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# SHORT NEWS

As per 22 April 2020

**Overview of all support measures of the federal government and each individual federal state**

**Under 1.1, this article provides an overview of support measures available up to date dependent on the size of the company (micro-enterprise, SME, large company). These are shown under 1.1 to 1.3. Under 1.4 there is a list of all state measures with links to the respective authorities for application.**

**There are regular updates to this article.**

*As part of the update of 22 April 2020, additions to the Economic Stabilisation Fund (WSF), the KfW loans (improvement of loan conditions as of 22 April 2020) and new support measures of the federal states were added under 1.1 and under 1.4 respectively.*

***Newly added federal state measures are:*** *The planned rapid loan corona of the Free State of Bavaria, new promotional measures to strengthen the equity capital of the State of **North Rhine-Westphalia**, the SME corona emergency aid of Saarland, the SMEKUL emergency loan of the Free State of **Saxony** and the IB loan for small and micro enterprises of the State of **Saxony-Anhalt**.*

## **1. Current situation:**

Basically, the corona shield consists of a four-note sequence of partly corresponding measures: "Loans / Guarantees - Tax deferrals - Suspension of the obligation to file for insolvency - Short-time work compensation".

### **1.1 Appropriate forms of assistance for micro, small and large enterprises**

#### **a) Micro Enterprises**

According to the EU Recommendation 2003/361 a micro enterprise is defined as an enterprise which employs fewer than ten persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million.

**Appropriate forms of assistance for micro enterprises are:**

- Emergency Aid Programme by the German Federation
  - (Entitled to apply are companies with up to ten employees):
  - Amount of aid:
    - for up to 5 employees (full-time equivalents) up to EUR 9,000 single payment for 3 months
    - for up to 10 employees (full-time equivalents) up to EUR 15,000 single payment for 3 months
  - Application: Lending through Federal States [Link](#)
- Emergency Aid Programme by the Federal States (amount of aid between EUR 5,000 and EUR 60,000)
- Loans by the Federal States
- Regular loan from the main bank involving the guarantee banks of the Federal States

**b) Small and Medium-sized Enterprises (SMEs)**

According to the EU Recommendation 2003/361 an SME is defined as an enterprise which employs fewer than 250 employees and which has an annual turnover not exceeding EUR 50 million and/or an annual balance sheet total not exceeding EUR 43 million.

**Appropriate forms of assistance for SMEs are:**

- KfW Instant Loan for mid-sized companies
- KfW Entrepreneur Loan and ERP Start-up Loan (up to 90% risk assumption)
- KfW Special Programme: Syndicate financing
- The Economic Stabilisation Fund, however, is usually not applicable for SMEs. Small enterprises should only be included if they represent critical infrastructure.
- Federal State Loans (for example Bavaria: Universal- und Akutkredit (universal and emergency loan) by the Landesförderbank Bayern)
- In part Emergency Aid Programmes by the Federal States (see 1.4)
- Investment Funds by the Federal States (Bayernfonds being planned)
- Regular loan from the main bank involving the guarantee banks of the Federal States

**c) Large Enterprises**

According to the EU Recommendation 2003/361 a large enterprise is defined as an enterprise which employs more than 250 employees and which has an annual turnover exceeding EUR 50 million and/or an annual balance sheet total exceeding EUR 43 million.

**Appropriate forms of assistance for large enterprises are:**

- Economic Stabilisation Fund (WSF), in particular the possibility of credit guarantees or recapitalisation through state participation
- KfW Entrepreneur Loan and ERP Start-up Loan (up to 80% risk assumption)
- KfW Special Programme: Syndicate financing
- Federal State Loans (for example Bavaria: Universal- und Akutkredit (universal and emergency loan) by the Landesförderbank Bayern)
- Investment Funds by the Federal States (Bayernfonds being planned)
- Regular loan from the main bank involving the guarantee banks of the Federal States

### **1.1 Loans and guarantees**

At federal level, liquidity assistance is planned which the federal government will handle via the state-owned KfW Bank. In practical terms, enterprises receive loans and guarantees through their *Hausbank* (in the KfW context referred to as the regular bank, otherwise main bank), which KfW then secures for the regular banks. The State assumes a larger part of the default risks, in extreme cases even up to 100 percent. This, in turn, means that an additional (rest) risk remains with the regular bank, i.e. the usual commercial banks. The regular bank can thus not simply pass on its new risk position to the state-owned KfW but must take additional risks on its books. This requires a **positive lending decision** by the regular bank, i.e. a process that would also have to be followed in regular lending without corona.

Hence, we are dealing with two relevant decisions: one is the lending decision of the regular bank, the other is the assumption of liability by KfW. The principal contact for enterprises seeking credit is and remains their regular bank. The massive support from KfW should certainly improve the loan conditions and shorten the decision-making time.

But still a loan remains a loan. In other words, KfW support is in effect "fresh money" for investments and working capital for the enterprises. Debt restructuring is currently not on the agenda. As a result, only enterprises fundamentally healthy in economic terms are likely to continue to benefit from KfW funding, as the regular bank cannot avoid making an independent, i.e. "regular" lending decision.

