

## DEVELOPMENT FINANCE INSTITUTION ACTIONS AND MEASURES TO SUPPORT THE PRODUCTION AND SOCIAL SECTORS IN CONFRONTING THE CRISIS

### REPORT N°1

- **ALEMANIA**

**Altmaier: “Additional KfW Special Programme 2020 for the economy starts today”**

***Press Release from 2020-03-23 / Group, Domestic Promotion***

**Joint Press Release**

**Expanded aid for businesses. Applications possible with immediate effect. Risk assumption by KfW of up to 90% and interest rate cuts.**

The new KfW Special Programme 2020 has been launched today. The funds for the KfW Special Programme are unlimited. It is available to small and medium-sized enterprises as well as large companies. The loan terms have been improved once again. Lower interest rates and simplified risk assessment by KfW for loans of up to EUR 3 million will create even more relief for the German economy. A higher liability waiver by KfW of up to 90% for working capital and investments by small and medium-sized enterprises will make it easier for banks and savings banks to grant loans. The improved terms are made possible by the European Commission’s Temporary Framework for state aid measures, which came into force on 19 March 2020

Federal Minister for Economic Affairs and Energy Peter Altmaier: “It is now important to help companies quickly and in an unbureaucratic way. One important pillar is access to liquidity. The improved promotional terms in the KfW Special Programme 2020 are an important pillar for the companies and business owners in this respect. Applications will be processed quickly and efficiently. Payments will be made as quickly as possible, because we know that for many enterprises every week counts.”

Federal Minister of Finance Olaf Scholz: “We are protecting our country, our workforce and our companies with an unprecedented aid programme. Together with KfW we are ensuring that companies remain solvent even during the crisis. To this end we are also leveraging the enormous financial strength of our government. The German Federal Government will provide the necessary guarantee volumes for KfW.”

KfW Chief Executive Officer Dr Günther Bräunig: “The commercial banks and KfW have prepared intensively for today. Never before have we been able to get a programme up and running so quickly. The German Federal Government is assuming nearly all liability and the loan margins are extremely low.”

The KfW Special Programme 2020 will be implemented through the programmes KfW Entrepreneur Loan (037/047) and ERP Start-up Loan – Universal (073/074/075/076) with modified and considerably extended promotional terms. In addition, the special programme “Direct equity investment in structured financing schemes” (855) facilitates large-scale syndicate financing with risk sharing by KfW.

The programmes are available to companies that have temporarily experienced financing difficulties due to the coronavirus crisis. In concrete terms, this means that all companies

that were not already experiencing difficulties on 31 December 2019 can apply for a loan. Financing can be provided for investments and working capital.

Starting today, applications can be submitted through the applicant's regular bank. Funds will be disbursed as quickly as possible. Applications will be processed simply and unbureaucratically.

[https://www.kfw.de/KfW-Group/Newsroom/Latest-News/Pressemitteilungen-Details\\_575168.html](https://www.kfw.de/KfW-Group/Newsroom/Latest-News/Pressemitteilungen-Details_575168.html)

**TUI AG: German Federal Government approves KfW bridge loan of 1.8 billion euros  
TUI Press Release, Hanover, 27 March 2020**

TUI AG today received the approval of the German government for a bridging loan of 1.8 billion euros from the KfW. The funds of Germany's state-owned development bank are to be used to increase TUI's existing credit line with its banks amounting to 1.75 billion euros ("Revolving Credit Facility"). The KfW bridge loan is subject to the approval of the banks. Talks on this have already started and will be continued after today's decision. One of the conditions of the KfW bridge loan is that TUI waives dividend payments for the duration of the bridge loan. This would give TUI access to financial resources and credit lines totaling 3.1 billion euros at the present time

Fritz Jousen, CEO of TUI Group: "The commitment of the KfW bridge loan is an important first step for TUI to successfully bridge the current exceptional situation. Our thanks go to the German Federal Government, the German parliament, the Government of Lower Saxony and KfW. They have acted quickly and in a solution-oriented manner in the interest of our customers, employees and the company."

TUI had decided to apply for the KfW bridging loan to cushion the unprecedented effects of the COVID 19 pandemic until normal business operations could be resumed. Following travel restrictions and travel warnings from almost all countries, the Group had to suspend its touristic offers in mid-March, including packaged tours, cruises, and hotel operations, until further notice.

