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Factsheet for case **NO-2020-13/727**

State guarantee scheme for loans to businesses

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Country	Norway, applies nationwide
Time period	Temporary, 27 March 2020 - 01 June 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Access to finance
Case created	19 April 2020 (updated 05 May 2020)

Background information

State guarantee scheme for loans to small and medium-sized businesses is a measure aimed at companies and the business sector and have as its main objective to improve liquidity during the period of loss of income. The liquidity situation for large parts of the business community is under pressure as a result of measures taken to reduce the spread of Covid-19 in society. Temporary measures are needed to provide the business community with the necessary liquidity to get through the crisis. On April 2 it was decided that the scheme also will be open the scheme to larger companies, including companies with more than 250 employees.

Content of measure

The scheme means that the state guarantees 90 per cent of the amount in new loans of up to NOK 50 million. It is the banks that operate the scheme, and even grant loans to their loan customers. The scheme applies to loans up to NOK 50 million per company and with a maximum of three years maturity. It applies only to new loans that are granted after the legislation has entered into force and until 1 June 2020. The scheme was intended for companies with up to 250 employees and with less than 50 million euros in sales, but has been extended to cover to larger companies with more than 250 employees. The state guarantees 90 per cent of the loans under the scheme. Losses should be distributed proportionately (pro rata) where the state and the bank take 90 and 10 per cent respectively. Loans that have already been granted cannot be transferred to the scheme. The scheme is regulated in a new law, and further provisions on which loans will be covered under the scheme will be specified in regulations. The scheme is approved by ESA.

Use of measure

No information to date.

Actors, target groups and funding

Actors	Target groups	Funding
National government	All companies SMEs	National funds

Social partners

Role of social partners	Consulted
Form of involvement	Direct consultation

Social partners have been consulted regularly during design and implementation of the measure.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 20 March 2020: Prop. 58 LS (2019–2020) Lov om statlig garantiordning for lån til små og mellomstore bedrifter (www.regjeringen.no)
- 02 April 2020: Lånegarantiordningen for små og mellomstore bedrifter (revisorforeningen.no)