

Disclaimer: This factsheet has not been subject to the full Eurofound evaluation, editorial and publication process.

Factsheet for case **LT-2020-15/353**

Guarantees for business loans and leasing

Factsheet generated on 27 April 2020, 17:59

| | |
|--------------|---|
| Country | Lithuania, applies nationwide |
| Time period | Open ended, started on 10 April 2020 |
| Type | Legislation or other statutory regulation |
| Category | Supporting businesses to stay afloat – Access to finance |
| Case created | 07 April 2020 (updated 17 April 2020) |

Background Information

Loan guarantees will be provided to small and medium-sized and large companies that have suffered from Covid-19. The terms of guarantees for loans are regulated by the Regulations on the provision of guarantees for small and medium business loans, as approved by Order No. 4-188 of the Minister for the Economy and Innovation of the Republic of Lithuania of 27 March 2020, and the Regulations on the provision of loan guarantees to financial institutions for loans taken by large enterprises, as approved by Order No. 4-187 of the Minister for the Economy and Innovation of the Republic of Lithuania of 27 March 2020.

Content of measure

Guarantees for loans and financial leasing represent the instrument available for small and medium-sized businesses and large enterprises. The National Development Agency INVEGA will guarantee banks and other financial institutions, including leasing companies, for the fulfilment of already granted and new loans. Loan guarantees can be granted in respect of:

- existing investment (including leasing transactions) and working capital loans (except for leaseback transactions), the rearrangement of which took place after 16 March 2020;
- new working capital loans (including leaseback transactions) to provide liquidity of companies.

The measure does not apply to loans granted to companies directly involved in the organisation of gambling and/or operating in the sectors of production, processing and marketing of weapons and munitions, tobacco and tobacco products and distilled alcoholic beverages, etc. Loans are guaranteed with an intensity of up to 80% of the loan amount, but not more than EUR 1.5 million. The measure is planned to commence on 10 April 2020.

Use of measure

No information to date.

Actors, target groups and funding

| Actors | Target groups | Funding |
|--|---------------|----------------|
| National government Employers' organisations Company / Companies Public support service providers | All companies | European Funds |

Social partners

| | |
|-------------------------|---------------------|
| Role of social partners | Consulted |
| Form of involvement | Direct consultation |

Social partners consulted only ad hoc, the tripartite meeting was not held

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 27 March 2020: LR ekonomikos ir inovacijų ministro įsakymas Nr. 4-188 (2020-03-27) (e-seimas.lrs.lt)
- 27 March 2020: LR ekonomikos ir inovacijų ministro įsakymas Nr. 4-187 (2020-03-27) (e-seimas.lrs.lt)