The actions taken by the Federal Government through the Economic Stabilisation Fund provide on the one hand for **new measures** to improve the liquidity of affected enterprises and on the other hand for the **adjustment of the existing funding possibilities** under the KfW loans and guarantees of the guarantee banks.

#### **a) Economic Stabilisation Fund**

On 25 March 2020, as part of the Corona Social Protection Package, the Bundestag (Lower House of German Parliament) adopted a comprehensive package of measures, the Economic Stabilisation Fund (WSF), to support the real economy in the amount of EUR 600 billion, which was approved by the Bundesrat (Upper House of German Parliament) on 27 March 2020.

The **contact** for companies is the **Federal Ministry of Economic Affairs and Energy**. Applications can be submitted shortly at [Link](#).

Companies can register here [Link](#) for the WSF Newsletter to be informed as soon as possible about the possibility to submit applications.

The WSF provides in detail for

- Creation of a guarantee framework of EUR 400 billion to make it easier for enterprises to obtain refinancing on the capital market
- EUR 100 billion of recapitalisation measures to strengthen the capital base and ensure the solvency of enterprises.
  - State participation in systemically relevant enterprises to restore liquidity
- Loans of up to EUR 100 billion to refinance the KfW special programmes
- Prerequisite for the eligibility to make use of the above mentioned measures:
  - Balance sheet total of more than EUR 43 million
  - Sales revenues of more than EUR 50 million
  - a yearly average of more than 249 employees
  - **2 of the 3** criteria mentioned above must be fulfilled. Smaller enterprises should only be included if they represent critical infrastructure.
  - The enterprise **must not have previously been in financial difficulties (reference date: 31 December 2019)**.

#### **b) Emergency Aid Programme by the German Federation**

In addition, the Federal Cabinet has launched the "Corona Emergency Aid Programme for Micro-Enterprises and Solo Self-Employed Persons".

- The Emergency Aid Programme has a volume of EUR 50 billion.

- Prerequisite: Economic difficulties as a result of the corona crisis. The enterprise must **not have been in financial difficulties** before March 2020 (**reference date: 11 March 2020**). Existential threat or liquidity shortage caused by corona are to be insured.
- Financial emergency aid for micro-enterprises from all economic sectors as well as for self-employed persons and members of the independent professions with up to 10 employees.
  - Up to EUR 9,000 single payment for 3 months for up to 5 employees (full-time equivalents)
  - Up to EUR 15,000 single payment for 3 months for up to 10 employees (full-time equivalents)
- If the landlord reduces the rent by at least 20 percent, any unused allowance can also be used for a further two months.
- Goal: Aid to secure the economic existence of the applicants and to bridge acute liquidity shortages, inter alia through ongoing operating costs such as rents, loans for premises, leasing instalments, etc.
- **Application:** Application must be **filed with the Federal States:** The respective authorities can be found via the following link: [Link](#)
- The Federal States partly have their own Emergency Aid Programmes exceeding the Emergency Aid of the Federal Government as well as Liquidity Loans adding on the aids by the Federal Government. Details can be found under 1.4 (Actions adopted by the Federal States).
- Cumulating of State and Federal emergency aids is admissible. Any overcompensation, however, is to be repaid.

### **c) The individual KfW programmes:**

#### **aa) The new KfW special programmes:**

- The new KfW special programmes are valid since 23 March 2020. Applications can be submitted to the regular banks with immediate effect.
- The KfW special programmes are addressed to SMEs and large companies.
- The characteristic feature is the further improvement in terms of loan conditions.
- In detail:
  - For SMEs, working capital can now be financed with 90 percent release from liability (vis-a-vis banks and savings banks). For larger companies the exemption from liability is 80 percent. Before the corona crisis, indemnifi-

cations were at most 50 percent, or were not granted at all for operating resources.

- Interest rate improvements:  
Between 1 and 1.46 percent p.a. for small and medium-sized enterprises, and between 2 and 2.12 percent p.a. for larger companies (previously risk-based interest rate system according to credit rating collateral classes)
  - Facilitated application: For loans of up to EUR 3 million per enterprise, KfW waives its own risk assessment. Risk assessment is only carried out by the regular bank in order to accelerate the processes. Loans up to EUR 10 million are only subject to a simplified review ("Fast Track Procedure"). The evidence to be submitted is kept very simple.
  - Implementation by **sub-programmes: KfW Entrepreneur Loan and ERP Start-up Loan**
- **Syndicated financing:**
    - Addressees of syndicated financing are medium-sized enterprises and large companies mainly privately owned and planning to finance a project **in Germany**.  
**Projects abroad by German companies** or by their affiliates with the seat abroad **are not entitled to financing**.
    - KfW participates in major financing operations of other financing partners on their terms. Optionally, all banks participating in the consortium may be refinanced by KfW.
    - KfW assumes up to 80 percent of the project risks, however only a maximum of 50% of the total debt.
    - The risk share of KfW amounts to **at least EUR 25 million** and is limited to
      - 25% of the annual turnover of 2019 or
      - twice the wage costs of 2019 or
      - the current funding requirement for the next 12 months.

