

# The Portuguese Mutual Guarantee Scheme

## International cooperation

and the

setting up and development of other guarantee schemes

**1994 – 2014**

**20 years**

of activities  
in favour of SME,  
Employment,  
Exports and  
the  
Economic Growth  
of the  
Portuguese Economy



# The Portuguese Mutual Guarantee Scheme (PMGS)

## ★ SPGM - Mutual Guarantee Scheme Holding Company

- ★ initially established as an entity similar to a Mutual Guarantee Society with the purpose to test the Portuguese economy and its need to justify the sustainability of a guarantee scheme
- ★ has worked as a guarantee issuer until 2002
- ★ Mutual Counter Guarantee Fund manager
- ★ shared services centre manager

## ★ MCGF – Mutual Counter Guarantee Fund

- ★ national body entitled to counter guarantee all the guarantees issued by the MGS

## ★ MGS – Mutual Guarantee Societies

- ★ Norgarante – Oporto based (guarantee distribution on the north of the country)
- ★ Lisgarante – Lisbon based (guarantee distribution on the south of the country and in the Madeira Islands)
- ★ Garval – Santarém based (guarantee distribution on the central part of the country and in the Azores Islands)
- ★ Agrogarante (covers the whole national territory, being dedicated to the rural economy)

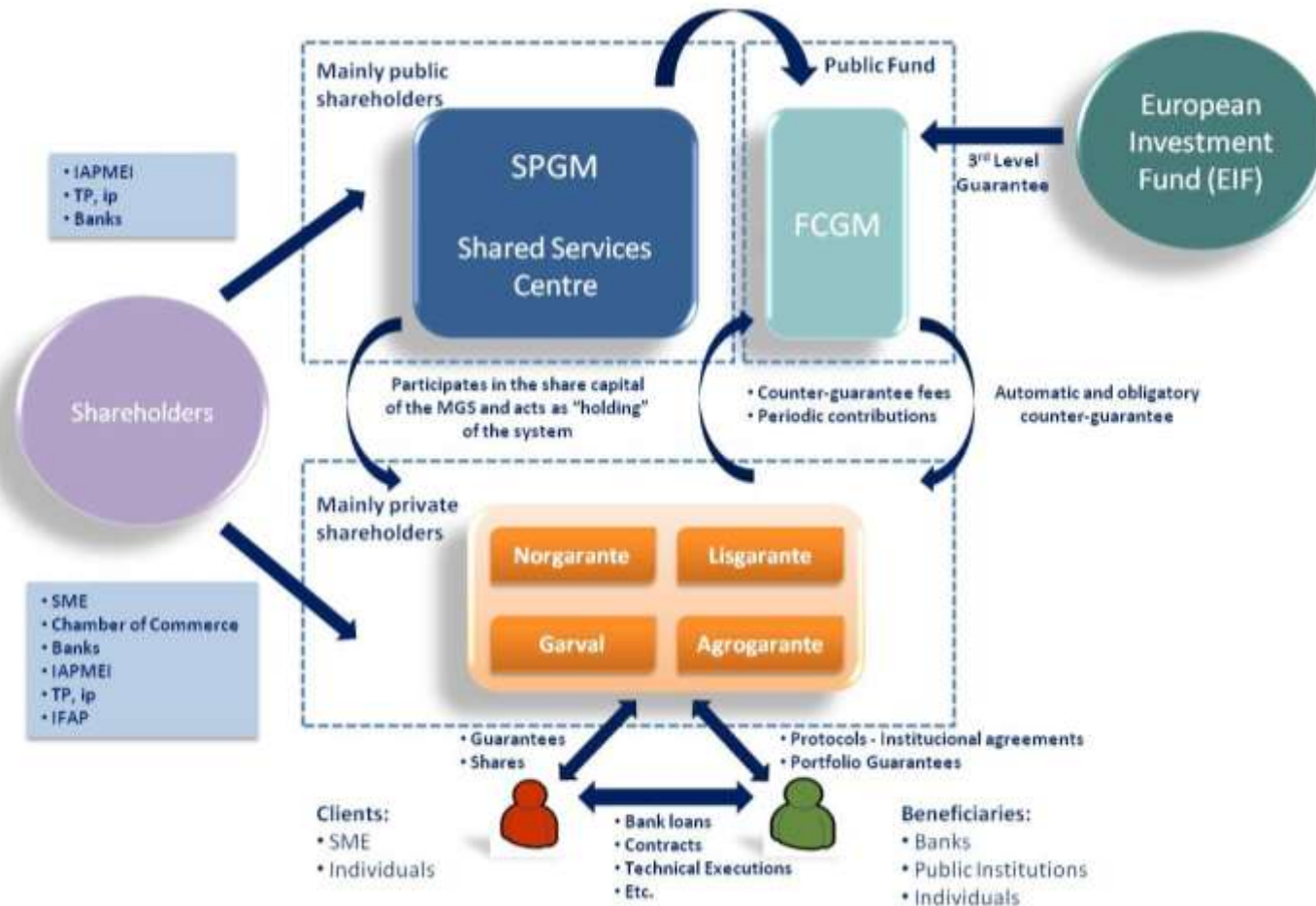
## National regional distribution of the PMGS



