**AECM member request as to the question**

**if any member is using some other scheme as pari passu guarantees in cooperation with commercial banks and**

**if yes, if there is an approval given from the European Commission**

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| 1. **Bpifrance / France**
 | We only provide guarantees on pari passu terms. |
| 1. **SIAGI / France**
 | Our scheme, as all French ones, is final loss sharing. In general a final loss sharing scheme means pari passu.   |
| 1. **Guarantee Fund of the Republic of Srpska / Bosnia and Herzegovina**
 | Our Fund work with commercial banks on pari passu principes. In the contract with bank we defined that we take collateral together with bank on pari passu principes. |
| 1. **RCGF / Romania**
 | The Rural Credit Gurantee Fund currently works pari passu guarantees in relation with commercial banks, and this scheme is mentioned in the Commission Communication 155/2008.From our point of view, as long as the provisions of the Communication are respected, no approval is required. |
| 1. **Slovene Enterprise Fund / Slovenia**
 | Guarantees of Slovene Enterprise Fund carried out in cooperation with commercial banks do not rank parri passu. They are considered as a subordinated debt which means that the bank in the recovery process repays itself first and after that SEF. SEF didn't obtain no special approval from the Commission for this ranking. |
| 1. **aws / Austria**
 | aws issues guarantees on pari passu terms only.  |
| 1. **SOWALFIN / Belgium**
 | They also provide the so called up front guarantee which was presented at two Operational Training Sessions raising high interest. |
| 1. **PMV / Belgium**
 | We don’t work with such a scheme. |
| 1. **AVHGA / Hungary**
 | We do not yet have experience with other than pari passu scheme. But we have just signed a COSME counter-guarantee agreement with the EIF which contains a so called Subordinated Guarantee product. This means the following: If a guarantee is redeemed, the drawdown happens proportionately: AVHGA transfers the guarantee amount to the bank, then calls for the COSME counter-guarantee. Subordination takes effect at recoveries. The bank is entitled to keep all the recovered amount until its loss (20% of the defaulted amount in case of an 80% guarantee) returns fully. If any recoveries happen afterwards, AVHGA and EIF will satisfy their claims pari passu. This subordinated model was suggested by the EIF. |
| 1. **KredEx / Estonia**
 | We have discussions on table, where guarantee scheme can lead to situation where bank has no risk. |