The following link guides you to the KfW Special Programme: [Link](#)

- **KfW Instant Loan for mid-sized companies**
  - KfW Promotional Loans for procurements and running costs (KfW-Förderkredit für Anschaffungen und laufende Kosten) for companies with more than 10 employees, which have been in business since January 2019 at least
  - Prerequisite: The company has lately made a profit – either in 2019 or the in the average of the last 3 years
  - 100% risk assumption by KfW

- No risk assessment by the regular bank
- Maximum loan amount of EUR 800,000
- Interest rate of currently 3.00 percent p.a.
- Term of up to 10 years.
- On request up to 2 redemption-free years at the beginning.
- **Special feature of the Instant Loan:** In contrast to the other KfW loans, **early repayment** is possible here **without an early repayment fee**

The following link guides you to the KfW Instant Loan: [Link](#)

## **bb) Adaptation of the existing funding possibilities:**

### **KfW Entrepreneur Loan**

- KfW Corona support for investments and working capital for the enterprises which have been in business for more than 5 years
- For large enterprises without limitation of turnover (up to 80% risk assumption)
- For SMEs (up to 90% risk assumption)
- Loan volume of up to EUR 1 billion per enterprise group
  - limited to a maximum of 25% of the annual turnover of 2019 or
  - twice the wage costs of 2019 or
  - the current liquidity requirement for the next 18 months in case of small and medium-sized companies or 12 months in case of large companies
  - In case of credits of more than EUR 25 million, the amount of the credit is limited to a maximum of 50% of the total debt of the company.
- Early repayment is possible against payment of an early repayment fee.
- Improvement of loan conditions from 22 April 2020:
  - Extension of the loan term for loans up to EUR 800,000 from a maximum of 5 to a maximum of 10 years.
  - Extension of the loan term for loans up to EUR 800,000 from a maximum of 5 to a maximum of 6 years.
  - On request, instead of 1 year, now 2 years of interest payment only, no repayment.

The following link guides you to the KfW Entrepreneur Loan: [Link](#)

### **ERP Start-up Loan**

- KfW Corona support for investments and working capital for the enterprises which have been in business for less than 5 years
- For large enterprises without limitation of turnover (up to 80% risk assumption)

- For SMEs (up to 90% risk assumption)
- Loan volume of up to EUR 1 billion per enterprise group
  - limited to a maximum of 25% of the annual turnover of 2019 or
  - twice the wage costs of 2019 or
  - the current liquidity requirement for the next 18 months in case of small and medium-sized companies or 12 months in case of large companies of the applicant.
  - In case of loans of more than EUR 25 million, the amount of the credit is limited to a maximum of 50% of the total debt of the company.
- Early repayment is possible against payment of an early repayment fee.
- Improvement of loan conditions from 22 April 2020:
  - Extension of the loan term for loans up to EUR 800,000 from a maximum of 5 to a maximum of 10 years.
  - Extension of the loan term for loans up to EUR 800,000 from a maximum of 5 to a maximum of 6 years.
  - On request, instead of 1 year, now 2 years of interest payment only, no repayment.

The following link guides you to the ERP Start-up Loan: [Link](#)

As already indicated, it should be noted that applications for liquidity support from KfW are not submitted directly via KfW, but via the company's **respective regular bank**.

With regard to the application process, all KfW funding is facilitated: For loans of up to EUR 3 million per enterprise KfW waives its own risk assessment. Risk assessment is only carried out by the regular bank in order to accelerate the processes. Loans up to EUR 10 million are only subject to a simplified review ("Fast Track Procedure"). The evidence to be submitted is kept very simple.

The following **applies to all KfW funding**: The enterprise **must not have been in financial difficulties** before the corona crisis broke out (**reference date 31 December 2019**).

## **Guarantees**

The procurement of liquidity is also made possible by facilitation of guarantees:

- On the one hand, the maximum guarantee amount is increased from the original EUR 1.25 million to EUR 2.5 million. Furthermore, the risk share of the Federal Government in the guarantee banks increases by 10 percent.

- In future, the guarantee banks will be able to make guarantee decisions up to an amount of EUR 250,000 by express procedure to accelerate the procurement of liquidity (independent decision within three days).
- The previous limitation under the large guarantee scheme (parallel federal/state guarantees) to companies in structurally weak regions no longer applies. In future, companies outside the structurally weak regions will also be able to benefit from this.

With a guarantee ratio of up to 80 percent, the Federal Government makes it possible to cover working capital financing and investments requiring a guarantee of EUR 50 million or more.

### 1.3 Tax deferrals

The intended **fiscal policy measures** consist of tax deferrals, reductions in advance tax payments and the suspension of enforcement measures to improve the liquidity of companies. All in all, companies will be granted the possibility of tax reductions in the billions. The prerequisite is that the taxable entity is directly affected by the effects of the corona pandemic. Advance tax payments would be reduced if the taxable income or turnover in the current year is expected to be lower.

Companies wishing to take advantage of this option should contact their competent tax authority. In many cases the **competent tax authorities** have already provided online application forms.

As, for instance, the Finanzamt München (Tax Office Munich): [Link](#)

Under this link you can download the **application form** for tax relief due to the coronavirus.