Jousen: "TUI is a very healthy company. We were economically successful before the crisis and will be again after the crisis. Our business model is intact and we have over 21 million loyal customers. However, we are currently facing unprecedented international travel restrictions. As a result, we are temporarily a company with no product and no revenue. This situation must be bridged."

In the past financial year 2019, TUI Group generated a turnover of around 19 billion euros and operating results of 893 million euros, including the costs of almost 300 million euros for the flight ban on the Boeing 737 MAX. Excluding the costs from the flight ban, operating results were at the level of the record year 2018 (1.2 billion euros). At the beginning of February 2020, bookings for the current summer were 14 percent higher than previous year. January 2020 was the strongest booking month in the company's history.

**ABOUT TUI GROUP**

TUI Group is the world's leading integrated tourism group operating in more than 100 destinations worldwide. The company is headquartered in Germany. The TUI Group's share is listed in the FTSE 250 index and in the German open market.

In financial year 2019, TUI Group recorded turnover of around €19bn and an operating result of €893m. The Group employs more than 70,000 people worldwide. TUI offers its 28 million customers, including 21 million customers in European national companies,

integrated services from a single source. It covers the entire tourism value chain under one roof. This comprises more than 400 hotels and resorts with premium brands such as RIU, TUI Blue and Robinson as well as 18 cruise ships ranging from the MS Europa and MS Europa 2 luxury class vessels and expedition ships to the Mein Schiff fleet of TUI Cruises and the vessels of Marella Cruises in the UK. The Group also includes leading European tour operator brands, five airlines with 150 modern medium- and long-haul aircraft and 1,600 travel agencies. Apart from the expansion of its core business with hotels, cruises and destination activities, TUI is increasingly investing in digital platforms. The Group is transforming as a digital company.

Global responsibility for sustainable economic, ecological and social activity is a key feature of our corporate culture. TUI Care Foundation, initiated by TUI, promotes the positive effects of tourism, education and training as well as environmental and social standards with projects in 25 countries. It thus contributes to the development of the holiday destinations. TUI Care Foundation, operating around the world, initiates projects creating new opportunities for the next generation.

<https://www.tuigroup.com/en-en/media/press-releases/2020/2020-03-27-tui-ag-german-federal-government-approves-kfw-bridge-loan>

### **European Investment Bank (EIB)**

#### **Coronavirus outbreak: EIB Group's response to the pandemic**

Coronavirus disease 2019 (COVID-19) is caused by a new type of coronavirus. It was first identified in the Chinese municipality of Wuhan in December 2019.

In January 2020, isolated cases began to appear in EU Member States, and by the end of February 2020, there was a significant increase of COVID-19 cases in northern Italy. Since then, all EU members have reported cases, and the number of people infected continues to increase. The rapid spread of the virus is putting a heavy strain on both public health and the economy.

An immediate response to the crisis

The EIB Group has proposed a plan to mobilise up to €40 billion of financing. This will go towards bridging loans, credit holidays and other measures designed to alleviate liquidity and working capital constraints for SMEs and mid-caps. The EIB Group, including the European Investment Fund, which specialises in support for SMEs, will work through financial intermediaries in the Member States and in partnership with national promotional banks.

The proposed financing package consists of:

- Dedicated guarantee schemes to banks based on existing programmes for immediate deployment, mobilising up to €20 billion of financing;
- Dedicated liquidity lines to banks to ensure additional working capital support for SMEs and mid-caps of €10 billion;
- Dedicated asset-backed securities (ABS) purchasing programmes to allow banks to transfer risk on portfolios of SME loans, mobilising another €10 billion of support.

All these actions can be implemented quickly to ease liquidity shortages and will be implemented in partnership with national promotional banks wherever feasible.

### **ARGENTINA**

- **Banco Nación**

### **Claudio Lozano spoke about the change in government priorities and SME financing El Cronista, March 21, 2020**

The economist and Director of Banco Nación referred to the impact of the pandemic and the SME and to the government's recovery plans. "...A \$10,000 million peso (US\$1,554.2 millions) SME financing line was put into effect and last month a line was brought out with a 26% subsidized rate for SME working capital."

The new credit lines. "Not only are these credit lines a step in that direction, but they have to do even more with the Central Bank's determination to free some 320,000 million (US\$4973.6 millions) pesos bearing lower required reserve ratios for banks, provided that that greater liquidity be used to finance SME at a 26% rate." "Therein lies the matter of making financing available to uphold working capital and the payment of wages and so the payment chain is not broken."

