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Factsheet for case PT-2020-11/428

Credit Line Capitalizar 2018 – COVID-19

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| | |
|--------------|---|
| Country | Portugal, applies nationwide |
| Time period | Temporary, 12 March 2020 - 31 May 2020 |
| Type | Legislation or other statutory regulation |
| Category | Supporting businesses to stay afloat – Access to finance |
| Case created | 09 April 2020 (updated 20 April 2020) |

Background Information

The Credit Line Capitalizar 2018 – Covid-19 aims to support the Portuguese businesses affected by the economic effects of the pandemic Covid-19.

This credit line was launched by the Portuguese Government and is managed by PME Investimentos. It provides for funding, with better price and term conditions, of the businesses needs in terms of operating fund and treasury, for instance the payment of wages or the acquisition of products and raw materials.

Content of measure

The Credit Line Capitalizar 2018 – Covid-19 provides for funding, with better price and term conditions, of the businesses needs in terms of operating fund and treasury.

The total amount of the credit line is 400 million Euro (initially this amount was 200 million Euro). The maximum support per business is three million Euro.

This line is preferentially addressed to SMEs. Large companies operating in most sectors and one person enterprises may also be eligible.

Bond: up to 80% of the capital outstanding.

Financial guarantee: 100%.

Interest rate: fixed or variable rate of interest increased by a spread, according to maximum limits.

Maturity of the operation: four years for the operating fund; and between one and three years for treasury.

Use of measure

The end date for the measure was set to 31 May 2020. However, on 6 April 2020 PME Investimentos informed that further applications to this credit line were no longer possible, since the total amount of support was already exhausted. The credit line is thus closed since 7 April 2020.

The employers organisations have been claiming that the total amount of this credit line is (was) too low.

Actors, target groups and funding

| Actors | Target groups | Funding |
|--|---|----------------|
| National government Company / Companies | SMEs One person or microenterprises Larger corporations | National funds |

Social partners

| | |
|-------------------------|----------------|
| Role of social partners | No involvement |
| Form of involvement | Not applicable |

The employers organisations have been claiming that the total amount of this credit line is too low.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 12 March 2020: EstamosON - Informação Oficial COVID19 (covid19estamoson.gov.pt)