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Factsheet for case **DK-2020-12/597**

Guarantee scheme for large enterprises (above 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 is targeted large companies (above 250 employees) 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.

The scheme's guarantee framework is a total of DKK 25 billion. and can thus facilitate loans of up to DKK 35.7 billion. kr.

Content of measure

The Growth Fund can guarantee the loans or credit of large companies in the financial institution to cover losses or expected losses in revenue of at least 30 per cent. as a result of the spread of COVID-19. The measurement is based on the start time of 1 March 2020 and is based on a minimum period of 14 days.

Large companies in all industries with a CVR number and address in Denmark can receive a COVID-19 guarantee. That is, companies with: Over 250 employees (full-time equivalent) and / or Revenue of more than DKK 372 million and a balance sheet total of more than DKK 320 million. DKK per year.

The same company can be guaranteed several times - however, the Growth Fund cannot guarantee loans to cover loss of revenue, which relates to the same period more than once.

The guarantee covers 70 per cent. of the financial institution's losses.

The guarantee has a term of up to 6 years and is written down on a straight-line basis over the term.

The schemes are valid until 1 October 2020, and also apply to Faroese and Greenlandic companies.

The guarantee scheme is part of the government's aid package for business. The scheme's guarantee framework is a total of DKK 25 billion. and can thus facilitate loans of up to DKK 35.7 billion. kr.

Use of measure

Unknown

Actors, target groups and funding

Actors	Target groups	Funding
National government	Larger corporations	National funds

Social partners

Role of social partners	No involvement
Form of involvement	Unknown

Unknown

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 15 April 2020: Virksomhedsguiden.dk (virksomhedsguiden.dk)
- 15 April 2020: Vækstfonden (vf.dk)