

Fonds Bruxellois de Garantie / Belgium

The **outstanding guarantee volume** reaches **mEUR 32.7** in Q3 2020

46 SMEs under the auspices of **Fonds Bruxellois** (Q3 2020)

The **Average guarantee size** is **kEUR 81** as of Q3 2020

The **Brussels Guarantee Fund (Fonds Bruxellois de Garantie/Brussels Waarborgfonds)** continues to support small and medium-sized companies in getting access to finance via public guarantees on bank loans. Dedicated covid guarantees, however, are granted at federal level.

Secondly, the Brussels government has launched the so-called **Proxi loan**. This loan aims to mobilise private savings for the financing of Brussels SMEs and thus ensure a short-term strengthening of their equity capital. In concrete terms, the Proxi loan should enable individuals to lend money to Brussels entrepreneurs while benefiting from tax advantages in the form of a tax credit and a guarantee. If necessary, they can also benefit, under certain conditions, from a one-off tax credit if, for example, the company financed goes bankrupt.

The loans are registered at the **Brussels Guarantee Fund** and have a duration of 5 to 8 years. The interest rate lies between 0.875% and 1.75% (legal rate in force for the fiscal year 2020). The loan is subordinated to both existing and future debt of the company and it can be repaid in a lump sum at the end of the duration or following a regular repayment schedule.

In addition, given the covid context the Fund has analysed around 100 applications for a moratorium for companies already benefiting from a Fund intervention.

More information on measures by the **Fonds Bruxellois de Garantie** can be found under the following link: <http://www.fondsbruxelloisdegarantie.be/>

Latest update: 4th January 2021