### 1.4 Actions adopted by the Federal States

If necessary, the main banks can also make use of the guarantee instruments. All federal states have now adapted the guarantee framework of their guarantee banks and are adapting to the new situation. Inquiries for the respective financing project can be made via the joint portal of the guarantee banks: [Link](#)

The average time taken to process applications will be extremely reduced where possible and should be around 1 to 2 weeks, with some federal states promising even faster responses.

The loan amount up to which the guarantee banks will provide coverage is approximately EUR 2.5 million.

Up to an amount of EUR 250,000, however, simplified procedures without additional committee involvement should ensure even faster disbursement (**Express Guarantee**).

Beyond this, all the federal states have initiated or are planning their own measures: As already mentioned above, the Federal States execute the Emergency Aid Programmes of the Federal Government based on a management agreement, in the following you can only find State-owned Emergency Aid Programmes adding on the Emergency Aid Programmes of the Federal Government.

**Bavaria**

<b>Action</b>	<b>Application</b>
<p><b>Emergency aid programme Bavaria:</b> The Bavarian state government has set up an emergency aid programme adding on the Emergency Aid Programme by the Federal Government.</p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Commercial enterprises and agricultural enterprises (excluding primary production) and members of the independent professions with up to 250 employees based in Bavaria</li> <li>• <b>Amount of emergency aid:</b> The emergency aid is scaled according to the size of the operation and amounts to between EUR 5,000 and 50,000.</li> </ul>	<p>The applications are processed by the respective district governments and, for the city of Munich, by the Munich city administration.</p> <p>Further information on funding and an application form at <a href="#">Link</a></p> <p>If you have any questions regarding the Emergency Aid Programme, we will be pleased to advise you.</p>
<p><b>BayernFonds:</b> Loan guarantees and state participation in medium-sized companies that have been healthy up to now and play a key role in the economy.</p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Companies meeting at least 2 of the 3 following criteria: Employment of at least 50 employees, exceeding the limit of EUR 10 million regarding</li> </ul>	<p>Applications to be filed via the Bavarian Ministry of Economic Affairs, Regional Development and Energy. The application procedure is currently in preparation.</p> <p>We will be pleased to advise you on applications to the BayernFonds</p>

<p>balance sheet total or turnover proceeds</p> <ul style="list-style-type: none"> <li>• <b>Volume of the BayernFonds:</b> <ul style="list-style-type: none"> <li>○ Loan guarantees of up to EUR 36 billion</li> <li>○ Recapitalisation measures: volumes of EUR 20 billion</li> </ul> </li> </ul>	
<p><b>Universal loan of the LfA</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Commercial companies with an annual turnover (consolidated turnover) of up to and including EUR 500 million and members of the independent professions.</li> <li>• <b>Amount of aid:</b> Maximum loan amount: EUR 10 million per project</li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Landesförderbank Bayern: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Emergency loan of the LfA</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small and medium-sized enterprises in the commercial sector. Submission of a consolidation concept is generally waived if the main bank confirms a reason for consolidation to the LfA when submitting the application.</li> <li>• <b>Amount of aid:</b> Max. EUR 2 million</li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Landesförderbank Bayern: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Corona Instant Loan of LfA</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Companies with up to 10 employees</li> <li>• <b>Loan amount:</b> Maximum of EUR 100,000</li> </ul>	<p>Application process currently in preparation.</p> <p>Further information at: <a href="#">Link</a></p>

**Baden-Wuerttemberg**

Action	Application
<p><b>Hardship fund (emergency aid)</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Self-employed and medium-sized companies with up to 50 employees</li> </ul>	<p>Application form under: <a href="#">Link</a></p> <p>Submission of application at: <a href="#">Link</a></p>

<ul style="list-style-type: none"> <li>• <b>Amount of aid:</b> The emergency aid is scaled according to the size of the operation and amounts to up to EUR 30,000.</li> </ul>	<p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Investment fund</b></p> <ul style="list-style-type: none"> <li>• In preparation; investment fund with up to EUR 1 billion</li> </ul>	
<p><b>Liquidity loan of the L-Bank</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> For freelancers and companies with up to 500 employees</li> <li>• <b>Amount of aid:</b> Regular loan amount between EUR 10,000 up to 5 million Existing L-Bank promotional loans are subject to a 12-month suspension of repayment upon informal application</li> <li>• <b>Special repayment:</b> Possible at any time without an early repayment fee</li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Staatsbank für Baden-Württemberg: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Business start-up financing</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> For start-ups and young enterprises (enterprises may be active on the market for a maximum of 5 years), also for short-term liquidity requirements</li> <li>• <b>Amount of aid:</b> EUR 5,000 up to 5 million</li> <li>• <b>Special repayment:</b> Possible at any time without an early repayment fee</li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Staatsbank für Baden-Württemberg: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Growth financing</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Established companies that have been active on the market for at least 5 years, also for short-term liquidity requirements.</li> <li>• <b>Amount of aid:</b></li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Staatsbank für Baden-Württemberg: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