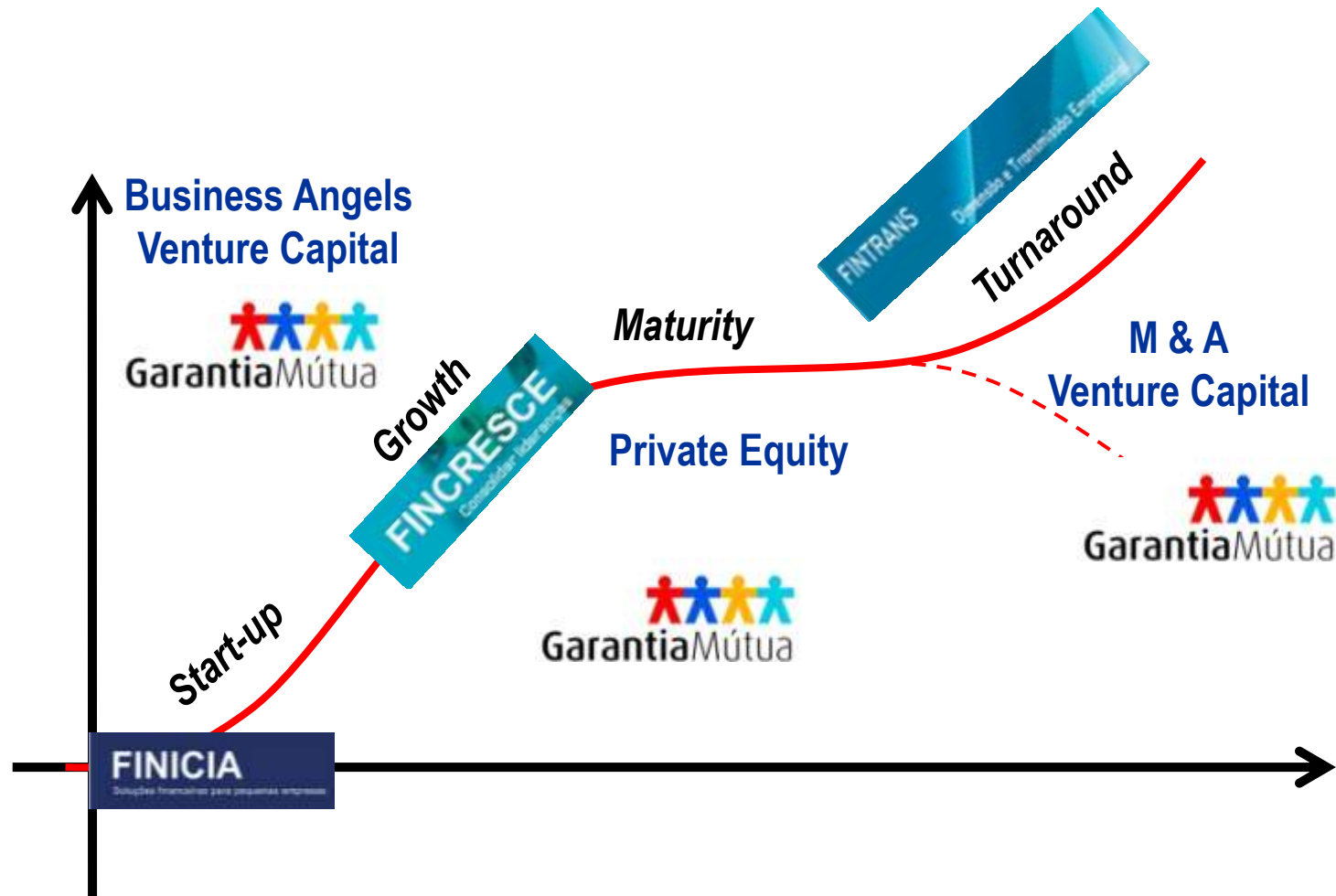
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