876 320
E yoko.takagi@whitecase.com

Milan

Iacopo Canino
Partner, Milan
T +39 0200688 340
E iacopo.canino@whitecase.com

Paris

Grégoire Karila
Partner, Paris
T +33 1 55 04 58 40
E gregoire.karila@whitecase.com

Thomas Le Vert
Partner, Paris
T +33 1 55 04 15 67
E thomas.levert@whitecase.com

Jean-Pierre Picca
Partner, Paris
T +33 1 55 04 58 30
E jeanpierre.picca@whitecase.com

Emilie Rogey
Partner, Paris
T +33 1 55 04 16 22
E emilie.rogey@whitecase.com

Stockholm

Martin Järvengren
Partner, Stockholm
T +46 8 506 32 371
E martin.jarvengren@whitecase.com

Warsaw

Tomasz Ostrowski
Partner, Warsaw
T +48 22 50 50 123
E tostrowski@whitecase.com

Marcin Studniarek
Partner, Warsaw
T +48 22 50 50 132
E marcin.studniarek@whitecase.com

ASIA-PACIFIC

Tokyo

Nels Hansen
Partner, Tokyo
T +81 3 6384 3240
E nels.hansen@whitecase.com

White & Case LLP
Bockenheimer Landstraße 20
Frankfurt am Main
Germany

T +49 69 29994 0