<p>EUR 10,000 up to 5 million</p> <ul style="list-style-type: none"> <li>• <b>Special repayment:</b> Possible at any time without an early repayment fee</li> </ul>	
<p><b>Financing of further education/training 4.0</b></p> <ul style="list-style-type: none"> <li>• <b>Use of loans:</b> For further professional qualification of employees (also to avoid short-time work) to adapt to new operational or digitalisation processes in the context of further training/retraining measures.</li> <li>• <b>Amount of aid:</b> Usually EUR 20,000 per employee to be qualified.</li> <li>• <b>Special repayment:</b> Possible at any time without an early repayment fee</li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Staatsbank für Baden-Württemberg: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Innovation financing 4.0</b></p> <ul style="list-style-type: none"> <li>• <b>Use of loans:</b> Financing of innovative projects to develop new or improved products or processes, digitalisation projects or to develop or introduce a new innovative business model.</li> <li>• <b>Amount of aid:</b> EUR 10,000 to 5 million, for larger companies up to EUR 25 million</li> <li>• <b>Special repayment:</b> Excluded for the first 5 years after loan commitment, thereafter possible at any time against payment of an early repayment fee.</li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Staatsbank für Baden-Württemberg: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Agriculture – Securing Liquidity</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Enterprises engaged in primary agricultural production (agriculture, horticulture, fruit growing, viticulture) to cover exceptional costs.</li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Staatsbank für Baden-Württemberg: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased</p>

<p>Declines in earnings of at least 30 percent are required in the branch of business concerned</p> <ul style="list-style-type: none"> <li>• <b>Amount of aid:</b> EUR 5,000 up to 10 million</li> <li>• <b>Special repayment:</b> Normally excluded</li> </ul>	to advise you.
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**Berlin**

<b>Action</b>	<b>Application</b>
<p><b>Rescue Aid Corona</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small and medium-sized enterprises (SMEs) according to the EU definition of SMEs with permanent establishment in Berlin, whose business start-up phase (3 years) has ended.</li> <li>• <b>Amount of aid:</b> Granting of rescue and restructuring loans up to EUR 0.5 million; in exceptional cases up to EUR 2.5 million</li> </ul>	<p>Submission of application to Investitionsbank Berlin at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Emergency aid (subsidy for small enterprises)</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small and micro-enterprises with a maximum of five employees as well as freelancers and solo self-employed persons.</li> <li>• <b>Amount of aid:</b> Up to EUR 9,000 for applicants with up to 5 employees (increase of emergency aid of the Federal Government by EUR 4,000).</li> </ul>	<p>Submission of application to Investitionsbank Berlin at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**Brandenburg**

<b>Action</b>	<b>Application</b>
<p><b>Emergency Aid Programme of Investitionsbank des Landes Brandenburg</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b></li> </ul>	<p>Submission of application to Investitionsbank des Landes Brandenburg (ILB) at: <a href="#">Link</a></p>

<p>Commercial enterprises and self-employed members of the independent professions (up to 100 employees) with business or workplace in the State of Brandenburg</p> <ul style="list-style-type: none"> <li>• <b>Amount of aid:</b> between EUR 9,000 and 60,000</li> </ul>	<p>If you have any questions, we will be pleased to advise you.</p>
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**Bremen**

Action	Application
<p><b>Corona Emergency Aid Programme</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Micro-enterprises with up to 49 employees and an annual turnover of up to EUR 10 million</li> <li>• <b>Amount of aid:</b> Up to EUR 20,000</li> </ul>	<p>Submission of application to Förderbank für Bremen und Bremerhaven at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**Hamburg**

Action	Application
<p><b>Hamburg Corona Emergency Aid (HCS)</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small and medium-sized enterprises of agriculture with up to 250 employees (full-time equivalent), solo-self-employed and members of the free (independent) professions as well as artists and creative artists</li> <li>• <b>Amount of aid:</b> Up to a maximum of EUR 30,000</li> </ul>	<p>Submission of application to Hamburgische Investitions- und Förderbank (IFB) at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Hamburg-Kredit Liquidität (HKL)</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small and medium-sized enterprises based in Hamburg</li> <li>• <b>Amount of aid:</b> Rescue loan for working capital up to EUR 250,000</li> </ul>	<p>Submission of application to Hamburgische Investitions- und Förderbank (IFB). Submission of application possible shortly.</p> <p>Further information can be found on the website of Hamburgische Investitions- und Förderbank: <a href="#">Link</a></p>

	If you have any questions, we will be pleased to advise you.
<b>IFB Promotional Loans for Culture and Sport</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Cultural institutions and sports clubs</li> <li>• <b>Amount of aid:</b> Rescue loans up to EUR 150,000</li> </ul>	<p>Submission of application to Hamburgische Investitions- und Förderbank (IFB) at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<b><u>Hamburg Loan Foundation and Succession (GuN)</u></b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small and medium-sized enterprises (SMEs) of the commercial sector in Hamburg and freelancers and other service providers who have been active on the market for a maximum of 5 years</li> <li>• <b>Amount of aid:</b> Loans up to EUR 750,000 per project</li> </ul>	<p>Main bank procedure</p> <p>If you have any questions, we will be pleased to advise you.</p>
<b>Hamburg Growth Loan</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small and medium-sized commercial enterprises (SMEs) in Hamburg and freelancers as well as persons who rent or lease commercial property as part of a commercial activity and have been on the market for at least 5 years</li> <li>• <b>Amount of aid:</b> Working capital loans up to EUR 500,000</li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Investitionsbank Hamburg: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**Hesse**

