

CORONAVIRUS – CHAMBER OF COMMERCE AND EXPORT CREDIT AGENCY

To help companies whose business is impacted by the Coronavirus pandemic, the Chamber of Commerce has set up a specific guarantee scheme for all companies that need financing. In addition, the Luxembourg Export Credit Agency has implemented measures to strengthen its support to all Luxembourg exporting companies.

BANK GUARANTEE FOR COMPANIES WITH CASH-FLOW DIFFICULTIES

The Chamber of Commerce, via its *Mutualité de Cautionnement*, has set up a specific guarantee to support companies (other than artisanal and agricultural businesses) which encounter financial difficulties and especially liquidity problems.

This guarantee will cover up to 50% of the credit with a maximum amount of EUR 250,000 per guarantee.

In order to guarantee rapid assistance to companies that request it, a procedure for analyzing files within 48 hours has been set up. Companies must apply directly to their bank, which will decide whether or not to grant the loan.

The Chamber of Commerce intends to act in a pragmatic, rapid and effective manner to provide support to the country's businesses, and is in contact with the banks to organise the provision of this new service.

REINFORCEMENT OF EXPORT AND INTERNATIONAL DEVELOPMENT AID MEASURES (ODL)

The Luxembourg Export Credit Agency has established measures to strengthen its support to all Luxembourg exporting companies.

The measures to help with exportation are the following:

- increase of the percentage of cover of limits and contracts issued during the state of crisis in the context of export insurance;
- collaboration with the *Mutualité de Cautionnement* with the establishment of insurance for guarantees issued by the *Mutualité*, allowing them to increase their loan capacity;

Key issues

- Credit guarantee available to all companies set up by the Chamber of commerce
- Guarantee of up to 50% of the credit capped at EUR 250,000 per guarantee
- Range of support measures to help all Luxembourg exporting companies via the Office du Ducroire

- flexibilisation of the “Bank loans insurance” which allows banks to partially reduce the risk of non-repayment of the loans they grant to Luxembourg exporters for the development of their international activities. In this context, ODL will also soften the conditions applicable to this product, in particular by increasing the percentage of insurance and by broadening the definition of eligible bank loans;
- increase of the percentage of the insurance product for bank guarantees which is aimed at banks of Luxembourg exporters to ensure the guarantee line granted by the bank and inclusion of import guarantees in the field of insurance application;
- reduction of the claim period which will allow companies to be compensated more quickly in the event of a claim;
- reduction of the reimbursement delay for invoices paid in the context of financial support.

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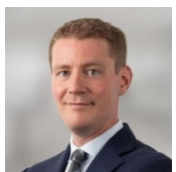
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B.P. 1147, L-1011 Luxembourg, Grand-Duché
de Luxembourg

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