

The COVID-19 pandemic represents uncharted and unprecedented territory for the entire world. It is, first and foremost, the most challenging healthcare issue the world has experienced in the past century; it is also an emergency that the world is continuing to adapt to daily.

COVID-19 also presents a severe socio-economic issue – with far-reaching consequences. Governments across the world have reacted to the economic difficulties by presenting a variety of strategies to deal with financial emergencies that have developed – creating relief packages aimed at supporting economic activity and recovery where possible.

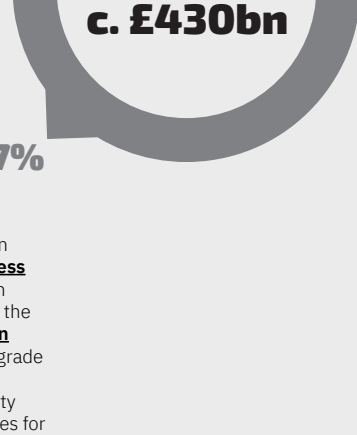
TempoCap sets out the specific initiatives that have been advanced by the UK, French and German governments in this infographic, as a resource for those affected, while noting, of course, that this is a dynamic and fast-moving situation – with new measures announced frequently.

## KEY

✓ Indicates measures that are beneficial to start-ups and scale-ups

● Indicates measures that help all businesses

## United Kingdom



Loans guaranteed by state 77%

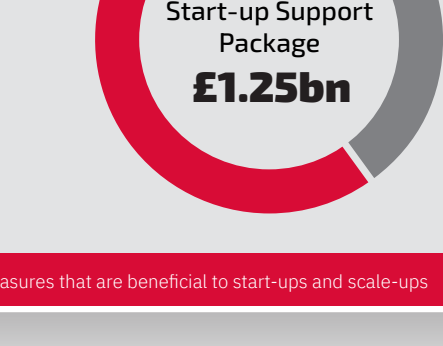
✓ **£330bn**  
Businesses with turnover of less than £45m can apply for loans through the **Coronavirus Business Interruption Loan Scheme (CBILS)**; those with turnover of more than £45m can apply through the **Coronavirus Large Business Interruption Loan Scheme (CLBILS)**; and potentially investment grade businesses can apply to the **Covid Corporate Financing Facility (CCFF)**. Accredited third party lenders will make the loans to eligible companies for CBILS (up to £5m) and CLBILS (up to £25m), with the government guaranteeing 80% of the loan. The **Bounce Bank Loans** scheme will also provide loans of up to £50,000 to SMEs. These loans will be interest free for the first 12 months and will be 100% guaranteed by the government.

### 23% Emergency Economic Measures

- ✓ **Deferrals of VAT payments**  
This is a temporary **scheme** to allow UK VAT registered business with a VAT payment due between 20 March 2020 and 30 June 2020 to defer it.
- ✓ **Coronavirus Job Retention Scheme**  
Under **this scheme all UK employers will be able to access support to continue paying part of their employees' salary** for those employees that would otherwise have been laid off during the crisis. The government will pay up to 80% of a worker's wages, up to a total of £2,500 per worker each month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that subsidised wage. These payments will be backdated to 1 March and the scheme will run until October.  
  
The latest reports from The Times and Financial Times indicate that businesses will have to pay at least a fifth (20%) of the wages of furloughed employees from August 2020. **The chancellor is expected to announce this week, commencing May 25th 2020, that employers will have to begin contributing as the lockdown is eased further.**
- ✓ **£10bn Increase to the National Insurance threshold**  
Confirmed in the recent Budget, the threshold at which national insurance is paid will increase to £9,500 from £8,632 from the start of the new tax year on 6 April, giving an estimated £104 extra to typical employees and a £78 tax-cut for typical self-employed people.
- ✓ **Term Funding Scheme with additional incentives for SMEs (TFSME)**  
This **facility** for financial institutions is aimed at reinforcing the transmission of the reduction in the Bank of England's Bank Rate to the real economy, by incentivising banks to lend to SMEs.
- ✓ **£0.6bn Small Business Grant Scheme (SBGF)**  
This **scheme** for small businesses with ongoing fixed property-related costs, with local authorities asked to prioritise businesses in shared spaces, regular market traders, and small charity properties.
- **Other support**  
Further measures include the suspension of **business rates** for 12 months to those businesses in retail, hospitality, leisure and **nursery** sectors, grants for the same sectors in the **England** and **Scotland**, support with statutory **sick pay**, HMRC's Time to Pay **service** to negotiate payment terms for tax and related penalties, the delayed implementation of reforms to off-payroll **rules**, **support** for apprenticeships and adult training, trade credit insurance **cover**, and a number of other measures.