<b>Actions</b>	<b>Application</b>
<b>Emergency Aid Programme</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small enterprises with up to</li> </ul>	<p>Submission of application with Regierungspräsidium Kassel at: <a href="#">Link</a></p>

<p>50 employees, self-employed, freelancers and artists.</p> <ul style="list-style-type: none"> <li>• <b>Amount of aid:</b> Up to EUR 30,000</li> </ul>	
<p><b>Hesse Microliquidity</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Companies with up to 50 employees (full-time equivalent)</li> <li>• <b>Loan amount:</b> Loan from EUR 3,000 to 35,000</li> <li>• <b>Special repayment:</b> Possible without an early repayment fee</li> </ul>	
<p><b>Liquidity assistance for SMEs</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> SMEs</li> <li>• <b>Amount of aid:</b> Loan amount between EUR 5,000 and 200,000</li> </ul>	<p>Main bank procedure</p> <p>Further information at: <a href="#">Link</a></p>
<p><b>Capital for small enterprises (KfK)</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small commercial enterprises (including commercially active social enterprises) and freelancers with up to 25 employees and an annual turnover of EUR 5 million</li> <li>• <b>Amount of aid:</b> Loans between EUR 25,000 and 150,000, to which the main bank adds at least 50 percent. No standard bank collateral is required for these promotional loans.</li> </ul>	<p>Main bank procedure</p> <p>Further information on the website of Wirtschafts- und Infrastrukturbank Hessen: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Start-up and growth financing Hesse (GuW)</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> SMEs with up to 250 employees and EUR 50 million turnover.</li> <li>• <b>Amount of aid:</b> Working capital loans up to EUR 1 million</li> </ul>	<p>Main bank procedure</p> <p>If you have any questions, we will be pleased to advise you.</p>

**Mecklenburg-Western Pomerania**

Action	Application
<p><b>Emergency aid</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Commercial enterprises from all economic sectors as well as solo self-employed persons and members of the independent professions including cultural professionals with up to 100 employees</li> <li>• <b>Amount of aid:</b> Up to EUR 60,000</li> </ul>	<p>Application (by post) to Landesförderinstitut Mecklenburg-Vorpommern</p> <p>Application form to be downloaded at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Liquidity assistance for operating expenditure of SMEs</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> SMEs</li> <li>• <b>Amount of aid:</b> Repayable subsidy up to EUR 200,000</li> </ul>	<p>Lending through Gesellschaft für Struktur- und Arbeitsmarktentwicklung (GSA)</p> <p>Submission of application at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**Lower Saxony**

Action	Application
<p><b>Liquidity assistance loan</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> SMEs</li> <li>• <b>Amount of liquidity assistance</b> Up to EUR 50,000</li> <li>• <b>Special repayment:</b> Possible at any time without an early repayment fee</li> </ul>	<p>Directly via NBank without involvement of a main bank</p> <p>Submission of application at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>State subsidy for small enterprises</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small enterprises with up to 49 employees</li> <li>• <b>Amount of liquidity assistance</b> Up to EUR 20,000</li> </ul>	<p>Directly via NBank without involvement of a main bank</p> <p>Submission of application at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**North Rhine-Westphalia**

Action	Application
<p><b>NRW Emergency aid</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Commercial and non-profit enterprises, self-employed persons and members of the independent professions, including artists, with up to 50 employees</li> <li>• <b>Amount of aid for 3 months:</b> Up to EUR 25,000</li> </ul>	<p>Submission of application online at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b><u>NRW.BANK.Universalkredit</u></b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> <ul style="list-style-type: none"> <li>○ Founders of new businesses, medium-sized enterprises (domestic and foreign commercial enterprises which are majority-owned by private individuals and whose annual turnover - including affiliated companies - does not exceed EUR 500 million), and</li> <li>○ Members of the independent professions.</li> </ul> <p>For companies that have run into liquidity problems due to the corona crisis, the indemnity offer of 50 percent risk assumption has been extended by 80 percent risk assumption for working capital financing up to 5 years. The minimum amount for indemnifications does not apply.</p> </li> <li>• <b>Amount of aid:</b> A minimum/maximum amount has not been set</li> </ul>	<p>Main bank procedure</p> <p>Further information can be found on the NRW Bank's website: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>NRW.Start-up akut</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Innovative, growth-oriented compa-</li> </ul>	<p>Further information and submission of application at: <a href="#">Link</a></p>