<https://www.cronista.com/economiapolitica/Claudio-Lozano-hablo-sobre-el-cambio-en-las-prioridades-del-Gobierno-y-el-financiamiento-pyme-20200321-0017.html>

### **Coronavirus: important changes in Banco Nación's operating system**

**La Voz del Interior, March 16, 2020**

The bank ordered that in the case of individuals who collect retirement and pension payments, the survivor accreditation deadline be suspended for a 30-day period, among other special measures.

<https://www.lavoz.com.ar/ciudadanos/coronavirus-importantes-cambios-en-operatoria-del-banco-nacion>

- **Garantizar SGR**

**Interview with Sabina Ozomek**

**Caimi at 6**

**March 19, 2020 07:04**

The General Manager of Garantizar SGR spoke about the new financial inclusion program for SME and explained the guidelines of the contingency plan for small and medium producers and suppliers of essential ingredients and items during the coronavirus crisis.

<https://radiocut.fm/audiocut/entrevista-a-sabina-ozomek/#.XnOUwrwmbf8>

- **Banco de Córdoba**

**Mario Zagaglia**

Money Supply Manager of Banco de Córdoba (Cordobesa)

In addition to the guarantee announced today by the Governor of the province of Córdoba, Banco de Córdoba will make a 4,000 million pesos (US\$62.2 millions) credit line available to its MSME customers to help them cope with the health crisis.

This line is applicable to Bancor customers working in sectors defined by the provincial government as being critical. Loans will be granted in amounts equivalent to a nominal wage for a period of 12 months with 6 months of grace for the repayment of the capital and interest.

[https://www.linkedin.com/posts/mario-zagaglia-7185131b\\_bancor-activity-6647598610529734656-GtW9](https://www.linkedin.com/posts/mario-zagaglia-7185131b_bancor-activity-6647598610529734656-GtW9)

## **BRAZIL**

### **Emergency aid aiming at preserving employment by the SME**

**30March2020**

The Central Bank of Brazil's (BCB) Governor, Roberto Campos Neto, announced a BRL 40 billion emergency aid in order to support the payroll costs of micro, small and medium-sized enterprises' (SME). The financing will be released in two tranches of BRL 20 billion

– 85% of which comes from the National Treasury (BRL 17 billion, through the Brazilian Development Bank – BNDES' on-lendings), and the remaining 15% will be funded by banks (BRL 3 billion).

### **Beneficiaries**

Companies with gross revenues between BRL 360 thousand and BRL 10 million per year – the so-called small and medium-sized companies (SME) – will have access, for two months, to an emergency payroll financing line. The measure has the potential to reach 12.2 million employees and 1.4 million companies.

### **Criteria**

1. The maximum amount financed per worker will be two minimum wages (BRL 2,040) per month.
2. The funding will go directly to the worker's account, as happens today through payrolls operated by financial institutions. The company will be responsible for the debt.
3. The company that request the payroll loans will be committed to the maintenance of jobs during the two-month program;
4. The cost of the financing program to SMEs will be exactly the Interbank Deposit Certificates' (CDI) interest rate, currently at 3.75% p.a., which means that the payroll financing line's spread is zero;
5. Regarding the credit risk coverage, the federal government and banks will share, respectively, 85% and 15%, of each transaction;
6. The maturity of this emergency aid will be 36 months, with a grace period of six months.

### **Legislation**

The loans will start to be granted after the issuance of a Provisional Measure that will provide for an 'extraordinary credit' of BRL 34 billion and the creation of a fund operated by the BNDES, which will be supervised by BCB. The financial institutions will fund the remaining BRL 6 billion.

### **Additional initiative in progress**

The BCB's governor also announced that the monetary authority is preparing a draft proposal of a constitutional amendment that will allow BCB to purchase corporate debt securities directly from companies – analogous to procedures adopted by the U.S. Federal Reserve.

### **The CMN and BCB adopt countercyclical measures to face the Covid-19 pandemic crisis 27March2020**

In an extraordinary meeting held on March 16, 2020, the National Monetary Council (CMN) introduced two measures to help the Brazilian economy face the adverse effects of the Covid-19 pandemic crisis – in line with the other actions implemented by the Federal Government and other countries' financial authorities. Furthermore, the Central Bank of Brazil (BCB) implemented actions aiming at assuring the regular functioning of the money and foreign exchange markets.

