

Financing Facility Support

What help is available?	What does the help entail?	Which companies are eligible?	What is the criteria (if any) for applying?	How to apply	When will the finance be available?
<p>Corona emergency aid for micro-enterprises and sole proprietors</p> <p>Detailed information and an in-depth FAQ page be accessed here.</p>	<ul style="list-style-type: none"> Subsidy from the federal government. In total, up to €50 billion with maximum utilisation for 3 million self-employed and micro-enterprises over three + two months. Unused budgetary resources will flow back into the budget. Subsidies will be: <ul style="list-style-type: none"> Up to €9,000 paid as a single payment for three months for up to five employees (full-time equivalents) Up to €15,000 paid as a single payment for three months for up to 10 employees (full-time equivalents) This subsidy takes effect on profits when income or corporation tax is assessed in 2021. 	<ul style="list-style-type: none"> Available in all economic sectors to: <ul style="list-style-type: none"> Micro-enterprises Self-employed persons Independent professionals 	<ul style="list-style-type: none"> Applicants must be based in Germany. The business must have economic difficulties because of COVID-19 and must not have been in economic difficulty before March 2020. Financial difficulties occurring after 11 March 2020. If a landlord reduces rent by at least 20%, a business can access the grant for a further two months. To qualify the business should not have any other income, collateral or loans available to it. The threat to existence or liquidity bottleneck caused by COVID-19 must be insured. 	<ul style="list-style-type: none"> Application should be done electronically. 	<ul style="list-style-type: none"> Immediately

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<p>Economic Stabilisation Fund</p> <p>Detailed information and an in-depth FAQ page be accessed here.</p>	<ul style="list-style-type: none"> The economic stabilisation fund provides: <ul style="list-style-type: none"> – €400 billion in government guarantees for liabilities – €100 billion for direct state participation – €100 billion for refinancing by KfW programme Available until the end of 2021 (unless extended). 	<ul style="list-style-type: none"> Companies that are considered: <ul style="list-style-type: none"> – Important for Germany as a business location or for the labour market – Systemically important smaller companies – Companies in the critical infrastructure sector 	<ul style="list-style-type: none"> Companies must be seated in Germany. Companies must have: <ul style="list-style-type: none"> – Balance sheet total of more than €43 million – Revenues of more than €50 million – More than 249 employees on an annual average The company: <ul style="list-style-type: none"> – Must not have been in financial difficulty on 31 December 2019 – Must have no other means of financing – Must prove that post-COVID-19 the company will be a clear independent going concern – Must guarantee a sound and prudent business policy, in particular by contributing to the stabilisation of production chains and safeguarding jobs Smaller enterprises outside of this criteria can apply for the fund provided that they are active in one of the sectors listed in Section 55 of the Foreign Trade and Payments Regulation or are of comparable importance for security or the economy. 	<ul style="list-style-type: none"> By application to the Federal Ministry of Finance, which will decide, in agreement with the Federal Ministry of Economics and Technology. 	
<p>KfW Special Programme</p> <p>Detailed information can be found here.</p>	<ul style="list-style-type: none"> Loans for business that have been established for more than five years for: <ul style="list-style-type: none"> – Investments – Operating costs 	<ul style="list-style-type: none"> SME, midsize and large companies that have been active on the market for at least five years. 	<ul style="list-style-type: none"> Companies that have been on the market for more than five years and fulfil the criteria. 	<ul style="list-style-type: none"> All companies, self-employed individuals and independent professionals should contact their banks or financing partners who pass on KfW loans. 	<ul style="list-style-type: none"> Immediately

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	<ul style="list-style-type: none"> – Warehouse – Acquisition of assets from other companies 			<ul style="list-style-type: none"> • Information on the programmes can be found on the KfW website. • The KfW hotline for commercial loans is 0800 539 9001. 	
	<ul style="list-style-type: none"> • Investment and working capital loans for business that have been established for young companies that have been on the market for less than five years. 	<ul style="list-style-type: none"> • Companies of all sizes are eligible for the ERP Start-up Loan that are experiencing temporary financing difficulties due to COVID-19. 	<ul style="list-style-type: none"> • Companies and self-employed established within the last five years. • The company must have been active on the market for at least three years or can present two annual financial statements. 	<ul style="list-style-type: none"> • All companies, self-employed individuals and independent professionals should contact their banks or financing partners who pass on KfW loans. • Information on the programmes can be found on the KfW website. • The KfW hotline for commercial loans is 0800 539 9001. 	<ul style="list-style-type: none"> • Immediately
	<ul style="list-style-type: none"> • Investment and working capital loans for young companies. • The loan amount is based on various criteria. 	<ul style="list-style-type: none"> • Companies that have been on the market for less than three years. 	<ul style="list-style-type: none"> • Company is active on the market for less than three years or is not yet able to present two annual financial statements. • The bank or savings bank must bear the full risk. 	<ul style="list-style-type: none"> • All companies, self-employed individuals and independent professionals should contact their banks or financing partners who pass on KfW loans. • Information on the programmes can be found on the KfW website. • The KfW hotline for commercial loans is 0800 539 9001. 	<ul style="list-style-type: none"> • Immediately
	<ul style="list-style-type: none"> • Start-ups and company successors, independent professionals can receive up to €100,000 for founders and others. 	<ul style="list-style-type: none"> • Start-ups 	<ul style="list-style-type: none"> • Start-up loan granted for: <ul style="list-style-type: none"> – Setting up a business – Consolidating a young company (up to five years after starting business) 	<ul style="list-style-type: none"> • All companies, self-employed individuals and independent professionals should contact their banks or 	<ul style="list-style-type: none"> • Immediately