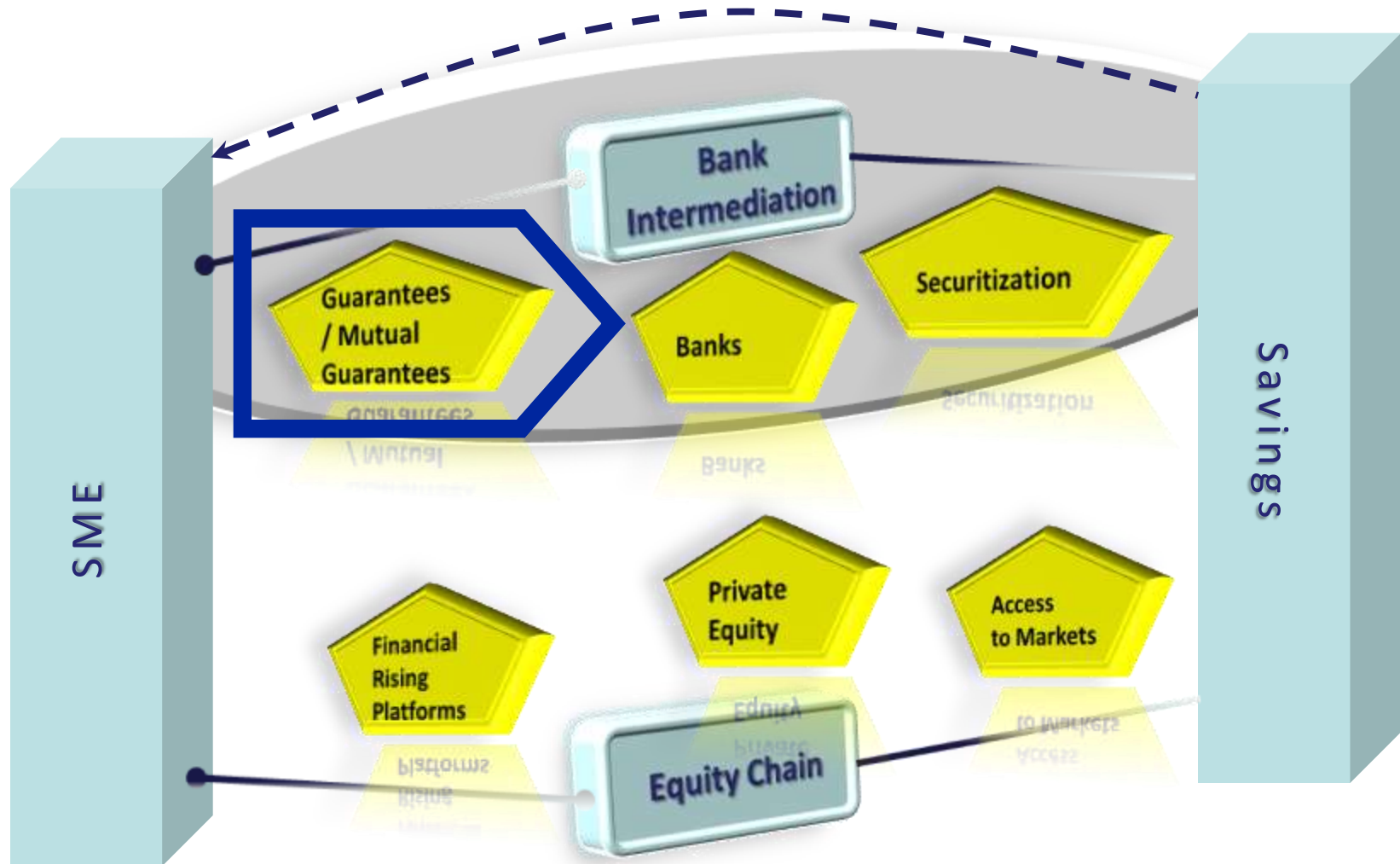
# The PMGS working model