### **Relaxed provisioning rules for restructured loans**

The first measure enables refinancing performing loans of corporates and households with sound financial capacity. The banks are exempt from making additional provisions for performing loans that are refinanced during the next six months (CMN Resolution Nr.

4,782/2020). Approximately BRL 3.2 trillion in outstanding credit is eligible for refinancing without the need for additional provisioning.

#### **Releasing the Capital Conservation Buffer**

The CMN reduced the rate of the Capital Conservation Buffer (CCoB, labeled ACPConservation in Brazil) from 2.5% to 1.25% of RWA through March 2021, with an additional year to reestablish gradually the original buffer rate by March 2022. The measure releases banks' CET1 capital by BRL 56 billion, an amount that could fund lending of about BRL 637 billion (CMN Resolution Nr. 4,783/2020).

#### **Providing liquidity and reducing the overlapping roles of the reserve requirements and the LCR**

In late February, the BCB concomitantly reduced the reserve requirement ratio on time deposits and increased the amount of reserve requirements that is considered as High Quality Liquid Assets (HQLA) in the Liquidity Coverage Ratio (LCR). Aimed at reducing the overlapping prudential roles of the reserve requirements and LCR, the measures jointly increase the National Financial System's (SFN) liquidity by BRL 135 billion.

#### **Repurchase operations in foreign currency**

The BCB established criteria for conducting repurchase operations in foreign currency, starting on March 18, 2020. The eligible bonds to be accepted as collateral are external federal public debt securities (Global Bonds) and a haircut of 10% (ten percent) will be applied over the bonds' market value. During the repurchase maturity period, the transfer of margin – exclusively in sovereign bonds – is mandatory whenever any counterparty exposure is equal to or greater than USD 500,000.00 (BCB Circular Nr. 3,990/2020).

#### **Systemic financial soundness**

Providing grounds to anticipate and address adverse financial conditions, the BCB continuously monitors the SFN and conducts stress tests for liquidity, capital, and market and credit risks (learn more on the BCB's Financial Stability Report). After the Global Financial Crisis in 2008/2009 and a severe recession in 2015/2016, particularly in Brazil, all banks, without exception, now comply with more restrictive capital and liquidity requirements. They are therefore better prepared to support the economy and the supply of credit.

Amid this background and complying with the Basel Committee on Banking Supervision's recommendations, the SFN has an aggregate regulatory capital ratio ('Basel Index') of 17.1%, well above the recommended 10.5% level, whilst the SFN's LCR is more than twice the regulatory minimum. Moreover, based on a recent stress test carried out by BCB, the SFN is considered broadly resilient and well positioned to face severe scenarios.

#### **A broad policy toolkit**

Counter-cyclical and prudential regulation, availability of reserve requirements (currently around BRL 400 billion), foreign reserves (currently around USD 360 billion) are instruments contemplated by the CMN's and BCB's policy toolkit. In this context, the CMN and BCB underscore their commitment to use this policy toolkit – if necessary – to ensure the smooth functioning of the money and foreign exchange markets. Accordingly, the BCB will continue to monitor the SFN and economic activity to ensure financial stability, thereby supporting the Brazilian economy.

- **BNDES**

**BNDES takes its first steps to shore up company cash flows and assist workers who must deal with the effect of the coronavirus pandemic**

News, March 22, 2020

**Video:** <https://youtu.be/cQnQsRfTkqY>

The Bank anticipates making an initial R\$55,000 million (US\$11,000 millions) injection into the economy to enable companies in all sectors to continue operating. The amount involved represents almost all of BNDES' disbursements in 2019.

The new measures, encompassing a total of R\$55,000 million (US\$11,000 millions), are: 1) the transfer of R\$20,000 million (US\$4,000 millions) from the PIS-PASEP Fund to the Severance Pay Fund (FGTS); 2) the temporary suspension of R\$19,000 million (US\$3,800 millions) in direct company financing loan payments; 3) the temporary suspension of R\$11,000 million (US\$2,200 millions) in indirect company financing loan payments; and 4) a R\$5,000 million (US\$1,000 millions) expansion for loans to micro, small and medium enterprises (MSME) through associated banks.