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	<ul style="list-style-type: none"> The total funding volume is €2 billion, including future funding programmes. 		<ul style="list-style-type: none"> Taking a share in a company as managing director Taking over a business in the context of a business succession Wanting to run a business as their main occupation or provisionally as a side-line 	<p>financing partners who pass on KfW loans.</p> <ul style="list-style-type: none"> Information on the programmes can be found on the KfW website. 	
Guarantees	<ul style="list-style-type: none"> Companies can use the guarantee scheme with their principal banks providing up to €2.5 million. The federal government will provide a guarantee of up to €20 million. This covers a maximum of 90% of the credit risk. The respective principal bank is responsible for the remaining 10%. 	<ul style="list-style-type: none"> All companies that had sustainable business models until the crisis. 	<ul style="list-style-type: none"> This does not apply to companies in difficulty before 31 December 2019. 	<ul style="list-style-type: none"> Enquiries can be made free of charge via the financing portal of the guarantee banks for projects up to €2.5 million. Applications will be processed by the guarantee banks up to €2.5 million. Above that, the German states or the company's development institution is responsible. 	<ul style="list-style-type: none"> Immediately
Grants provided by the 16 German States (Bundesländer) Information can be found at here .	<ul style="list-style-type: none"> Aid in the form of grants. These grants do not have to be repaid, but it will be taken into account in the next income tax or corporate income tax return. Loans via the KfW Bank or guarantee banks are not included in this. 	<ul style="list-style-type: none"> Self-employed persons, independent professionals and small enterprises, including farmers with up to 10 employees (full-time equivalents), who are economically active on the market as enterprises. They must carry out their activities from a domestic permanent establishment or a domestic management headquarters and be registered with a German tax office. 	<ul style="list-style-type: none"> Generally, applicants must demonstrate that the current operating income is insufficient to finance the current operating costs of the company. 	<ul style="list-style-type: none"> In writing, electronically 	<ul style="list-style-type: none"> Immediately Applications must be submitted to the competent land authority by 31 May 2020 at the latest.

Other Financial Support

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Ongoing Obligations	<ul style="list-style-type: none"> All micro-businesses that are unable to meet ongoing payment obligations under a consumer contract as a result of COVID-19 will have a temporary right to refuse performance. This will apply until 30 June 2020. The right to refuse performance relates to all material continuing obligations which are necessary for the appropriate continuation of the business. Employment contracts are excluded from this exemption. 	<ul style="list-style-type: none"> Micro-enterprises as defined in the EU Recommendation 2003/361/EC. 	<ul style="list-style-type: none"> The enterprise must prove that: <ul style="list-style-type: none"> it is impossible to render performance as a result of the COVID-19 pandemic it would be impossible to render performance without jeopardising the economic foundations of their business 		<ul style="list-style-type: none"> The law to mitigate the consequences of the COVID-19 pandemic enters into force with immediate effect after publication in the Federal Law Gazette.
Lease agreements	<ul style="list-style-type: none"> Landlords' termination rights have been ruled out for non-payment of rent from April 2020 until June 2020. This applies until 30 June 2022. 	<ul style="list-style-type: none"> This applies both to private and commercial lease agreements. 	<ul style="list-style-type: none"> The tenant must demonstrate a correlation between the COVID-19 pandemic and inability to pay. 	<ul style="list-style-type: none"> All outstanding rent must have been paid by 30 June 2022, otherwise the landlord will be entitled to terminate the lease. 	
Tax aids	<ul style="list-style-type: none"> The aids are: <ul style="list-style-type: none"> Deferral of tax payments Adjustment of advance payments Suspension of enforcement measures 	<ul style="list-style-type: none"> Companies, self-employed and independent professionals. 	<ul style="list-style-type: none"> Affected companies, self-employed and independent professionals. 	<ul style="list-style-type: none"> On application to the tax authorities. 	<ul style="list-style-type: none"> Immediately

Key Contacts



Dr. Andreas Fillmann
 Partner, Frankfurt
 T +49 69 17392 423
 E andreas.fillmann@squirepb.com