<p>nies (corporations) in seed or start-up phase (founded within the last 36 months).</p> <ul style="list-style-type: none"> <li>• <b>Amount of aid:</b> <b>Convertible loans</b> between EUR 15,000 and EUR 200,000, whereas the maximum subsidy amount is limited by an existing <i>de minimis</i> subsidy for the company, when applicable.</li> <li>• <b>Special repayment:</b> None, possible at any time without an early repayment fee</li> </ul>	<p>If you have any questions, we will be pleased to advise you.</p>
<p><b>NRW.SeedCap</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> SMEs (corporations) that are in the process of being established or in the start-up phase, in principle up to 36 months after establishment</li> <li>• <b>Amount of aid:</b> <b>Minority interest</b>, EUR 15,000 to 200,000, of which initially up to EUR 200,000 can be drawn already in the first call.</li> </ul>	<p>Further information and submission of application at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>NRW.BANK.Venture Fonds</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Start-ups and young growth companies (corporations) with convincing business models.</li> <li>• <b>Amount of aid:</b> <b>Minority interest or convertible loans</b>, EUR 0.25 million up to 6.0 million, first financing up to EUR 3 million.</li> </ul>	<p>Further information and submission of application at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Investment capital for small enterprises</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small enterprises and start-ups</li> <li>• <b>Amount of investment:</b> Investment capital of up to</li> </ul>	<p>Submission of application to Kapitalbeteiligungsgesellschaft (KBG) at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

EUR 75,000 from the Micro-Mezzanine Fund Germany	
<b>Emergency aid for creative artists</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Professionally employed and independent artists.</li> <li>• <b>Amount of aid:</b> One-off payment of up to EUR 2,000.</li> </ul>	<p>Submission of applications to the relevant district government.</p> <p>Application available under: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**Rhineland-Palatinate**

Action	Application
<b>Emergency Aid Programme</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Enterprises with up to 30 employees</li> <li>• <b>Amount of aid:</b> <ul style="list-style-type: none"> <li>○ Enterprises with up to 10 employees: Up to EUR 10,000 immediate loans from the state if required.</li> <li>○ Enterprises with 11 up to 30 employees: Up to EUR 10,000 immediate loans from the state plus a subsidy amounting to 30 percent of the loan amount. Enterprises with 6 The total emergency aid amounts to up to EUR 39,000.</li> </ul> </li> </ul>	<p>Main bank procedure</p> <p>Further information at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<b>Entrepreneur Loan RLP</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> SMEs and freelancers who have been on the market for at least 5 years</li> <li>• <b>Amount of aid:</b> Investment financing up to EUR 2 million and working capital fi-</li> </ul>	<p>Main bank</p> <p>If you have any questions, we will be pleased to advise you.</p>

nancing up to EUR 500,000	
<b>ERP Start-up Loan RLP</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Founders of new start-ups, SMEs in their first 5 business years, freelancers and natural persons taking over a business</li> <li>• <b>Amount of aid:</b> Investment financing up to EUR 2 million and working capital financing up to EUR 500,000</li> </ul>	<p>Main bank</p> <p>If you have any questions, we will be pleased to advise you.</p>
<b>Education and training loan RLP</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> SMEs, MidCap companies and freelancers who provide training or further education.</li> <li>• <b>Amount of aid:</b> Investment financing up to EUR 2 million and working capital financing up to EUR 500,000.</li> </ul>	<p>Main bank</p> <p>If you have any questions, we will be pleased to advise you.</p>
<b>Working capital loan RLP</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> SMEs, midcap companies and freelancers who provide training or further education with additional working capital requirements.</li> <li>• <b>Amount of aid:</b> Working capital financing up to EUR 5 million.</li> </ul>	<p>Main bank</p> <p>Further information can be found on the website of Investitions- und Strukturbank Rheinland-Pfalz: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**Saarland**

<b>Actions</b>	<b>Application</b>
<b>Liquidity assistance loan "Emergency Loan Saarland"</b> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> SMEs</li> <li>• <b>Loan amount:</b> Maximum of EUR 500,000</li> </ul>	<p>Submission of application directly to Saarländische Investitionskreditbank (SIKB) at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<b>Corona aid for medium-sized companies</b>	Submission of application at: <a href="#">Link</a>

<ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Companies and self-employed members of the independent professions with more than 10 up to 100 employees.</li> <li>• <b>Amount of aid:</b> Up to EUR 25,000</li> </ul>	<p>If you have any questions, we will be pleased to advise you.</p>
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**Saxony**

Action	Application
<p><b>Emergency Aid Programme "Saxony helps immediately"</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Individual entrepreneurs (solo self-employed persons), micro-enterprises and freelancers in Saxony with an annual turnover or annual results of up to EUR 1 million.</li> <li>• <b>Amount of the liquidity assistance loan:</b> From EUR 5,000 to 50,000, in exceptional cases up to EUR 100,000, with a term of up to ten years. Structured as an interest-free subordinated loan.</li> </ul>	<p>Submission of application via Sächsische Aufbaubank (SAB) at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>Emergency aid loan SMEKUL</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Small and medium-sized enterprises (SMEs) in agriculture, fisheries and aquaculture and forestry.</li> <li>• <b>Loan amount:</b> Minimum EUR 5,000, maximum EUR 100,000</li> <li>• <b>Special payments:</b> Possible at any time</li> </ul>	<p>Submission of application soon to be possible, further information at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**Saxony-Anhalt**

Action	Application
<p><b>Emergency Aid Programme</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b></li> </ul>	<p>Submission of application via Investitionsbank Sachsen-Anhalt at: <a href="#">Link</a></p>