### **BNDES announces measures to inject R\$55,000 million into (US\$11,000 millions) the economy**

**Poder 360, March 22, 2020**

**DOUGLAS RODRIGUES**

The President of the Bank stated that other measures will be announced in the coming weeks. Under study are: 1) **States and municipalities:** R\$10,000 (US\$2,000 millions) to R\$20,000 million (US\$4,000 millions) in liquidity for federal institutions. The matter is under discussion with the Secretary of Finance; 2) **Airlines:** the bank is considering implementing measures for the entire sector. Montezano cautioned, however, that the funds are to be used for Brazilian operations only; and 3) **Tourism, bars and restaurants:** "Our aim is to have facilities that will assume the risk for these entrepreneurs. As soon as we are able to establish 1 fund or guarantee that will permit this sector to bridge the gap, capital will be made available."

<https://www.poder360.com.br/economia/bndes-anuncia-medidas-para-injetar-r-55-bilhoes-na-economia/>

- **Banco do Nordeste**

### **BNB extends the terms of Crediamigo and broadens the conditions for that financing**

**Focus, March 20, 2020**

The Bank is raising the value of the contracts from R\$50,000 (US\$10,000) to R\$100,000 (US\$20,000 millions) without any obligation to guarantee real guarantees, but only personal ones. It also reduced the rate package for loan operations by applying maximum limits differentiated according to the size of the customer involved, in order to adjust and bring the amounts into line with billings, especially for micro and small businessmen.

The Bank has also implemented an automatic 30-day extension of the deadline for Crediamigo customer loan payments due between March 19 and April 18.

<https://www.focus.jor.br/bnb-prorroga-prazos-do-crediamigo-e-amplia-condicoes-para-financiamentos/>

### **Banco do Nordeste extends financing and announces new loans**

**Bahia Noticias, March 20, 2020**

The possibility was announced of extending loans and financing for up to 6 months in the case of projects suffering the adverse effects of the economic crisis produced by the new coronavirus pandemic.

<https://www.bahianoticias.com.br/noticia/245597-banco-do-nordeste-prorroga-financiamentos-e-anuncia-novos-creditos.html>

- **Caixa Econômica Federal**

CAIXA announces more measures to mitigate the negative impact of Covid-19. In this case, the housing sector is the special target.

These loans will benefit individuals, construction companies and developers. One of the most important measures is the possibility of pausing the payment of financing contracts by diluting the difference over the full term of the loan. This may be effected without leaving home, through the simple and intuitive use of the #Housing app.

**Watch the video.**

If you have any questions about how to use the application, see the following tutorial, as well: <https://lnkd.in/edvMkCS>

[https://www.linkedin.com/company/caixa-economica-federal?trk=organization-update\\_share-update\\_actor-text](https://www.linkedin.com/company/caixa-economica-federal?trk=organization-update_share-update_actor-text)

- **Badesc**

**Badesc Emergencial serves micro and small enterprises suffering the impact of the coronavirus**

**Noticias Badesc, March 21, 2020**

**JAQUELINE BASSETTO**

In addition to its emergency line, Banco de Desarrollo de Santa Catarina also extends customer payments and expands zero interest microcredit. **Badesc Emergencia:** this targets particularly SME adversely affected by measures taken to fight the coronavirus. For a start, R\$50 million (US\$10 millions) will be provided, offering the possibility to take out loans from R\$15 (US\$3,000s) to R\$150 (US\$30,000) thousand. The interest rate being charged is 0.3% for the time being, with the balance of the final effective rate being subsidized by the state government.

**Zero interest microcredit:** the loan amount is raised for individual micro-entrepreneurs through the Zero Interest (Interés Cero) program, with a maximum of R\$5,000 (US\$3,000 millions) per operation.

**Extension of loan payment dates:** Offers the possibility of extending the deadlines for loan payments due over the next 6 months.

<http://noticias.badesc.gov.br/?p=327>

**Covid-19: BDMG makes affordable credit available so that health companies can prepare themselves**

**Noticias BDMG, March 16, 2020**

Banco de Desarrollo de Minas Gerais (BDMG) is creating financing lines for the manufacture of products in high demand and working capital to minimize the impact of the disease.

The bank is also studying the possibility of opening a credit line for companies working in any sector in cities that are hard hit by covid-19, and is open to renegotiating the debts of SME and parts of cities that are adversely affected by Covid-19.

**BRDE: R\$300 million will be available to promote public relations**

**Parana Cooperativo, March 18, 2020**

Projects of priority for the state's development will have access to R\$300 million (US\$100 millions) at Banco Regional de Desarrollo Económico del Extremo Sur (BRDE). The Promove Sul permanent revolving fund was launched on Tuesday (03/17).

