

EIB Board approves €25 billion Pan-European Guarantee Fund to respond to COVID-19 crisis



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- **Board of Directors agrees structure and functioning for the Fund**
- **Pan-European Guarantee Fund to focus mostly on small and medium-sized companies throughout the EU, including start-ups**

The Board of Directors of the European Investment Bank (EIB) has today agreed on the structure and business approach of the new Pan-European Guarantee Fund to tackle the economic consequences of the Covid-19 pandemic. The Fund was endorsed by the European Council on 23 April as part of the overall EU Covid-19 response package. It will enable the EIB Group to scale up its support for mostly small and medium-sized European companies, providing up to €200 billion of additional financing.

*“The economic damage done by the Covid-19 pandemic becomes more visible every day: Hundreds of thousands of small and medium-sized European companies are fighting for their survival. The Pan-European Guarantee Fund is a timely and targeted response to their urgent needs, complementing the national efforts by the Member States”, said EIB President **Werner Hoyer**. “We are grateful for the trust the Member States put into us, the EU bank. We will work closely with national institutions to make sure that companies can quickly access help in the form they need it.”*

In addition to establishing and managing the EGF, the EIB Group is also

implementing the emergency [measures](#) announced in March to repurpose existing guarantees and support companies in the EU to overcome the consequences of the crisis. The first measure, launched by the EIF on 6 April, offers dedicated EU-supported guarantees to contain the impact of the pandemic, making available €8bn of financing for SMEs and midcaps across Europe.

The EIB Group is also using existing financial instruments shared with the European Commission – primarily the InnovFin Infectious Disease Finance Facility – to finance projects that work towards halting the spread of the coronavirus, finding a cure, and developing a vaccine. The EIB Group will support emergency measures to finance urgent infrastructure improvements and equipment needs in the health sector, using existing framework loans or undisbursed amounts from existing health projects. The EIB Group's current pipeline of projects in the health sector amounts to around €6 billion.

[Detailed information about the help offered by EIB and EIF](#)