# The PMGS presence during the life cycle of corporations



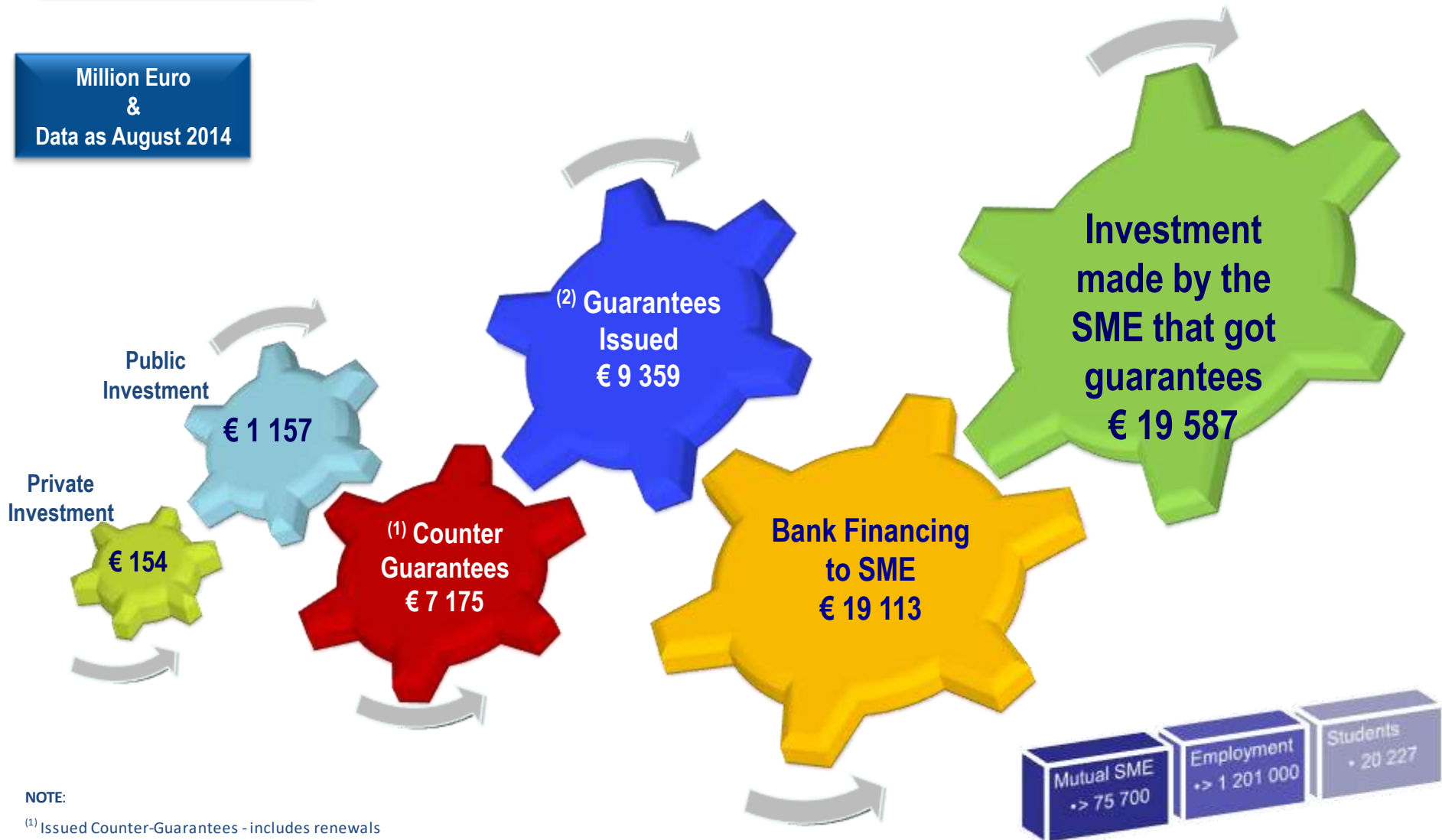
# The PMGS filling of the market gap on SME debt financing and the strengthening of the market mechanisms





