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Factsheet for case **DK-2020-12/599**

## Garantee scheme for small companies (under 250 employees)

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Country	Denmark, applies nationwide
Time period	Temporary, 19 March 2020 - 01 October 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Access to finance
Case created	14 April 2020 (updated 21 April 2020)

### Background Information

Together with all parties of the Danish parliament, the government has passed a new guarantee scheme via Vækstfonden (the Danish state's investment fund) The new scheme has opened for small and medium-sized enterprises (SMEs) affected by the effects of COVID-19.

The guarantee scheme is part of the government's aid package for business. The government and all the parliamentary parties announced the total relief package on 19 March 2020.

### Content of measure

With the scheme, the State will provide a guarantee of 70 per cent via Vækstfonden (the Danish state's investment fund) for new bank loans to companies which have suffered or expect to suffer a revenue loss of at least 30 per cent as a result of COVID-19. The scheme can support lending to small and medium-sized enterprises (less than 250 people and having an annual turnover of no more than DKK 50 million and/or a total annual balance sheet of a maximum of DKK 43 million).

The schemes are valid until 1 October 2020 and also apply to Faroese and Greenlandic companies. Companies who want to apply for a guarantee through Vækstfonden must contact their bank as the new loan is provided by their financial institution.

The guarantee has a maturity of up to 7 years, which is written down annually on a straight-line basis. The

prize consists of a foundation commission of DKK 2,500 and an annual commission of 1 per cent. of the amount guaranteed.

The scheme can support SME's for up to DKK 25 billion.

## Use of measure

The number of companies that are eligible for the scheme is unknown.

## Actors, target groups and funding

Actors	Target groups	Funding
National government	SMEs	National funds

## Social partners

Role of social partners	No involvement
Form of involvement	No involvement

Information about partners possible involvement is not available.

## Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

## Sources

- 15 April 2020: Virksomhedsguiden.dk ([virksomhedsguiden.dk](https://virksomhedsguiden.dk))
- 15 April 2020: Vækstfonden ([vf.dk](https://vf.dk))