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Factsheet for case **NL-2020-12/748**

Expanding business loan guarantee scheme

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Country	Netherlands, applies nationwide
Time period	Temporary, started on 17 March 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Access to finance
Case created	21 April 2020 (updated 06 May 2020)

Background information

The case was initiated by the Dutch government, specifically by the Dutch Ministry of Economic Affairs and Climate. This measure is part of the package of emergency solutions to deal with the COVID-19 that have been taken to combat the outbreak and its effects.

This measure is more a permanent feature that is being temporally expanded in consequence of the emergency condition of the economy after the implementation of the social distancing measures taken by the government.

Content of measure

Enterprises (large and SMEs) need to offer guarantees when applying for bank loans and bank guarantees. The Netherlands has a measure in place for this issues, called the Guarantee for Enterprise Financing (Garantie Ondernemersfinanciering, or GO), where the government acts as a guarantor for up to 50% of an enterprise's loan.

To help enterprise continuity, the national government has raised the ceiling of the GO from €400 million € to €1,5 billion in March 2020.

The maximum guarantee per enterprise is €150 million.

As of April 2020, the credit guarantee has been increased from 50% to 75%. This enables banks to extend credit more easily and quickly, and enterprises to lend more money faster. The GO ceiling has been raised to €10 billion.

Use of measure

No information available.

Actors, target groups and funding

Actors	Target groups	Funding
National government	All companies	National funds

Social partners

Role of social partners	Consulted
Form of involvement	Direct consultation

Though not discussed in great detail, the social partners (national level trade unions and employer organisations), have come together to discuss with the government how best to tackle the effects of the corona virus on workers and employers so as to keep the Dutch economy going. In the Netherlands relevant, national sectoral social partners are often involved in national policy making in a consultational capacity so that partners may reflect on regulatory plans and their intended impacts. This happens in a direct consultation fashion or through tripartite meetings (facilitated by the National Labour Foundation). The social partners were consulted for the whole package of measures introduced by the Dutch cabinet on March 17th 2020.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 17 March 2020: Business loan guarantee scheme (GO) (business.gov.nl)