# The PMGS multiplying effect of public and private funds

Million Euro  
&  
Data as August 2014



**NOTE:**

<sup>(1)</sup> Issued Counter-Guarantees - includes renewals

<sup>(2)</sup> Issued Guarantees - includes renewals and plafonds

## ★ The PMGS and the Portuguese speaking countries

★ activities involving the setting up / development of guarantee schemes in:

- Cape Verde
- Mozambique
- Angola

## ★ Cape Verde

[“**Republic of Cabo Verde** is an island country spanning an archipelago of 10 volcanic islands in the central Atlantic Ocean. Located 570 kilometres off the coast of Western Africa, the islands cover a combined area of slightly over 4,000 km<sup>2</sup>.” Source: *Wikipedia*]

★ one national guarantee entity, both guarantee and counter guarantee issuer

★ the PMGS involvement:

- support concerning the preparation of the Cape Verde law on guarantees
- small shareholding stake
- participation in social bodies including as board member
- Cape Verde staff training in Portugal



### ★ Mozambique

[“**Republic of Mozambique** is a country in Southeast Africa bordered by the Indian Ocean to the east, Tanzania to the north, Malawi and Zambia to the northwest, Zimbabwe to the west, and Swaziland and South Africa to the southwest. It is separated from Madagascar by the Mozambique Channel to the east. Total area of 801,590 km<sup>2</sup>“. Source: *Wikipedia*]

★ these activities are still in a consulting phase

★ the PMGS involvement may include in the future time:

- support concerning the preparation of law on guarantees
- and staff training
- anything else?

### ★ Angola

[“**Republic of Angola** is a country in Southern Africa. It is the seventh largest country in Africa, and is bordered by Namibia on the south, the Democratic Republic of Congo on the north, and Zambia on the east; its west coast is on the Atlantic Ocean. The province of Cabinda has borders with the Republic of the Congo and the Democratic Republic of Congo. Total area of 1,246,700 km<sup>2</sup>“. Source: *Wikipedia*]

★ the PMGS involvement:

- staff training
- institutional support to implement a national guarantee scheme in the country

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**GarantiaMútua**  
Cresça connosco.

**spym**  
SOCIEDADE DE  
INVESTIMENTOSA

Fundo de Contragarantia Mútuo

 **AGROGARANTE**

 **GARVAL**

 **LISGARANTE**

 **NORGARANTE**

**Teşekkür ederim.**

Thank you very much.

Merci beaucoup.

Obrigado.

Gracias.

Danke schön.

Grazie.