
VIENNA INITIATIVE 2.0: EIF/EIB WORKING PAPER N. 42: CREDIT GUARANTEE SCHEMES FOR SME LENDING IN WESTERN EUROPE

Collaborative Report with AECM, Presentation of the main conclusions
Athens, 06 October 2017



1. MOTIVATION FOR THE STUDY

- Present the results of new CGS survey
 - (cooperation with EIB, AECM, IIF)
- Why new survey ?
 - Deeper insight CGS sector Western Europe
 - . Driving motives
 - . Operational mechanisms
 - . Specific topics (crisis, constraining factors, ...)
 - Follow up earlier study (CESEE)
- Two subsections in survey :
CGS & Bank questionnaire

2. MAIN CONCLUSIONS: KEY CHARACTERISTICS OF CGS

1. Credit guarantee schemes are a widely used public policy instrument in Western Europe to address the SME financing gap
2. The Western European credit guarantee sector is well developed, but activity is unevenly distributed across countries
3. CGSs in Western Europe are typically publicly owned, non-profit, and are active only in their home country
4. CGSs have been used intensively by governments to counteract the adverse consequences of the crisis on the supply of external financing to SME's

2. MAIN CONCLUSIONS: THE DEMAND FOR SME GUARANTEES

5. According to our survey, most Western European banks have been using credit guarantees to support their SME lending activity.
6. Although the banks themselves show a strong interest towards guarantee products, it seems that a number of factors have been limiting the further development of credit guarantee usage.
7. Credit guarantees bring about capital relief, and nearly 50 % of banks reported this to be an important consideration in their use of CGSs.

2. MAIN CONCLUSIONS BENEFITS TO SMES

8. Although the banks themselves show a strong interest towards guarantee products, it seems While addressing SMEs lack of collateral was indicated to be the primary driving motive of most CGS respondents, SMEs that were granted a guaranteed loan did not receive full collateral relief.

- THANK YOU VERY MUCH FOR YOUR ATTENTION !

Contact our General Secretariat via: info@aecm.eu

Find the entire publication under:

http://www.eif.org/news_centre/publications/EIF_Working_Paper_2017_42.htm

