

HDB / Greece

The **outstanding guarantee volume** reaches **mEUR 84.4** at mid-2020

3,026 SMEs under the auspices of **HDB** (H1 2020)

The **Average guarantee size** reaches **kEUR 27** in H1 2020

The **Hellenic Development Bank** (formerly ETEAN) offers the so-called **COVID-19 Business Guarantee Fund** to support businesses' access to loan capital, through the provision of collateral. Its objective is to mitigate the effects of the COVID-19 pandemic on the operation of businesses, by enhancing their liquidity with working capital loans. This guarantee can cover new loans with a duration of up to 5 years. In order to secure the loans in addition to the guarantee, supplementary collateral may be requested, but only to the extent justified by the guarantee. Each cooperating bank will at all times maintain at least 20% of each guaranteed loan portfolio as own risk exposure, in order to avoid conflicts of interest. The one-off guarantee fee ranges between 0.25% for guarantees with a duration of 1 year and 1% for guarantees with a duration of 4 to 5 years.

With the activation of the second cycle, the budget of the **COVID-19 Business Guarantee Fund** was strengthened, with resources from the National Public Investment Program (NIP) and co-financed by the European Regional Development Fund (ERDF), with additional mEUR 780. The total available funds of the two cycles of the **COVID-19 Business Guarantee Fund** was upgraded to an amount of bEUR 1.78. The guarantee premium paid by the companies is fully subsidised in the second cycle of the Fund, subject to the limitations of state aid. An important point of differentiation is that 75% to 90% of the new loans of the 2nd cycle are addressed with priority, to SMEs. A basic condition for the eligibility of companies before submitting an application is that they were not considered "problematic" on 31/12/2019. If the company was in trouble on that date and has taken corrective action before submitting a request for funding, it is possible to receive assistance.

In addition to its guarantee programmes, **HDB** can support companies with an interest-free working capital loan.

More information on **HDB** measures can be found under the following link: <https://hdb.gr/tag/engyiseis/>

Latest update: 11th December 2020