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Factsheet for case **DE-2020-13/363**

Direct participation for syndicate financing

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Country	Germany, applies nationwide
Time period	Temporary, 23 March 2020 - 31 December 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Access to finance
Case created	07 April 2020 (updated 05 May 2020)

Background information

Providing financial support to medium-sized and large companies for investments and working capital. Improved conditions for receiving loans are based on the European Union's 'Temporary Framework for State aid measures' to support the economy in the current COVID-19 outbreak. Also, this measure is part of the support package to stabilise the German economy and help out firms during the Corona crisis. The package was adopted by the Federal Government at the end of March 2020

Content of measure

If medium-sized or large companies seek syndicate financing for their investments or working capital, KfW bank will bear up to 80% of the risk, but no more than 50% of the total debt. The risk share amounts to at least EUR 25 million. However, it is limited to a certain extent, i.e. 25% of the annual turnover in 2019 or double the wage costs in 2019 or it is not higher than the financing requirements for the next 12 months. This measure is part of the support package to stabilise the German economy and help out firms during the Corona crisis. The package was adopted by the Federal Government at the end of March 2020 and includes several measures easing access to loans and financial assistance for companies of different sizes

Use of measure

No information to date

Actors, target groups and funding

Actors	Target groups	Funding
National government Company / Companies	All companies Larger corporations	National funds

Social partners

Role of social partners	Consulted
Form of involvement	Other

German social partners are usually consulted by the Federal Government on broader measures, though no formal tripartite social dialogue structure exists in Germany at the federal level

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 07 April 2020: KfW coronavirus aid: loans for companies (www.kfw.de)
- 04 May 2020: Merkblatt Sonderprogramm "Direktbeteiligung für Konsortialfinanzierung" (www.kfw.de)