

We're the European Investment Fund

*Improving access to finance
for micro-borrowers and micro and social
enterprises during the COVID-19 crisis*

EaSI GFI

COVID-19

*support measures**

We understand that it is a very difficult time for many European small businesses.

As part of the EIB Group, we are partnering with the EU to put in place relevant packages to help small businesses mitigate liquidity challenges as a result of COVID-19. In April, we announced improved risk sharing terms for InnovFin SMEG and COSME LGF.

We are now pleased to announce enhancements to the EaSI Guarantee Financial Instrument (EaSI GFI) dedicated to micro and social enterprises.

* This presentation is for information purposes only and should be read in conjunction with the detailed call for expression of interest documentation available at www.eif.org

COVID-19 support measures Enhancements to EaSI GFI

Improved terms to help social and micro enterprises

Enhanced

**risk
sharing**

*to alleviate working
capital & liquidity
constraints*

**Improved
terms**

*for intermediaries
in and outside the
EU*

**Enhanced
guarantee**

*for intermediaries
in and outside the
EU*

**Simplified
processes**

*for existing
intermediaries*

Enhanced EaSI GFI terms

More details here

[EaSI GFI webpage](#)

EaSI GFI

Main features

Microfinance

SMEs <10 FTE

<2m annual turnover

≤€25K per loan

Social enterprises

enterprises with annual

turnover <EUR 30m

≤€500K per loan

Capped guarantee

Free of charge

Financing purpose

Working capital

Investment financing

Amended terms

Improved conditions

Guarantee/counter guarantee rate



Increased from up to 80% to **up to 90%** for transactions originated during the COVID 19 support period (*)

Cap rate revision



Possibility to increase by up to certain % (still up to max 30% cap rate (triggering a reduction in max portfolio volume))

Reduction of risk retention



Reduced from 20% to **10%** for transactions originated during the COVID 19 support period (*)

Fixed recovery rate



To be set taking into account, inter alia, expected transactions to be originated during the COVID-19 support period

Guarantee coverage



Extended from 6 to **7 years for microfinance**
Extended from 10 to **11 years for social entrepreneurship**

Coverage of accrued interest



Extended up to **360 days under certain conditions**

Commitment fee

Possibility to waive the fee for intermediaries

Availability period



Possible extension by **6 months** for existing agreements

Maximum exposure per final recipient



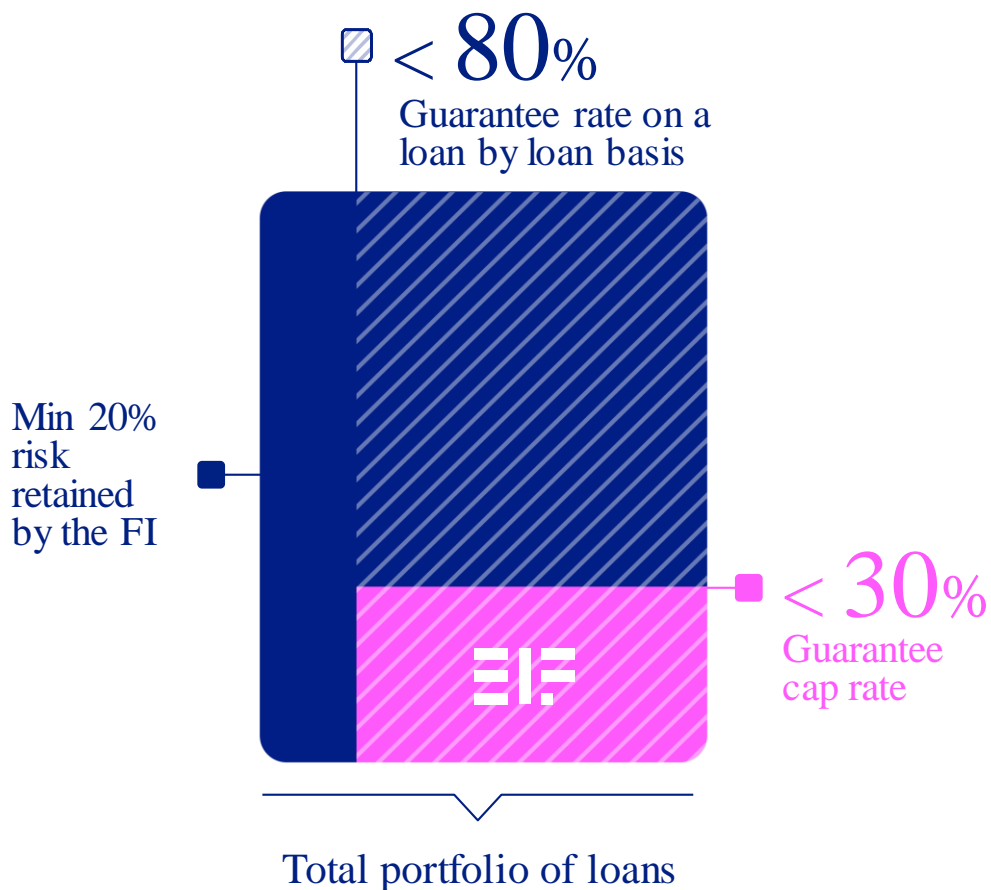
Increased from **€25K to €50k** for microfinance
Increased from **€500K to €1m** for social entrepreneurship