## COSTA RICA

**Banco Nacional announces measures in response to the Presidential Instruction**

**Periódico Mensaje, March 19, 2020**



Banco Nacional announced a reduction of at least 1% on its lending rates in colones starting on March 24th. This will bring down the Base Interest Rate on Deposits (BIR), today located at 4.35% and to which the interest rate of loans in colones are linked; this is what individuals and companies pay for loans.

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## **Infocoop and Banco Nacional announce lending terms to cope with the impact of Covid-19**

**Del fino, March 18, 2020**

INFOCOOP adopted the agreement to lower all lending interest rates charged to the country's cooperative associations, in order to support that sector --particularly agricultural cooperatives--, which has been suffering the effects of different encumbrances.

According to Infocoop data, more than 800 thousand people in the country belong to nearly 600 cooperative associations.

## **CURACAO**

### **Update Covid-19: Solidarity package: Emergency measures for mitigating the effects of the crisis**

**MAIN | By Correspondent March 24, 2020**

**WILLEMSTAD** - During a special press conference, the government announced a series of measures, or a so-called solidarity package, to mitigate the effects of the crisis caused by the COVID-19 virus.

Prime Minister Eugene Rhuggenaat indicated that the coronavirus has an impact on the economy of the island. It affects the work of employers and their salary. "That is why it is important that we have a solidarity package that leads to relief. Especially for the hospitality and tourism sector."

Prime Minister: *"Three keys to our economy: the government, workers and employers. These must be balanced for our cash flow. We must find a system for this time, in times of crisis. Our economy is fragile."*

Rhuggenaath continued by saying that the Minister of Economic Development and stakeholders have looked at the possibilities for financial support. "We want to keep as many people as possible at work. It will have many effects worldwide and locally in the coming months. We must adapt to this."

In the link Below you will find the solidarity package:

<https://www.curacaochronicle.com/post/main/update-covid-19-solidarity-package-emergency-measures-for-mitigating-the-effects-of-the-crisis/>

Measures include the establishment of the "Support Fund for Micro, Small and Medium Business (MCM Fund)" by the private sector in collaboration with **Korpodeko**, OBNA, the Ministry of Economic Development and other stakeholders in support of freelancers and small companies so that they can survive, including tax deductions for participating funders.

## **ECUADOR**

### **Moreno: Public banking system postpones interest and loan payments**

**El Tiempo, March 18, 2020**

On Tuesday evening of March 17, 2020, President Lenín Moreno stated that interest and loan payments would be postponed for public banking customers. He also declared that in the next few days he will be announcing long-term contingency loans for the recovery of the production system, as well as a plan for self-employed entrepreneurs and workers.

## **MEXICO**

## **Development banking system makes ready to support SME in dealing with the coronavirus pandemic**

**Milenio, March 10, 2020**

SILVIA RODRÍGUEZ

The development banking system is ready to provide assistance to small businesses that are suffering the economic consequences of the coronavirus pandemic, reported the Director General of Enterprises of Banco Nacional de Comercio Exterior (Bancomext) and Nacional Financiera (Nafin), Rebeca Pizano.

The Bancomext and Nafin Director General of Enterprises stated that the development banking system has already allocated US\$400 million to help companies improve their corporate governance practices.

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## **Banobras to avoid putting a brake on credit as a result of Covid-19**

**El Universal, March 18, 2020**

The Director General of Banobras, Jorge Mendoza, explained that the bank is in the process of drawing up contingency plans and is reviewing the list of customers that may be vulnerable to the volatility and is even studying the “work from home” scenario.

## **PARAGUAY**

### **BNF opens a credit line totaling up to G. 5,000 million**

**Última Hora, March 18, 2020**

Among the measures being considered to mitigate the economic effects of the coronavirus, Banco Nacional de Fomento (BNF) will make available a short-term credit line of up to 5,000 million guaraníes (US\$760,000) for individuals or legal entities engaged in production activities in the agricultural, industrial, commercial and service sectors.

It had the following to say about the loan interest rates and terms. Loans made in guaraníes will bear an annual interest rate of 7% and extend up to 180 days, while loans in US dollars will pay an interest of 5% a year and be disbursed for up to 180 days. Insofar as terms of payment are concerned, “the capital and interest will be amortized in a single payment at the end of the period.” This line will be in effect up until June 30th, 2020.