<p>Enterprises with up to 50 employees, including micro-enterprises, so-lo self-employed persons and freelancers.</p> <ul style="list-style-type: none"> <li>• <b>Amount of aid:</b> Up to EUR 25,000</li> </ul>	<p>If you have any questions, we will be pleased to advise you.</p>
<p><b>IB loan for small and micro enterprises</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Existing companies / freelancers with up to 50 employees.</li> <li>• <b>Amount of aid:</b> Loan, minimum EUR 10,000, maximum EUR 150,000</li> </ul>	<p>Submission of application via Investitionsbank Sachsen-Anhalt at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**Schleswig-Holstein**

Action	Application
<p><b>Corona Emergency Aid Programme</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> Self-employed persons, members of the independent professions and enterprises (including enterprises of primary agricultural production) with more than 10 and up to 50 employees.</li> <li>• <b>Amount of aid:</b> Subsidy of up to EUR 30,000</li> </ul>	<p>Submission of application via Investitionsbank Schleswig-Holstein at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>
<p><b>IB.SH Mittelstandssicherungsfonds</b></p> <ul style="list-style-type: none"> <li>• <b>Eligible parties:</b> <ul style="list-style-type: none"> <li>○ Operators of boarding houses, camping sites, camper sites, yachting harbours and marinas to the extent that they act as accommodation facilities.</li> <li>○ Commercial lessors of holiday apartments and houses and similar offers providing accommodation for tourist purposes.</li> <li>○ Facilities for the accommo-</li> </ul> </li> </ul>	<p>Main bank procedure</p> <p>Further information at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

<p>dation of children and young people, such as, in particular, young people's recreational facilities, young people's educational facilities, youth hostels, school hostels, holiday camps and youth camps.</p> <ul style="list-style-type: none"> <li>○ Restaurants and bars within the meaning of section 1 German Restaurant Code.</li> </ul> <ul style="list-style-type: none"> <li>● <b>Amount of aid:</b> Loans ranging from EUR 15,000 to 750,000 (max. 25 percent of the turnover of the year 2019).</li> </ul>	
<p><b>IB.SH SME loan</b></p> <ul style="list-style-type: none"> <li>● <b>Eligible parties:</b> <ul style="list-style-type: none"> <li>○ Natural persons and enterprises</li> <li>○ Persons without unresolved negative characteristics in SCHUFA</li> <li>○ Companies whose Creditreform index does not exceed 349 when the application is submitted</li> <li>○ Companies with a positive economic equity</li> </ul> </li> <li>● <b>Amount of aid:</b> EUR 25,000 to EUR 250,000 per project</li> </ul>	<p>Applications can be submitted via the main bank, an advisor or directly to IB.SH (Investitionsbank Schleswig-Holstein)</p> <p>Further information and submission of application on the website of Investitionsbank Schleswig-Holstein at: <a href="#">Link</a></p> <p>If you have any questions, we will be pleased to advise you.</p>

**Thuringia**

Action	Application
<p><b>Corona Emergency Aid Programme</b></p> <ul style="list-style-type: none"> <li>● <b>Eligible parties:</b> Commercial enterprises with up to 50 employees including individual en-</li> </ul>	<p>Submission of application via Thüringer Aufbaubank (TAB).</p> <p>Further information and application at: <a href="#">Link</a></p>

terprises as well as the business-related independent professions and the creative industries	If you have any questions, we will be pleased to advise you.
<ul style="list-style-type: none"><li>• <b>Amount of aid:</b> Up to EUR 30,000</li></ul>	

## 1.5 Outlook

The Federal and State Governments are making every effort to mitigate the economic repercussions of coronavirus. With the creation of the Economic Stabilisation Fund, the Federal Government is turning away from the previously valid "black zero" credo and is financing this by way of a supplementary budget through new borrowing of EUR 156 billion in order to stabilise the economy. In parallel, new liquidity aids are continuously launched, such as - most recently - the KfW Instant loan for medium-sized companies.

The state of North Rhine-Westphalia is also putting together a EUR 25 billion rescue package and is prepared to take on new debt in return. Bavaria increased its Corona rescue package by EUR 20 billion. In parallel, the planning of the BayernFonds is increasingly taking shape. This makes it clear: The situation is highly dynamic, since the Federal and the State Government are making great efforts to ensure that no one is left behind.

## Conclusion

The multitude of support measures available to date - and constantly growing - resembles a jungle for companies in need of help. For this reason, this Communication will be regularly updated in order to provide the potentially affected companies with the best possible overview of available assistance measures.

One thing is clear: Whether the company seeking help is looking for funding itself or calls in expert consultants: the application for financial aid should be made quickly. The measures described above are intended to help companies which have been economically sound up to now but which are in difficulty as a result of the corona crisis.

Eligibility for funding, thus, depends crucially on a convincing presentation of the viability of the business model to date and the negative effects of the current crisis on the company's situation. In this respect, the company should draw on specialist expertise in order to be able to submit a promising application as quickly as possible. Although the German government plans to suspend the obligation to file for insolvency for affected companies for the time being, it is important to counteract impending liquidity shortages as early as possible in order to maintain the economic performance of the company.

BEITEN BURKHARDT's practice groups in the areas of labour & employment law, banking/financing/restructuring and tax law have set up a task force to assist companies in applying for the necessary measures.

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