* COVID-19 support period is from 01/04/2020 until 31/03/2021

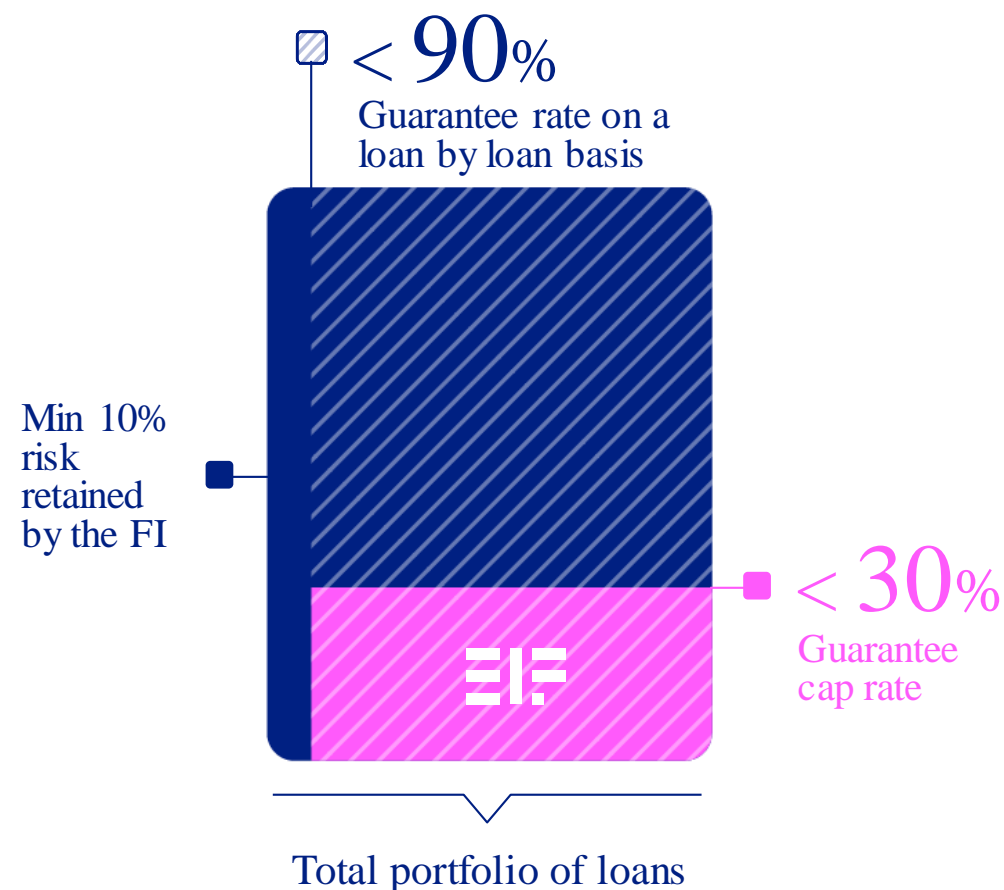
Enhanced EaSI GFI guarantee

Up to 90% guarantee rate available on a loan by loan basis for transactions originated during the COVID-19 support period*

Standard



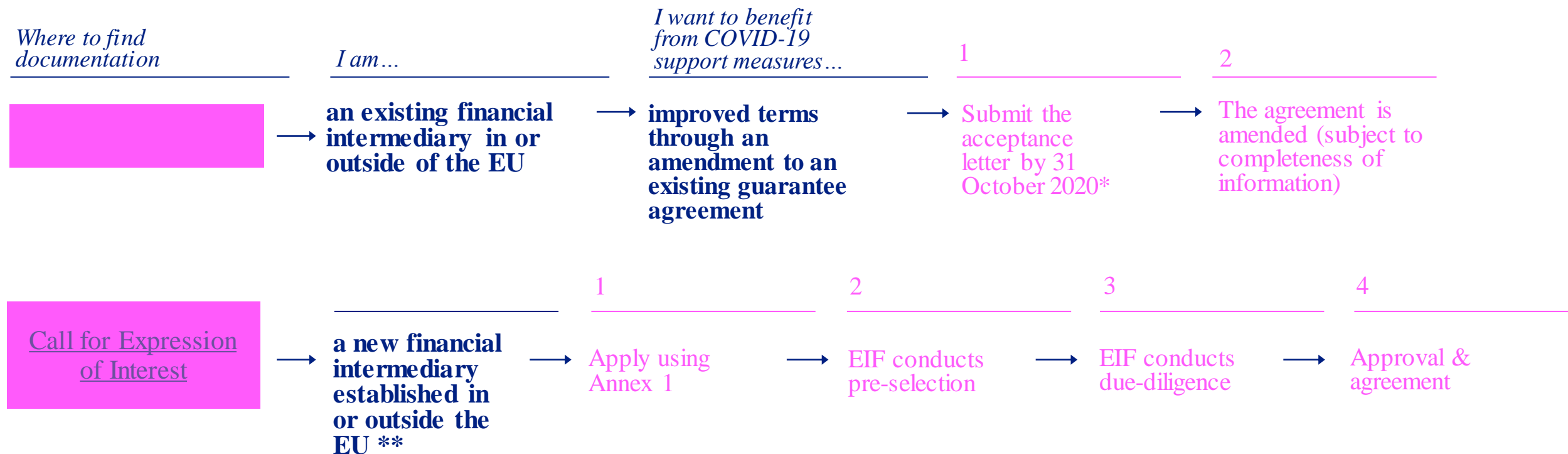
COVID-19 support period terms



* COVID-19 support period is from 01/04/2020 until 31/03/2021

How to sign up for improved terms

Simple notification-based process leading to a contract amendment for existing financial intermediaries



*Only applicable in case of direct guarantees with no bespoke features. Counter-guarantees and transactions with bespoke features will be treated separately, on a case by case basis

**Please be informed that, as of 23 July 2020, the total amount of applications already received exceeds the EU budget available under the EaSI Guarantee instrument. Any new applications may be considered should additional resources become available.

*More information available
at www.eif.org*



To find out more please visit us at:
www.eif.org

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