## **URUGUAY**

### **Arbeleche announced that “Brou is opening 50 million dollars’ worth of soft loan lines”**

**Montevideo Portal, March 19, 2020**

“Banco República is opening soft loan lines totaling US\$50 million or even up to US\$125 million, if needed. ” Insofar as Banco de Previsión Social is concerned, “the beneficiaries will be one- to ten-person companies that are ‘monotributistas’ (taxpayers under the simplified regime), whose loan amortization will be extended to 6 consecutive payments starting in June,” explained the Minister of Economy. Furthermore, the ANDE guarantee fund will be increased “to provide for US\$2,500 million in loans.”

## **COLOMBIA**

- **Bancoldex**

Aside from our #ColombiaResponde line, we have other financial solutions that could benefit companies suffering adverse economic effects due to Covid-19.

Learn the options: <https://bit.ly/3a8JeaW>.

**[COLOMBIA RESPONDE](#)**

[https://www.linkedin.com/company/grupo-bancoldex?trk=public-post\\_share-update\\_actor-text](https://www.linkedin.com/company/grupo-bancoldex?trk=public-post_share-update_actor-text)

## CHILE

- **BancoEstado**

**Payments and refinancing postponed: BancoEstado unveils support measures for its customers**

**Meganoticias, March 19, 2020**

BancoEstado ordered a series of special new measures to confront the health crisis created by the coronavirus in Chile.

These measures are made possible by the US\$500 million BancoEstado capitalization announced this Thursday by the Finance Minister.

<https://www.meganoticias.cl/nacional/295528-bancoestado-cuenta-rut-saldo-medidas-creditos-cuotas-financiamiento-postergacion.html>

**Pablo Correa, BancoEstado Vice-President: “Up until this moment, CMF has acted as if there were no crisis.”**

With the capitalization of 2019 and that announced yesterday, the government institution is in a position to make loans totaling US\$7,500 million.

Loans of over US\$11,000 million have been announced by the Finance Ministry as a plan to mitigate the crisis created by the coronavirus, of which US\$500 million are earmarked for BancoEstado. The institution is known for having played a counter-cyclical role in past crises.

<https://www.latercera.com/pulso-trader/noticia/pablo-correa-vicepresidente-de-bancoestado-la-cmf-hasta-el-momento-ha-actuado-como-si-no-estuvieramos-viviendo-una-crisis/4H5K2IUVOBHCLOSMLU6I557MDE/>

## ECUADOR

- **Corporación Financiera Nacional del Ecuador**

In response to the Covid-19 crisis, CFN is reinforcing the #VideoLlamadaCFN service so that users can accede to information about our products and services from their homes or offices. Enter your data here:

<https://lnkd.in/eyF2Kkk>  
[https://www.linkedin.com/posts/cfn-ecuador\\_covid19ec-videollamadacfn-queazdateencasa-activity-6646436562936610816-xkQt](https://www.linkedin.com/posts/cfn-ecuador_covid19ec-videollamadacfn-queazdateencasa-activity-6646436562936610816-xkQt)

## SPAIN

- **ICO**

**Banks subscribe to ICO's 400 million euros line at a fixed APR rate of 1.5%.**

**BOLSAMANIA, March 20, 2020**

BVA, Santander, Bankinter and Cajamar have already subscribed to the Instituto de Crédito Oficial's (ICO) 400 million euro line to provide assistance to tourist, transport, and hotel and lodging enterprises experiencing liquidity problems due to the crisis created by the coronavirus (covid-19).

As a result, companies and the self-employed adversely affected by that crisis can apply for loans of up to 500,000 euros with terms of from one to four years plus a year of grace, at a fixed annual interest rate of 1.50% APR without any need to pay a commitment fee. <https://www.bolsamania.com/noticias/empresas/bancos-adscriben-linea-millones-fijo-tae--7393742.html>

## **HONDURAS**

- **Banhprovi**

**Banhprovi announces three-month freeze on loan capital and interest payments in Honduras**

**HRN, March 20, 2020**

The President of Banco Hondureño de la Producción y la Vivienda (Banhprovi), Mayra Falck, announced in HRN that capital and interest payments on loans in affiliated banks would be frozen for a period of 3 months.

In the area of agricultural credit, “We have created automatic revolving lines. Our intention through this measure is for the bank not to have to rediscount a large amount of money.”

