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Factsheet for case CZ-2020-12/253

COVID I interest-free state loan

Factsheet generated on 24 April 2020, 18:02

| | |
|--------------|---|
| Country | Czechia, applies nationwide |
| Time period | Temporary, 15 March 2020 - 20 March 2020 |
| Type | Legislation or other statutory regulation |
| Category | Supporting businesses to stay afloat – Access to finance |
| Case created | 03 April 2020 (updated 22 April 2020) |

Background Information

COVID I provides an interest-free state loan for SME's which business activities are affected by COVID-19. It was prepared by the Ministry of Industry and Trade of the Czech Republic (Ministerstvo průmyslu a obchodu Česk republiky, MPO ČR) and the Czech-Moravian Guarantee and Development Bank (Českomoravská záruční a rozvojová banka, ČMZRB).

Loans will allow businesses to cover their basic operational expenses, acquisition of small tangible or intangible assets, the acquisition and financing of inventories or for other operating expenditures.

Content of measure

COVID I Loan programme provides support in the amount of CZK 500,000 (approx. €18,181) up to CZK 15,000,000 (approx. €545,454) with zero interest rate. Loans are granted up to 90% of eligible expenditure with maturity of 2 years, including the possibility of deferred repayment for up to 12 months. There are also no fees associated with the processing and granting of the loan or its possible early repayment.

Applicants have to provide that their contractual performance have been delayed, suspended or cancelled due to measures taken to prevent the spread of coronavirus infection.

The total amount of the programme is CZK 600,000,000 (approx. €21,818,181).

Use of measure

Information not available yet.

Actors, target groups and funding

| Actors | Target groups | Funding |
|--|--|----------------|
| National government Company / Companies | employees self-employed Sector specific set of companies SMEs | National funds |

Social partners

| | |
|-------------------------|----------------|
| Role of social partners | No involvement |
| Form of involvement | Unknown |

No information.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 05 April 2020: COVID I Bezúročný úvěr (www.cmzrb.cz)