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Factsheet for case **AT-2020-15/581**

Debt moratorium for consumers and microenterprises

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Country	Austria, applies nationwide
Time period	Temporary, 05 April 2020 - 30 September 2020
Type	Legislation or other statutory regulation
Category	Measures to prevent social hardship – Preventing indebtedness
Case created	13 April 2020 (updated 15 April 2020)

Background Information

Austria is following the example of other countries by providing relief for borrowers who suffer loss of income as a result of COVID-19.

Loan agreements with consumers and microenterprises, which were entered into prior to 15 March 2020, benefit from the moratorium. Microenterprises are defined as enterprises which employ fewer than 10 persons and whose annual turnover or annual balance sheet total does not exceed EUR 2 million (see Art 2 (3) of the Annex to European Commission Recommendation 2003/361/EC). The moratorium only covers loan agreements and not other forms of financing (e.g. payment extension of purchase price).

Content of measure

For loan agreements benefiting from the moratorium (i.e. loan agreements with consumers and with microentrepreneurs entered into prior to 15 March 2020) the following applies:

- The lender's claims for repayment of capital or payment of interest due between 1 April 2020 and 30 June 2020 shall be deferred for a period of three months from the original due date.
- This deferral is subject to the condition that the respective borrower (consumer or microentrepreneur) has suffered a loss of income due to the exceptional circumstances caused by the COVID-19 pandemic, which makes it unreasonable for the borrower to continue his/her debt service.
- It is in particular unreasonable for the borrower to continue his/her debt service, if his or her reasonable maintenance or the reasonable maintenance of his or her dependants is at risk.

The provisions for deferring the due date of payments under consumer loans and loans to microenterprises largely follow those of German law. This currently results in the same ambiguities with regard to the start of the deferral and the borrower's obligation to provide evidence of income losses due to COVID-19.

Use of measure

Unknown as of now (measure just started).

Actors, target groups and funding

Actors	Target groups	Funding
National government	other workers & citizens One person or microenterprises	No special funding required

Social partners

Role of social partners	No involvement
Form of involvement	Not applicable

Not the social partners' genuine field of action.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 05 April 2020: Innovations introduced by the 4. COVID-19 Act (www.bindergroesswang.at)