Furthermore, she emphasized, “our agricultural credit is granted at 8.7%, a highly favorable rate that will do much to help with agricultural transformation; we have 2,500 million lempiras to lend to that sector.”

<https://radiohrn.hn/banhprovi-anuncia-congelamiento-de-capital-e-intereses-en-los-prestamos-por-tres-meses-en-honduras/>

**Funds in Banhprovi: Government allocates 2,500 million (US\$100.4 millions) for agricultural loans and 51 million (US\$2 millions) for entrepreneurs**

**La Tribuna, March 19, 2020**

The government allotted 2,500 million (US\$100.4 millions) lempiras for agricultural loans and 51 million (US\$2 millions) more for entrepreneurs adversely affected by the coronavirus crisis.

These funds are part of the package of short- and medium-term incentives announced this week by the country’s President.

<https://www.latribuna.hn/2020/03/19/fondos-en-banhprovi-gobierno-destina-2500-millones-para-agrocredito-y-51-para-emprendedores/>

## **PARAGUAY**

- **AFD and BNF will allocate G. 600,000 million (US\$91 millions) to MSME**

**Ultima Hora, March 21, 2020**

Agencia Financiera de Desarrollo (AFD) and Banco Nacional de Fomento (BNF) announced a joint effort to provide support to the micro, small and medium enterprise (MSME) sector through a 600,000 million (US\$91 millions) guaraníes program, of which BNF’s contribution will amount to 200,000 million (US\$30.3 millions) guaraníes at concessional interest rates.

The loan term will be up to 7 years, including a grace period of up to 2 years within the total financing period. The interest rate to be charged to the final beneficiaries can be no higher than 7% a year for operations in guaraníes, for which the AFD will grant funds to the intermediary finance institutions at a rate of 4.5%. In the case of foreign currency loans, the AFD rate for IFIS will be 4.50%.

<https://www.ultimahora.com/afd-y-bnf-destinaran-g-600-mil-millones-mipymes-n2876034.html>

- **Crédito Agrícola de Habilitación**

**Crédito Agrícola extends loan deadlines for a 90-day period**

**Agencia de Información Paraguaya, March 20, 2020**

Asunción, IP.- Crédito Agrícola de Habilitación (CAH) reported that it was postponing payment due dates ranging from March to May of this year for a 90-day period, regardless of whether they derived from loans or renewals, refinancings or restructurings.

<https://www.ip.gov.py/ip/cah-posterga-vencimientos-de-creditos-por-90-dias/>

- **Agencia Financiera de Desarrollo (AFD)**

**“The resources are for those that have debts”**

**Ultima Hora, March 22, 2020**

The President of Agencia Financiera de Desarrollo (AFD) explained yesterday that the 600,000 million guaraníes that AFD and Banco Nacional de Fomento (BNF) will make available to MSME are for those that are already customers and that are repaying bank and cooperative association loans.

<https://www.ultimahora.com/recursos-son-aquellos-que-tienen-deudas-n2876190.html>

## **PERU**

- **Cofide**

**SME will have access to loans of up to S/ 30,000 (US\$8,824) to cushion the impact of the emergency**

**Updated on 03/22/2020 at 08:14**

SME can accede to this fund through financial institutions like Banco de la Nación and savings and loan associations that are registered with the SBS.

Last night, the government --through an emergency decree-- ordered the creation of the Business Support Fund for micro and small enterprises (FAE-MYPE). The fund, endowed with resources of up to S/300 million (US\$88.2 millions), will be used to uphold and boost SME output. They can apply to the Fund for working capital loans and for debt restructuring and refinancing.

This measure is intended to reduce the impact of Covid-19 on the Peruvian economy.

<https://gestion.pe/economia/coronavirus-mypes-accederan-a-creditos-hasta-por-s-30000-para-amortiguar-impacto-del-estado-de-emergencia-noticia/>

- **Banco de la Nación**

**Banco de la Nación reports that transactions will be paid for exclusively through alternative and digital channels starting on Monday the 16th.**

**Noticias Banco de la Nación, March 13, 2020**

Banco de la Nación issued a press release stating that starting on Monday, March 16th, the Bank's customers and users will pay interest and for public services, withholdings, draft issues and collections to order exclusively through the alternative and digital channels available to it.

<https://www.bn.com.pe/noticias/noticias-2020.asp#marzo>