### Innovate UK Grants

**£0.75bn**  
This **scheme** supports the most R&D intensive small and medium size firms, available through Innovate UK's grants and loan programme.



40% The Future Fund

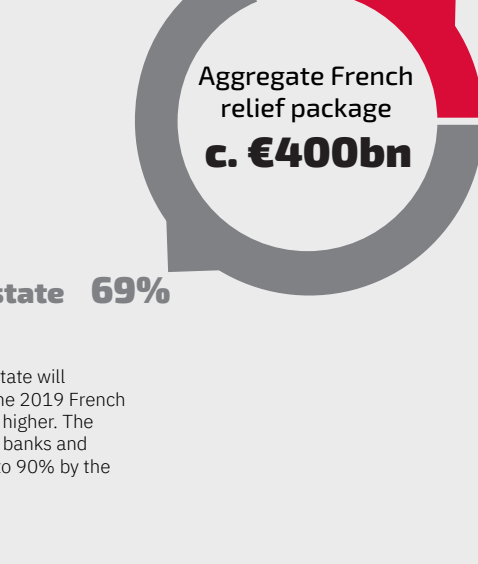
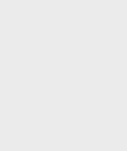
**£0.5bn**  
This **scheme** will provide convertible loans to UK-based companies ranging from £125,000 to £5m, subject to at least equal match funding from private investors. The government has committed at least £250 million to the scheme, delivering it in partnership with the **British Business Bank**. Companies must have raised at least £250,000 in equity from third-party investors in the last 5 years.

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## France



Loans guaranteed by state 69%

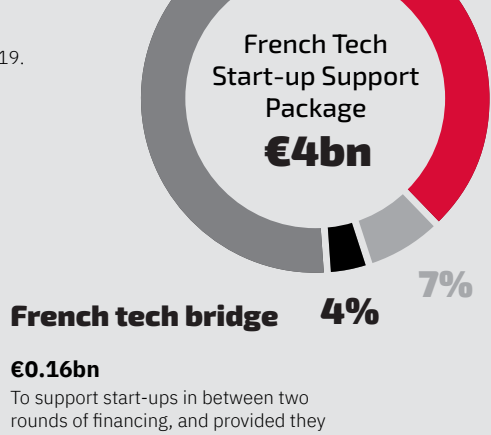
✓ **€300 bn**  
The 300bn loan guaranteed by state will potentially amount up to twice the 2019 French Payroll or one quarter revenue if higher. The **scheme** is distributed by private banks and Bpifrance and is guaranteed up to 90% by the State.

### Emergency Economic Measures

- ✓ **€24bn (Estimated) Furlough**  
The Minister of Economy estimated this amount in April, with 9 million of employees in almost half of the country's firms being under **"Chomage Partiel"** at the time. It now seems like it is going to cost much more to the government, and the access is being made stricter since the 11th of May.
- ✓ **€7bn Solidarity Fund**  
**Subsidies for small companies** with a revenue of less than €1m who have lost 50% or more of their revenue in March 2020 compared with March 2019.
- ✓ **Deferral and cancellation of taxes – social security contributions for companies and independent workers**  
Case-by-case basis of allocation.
- ✓ **€3bn Deferral of utility fees and rent**  
Suspension of rents/water, electricity and gas bills for companies with a revenue of less than €1m and a revenue drop of more than 70% (March 2020 versus March 2019).
- ✓ **Delay on Corporate Tax payments**
- ✓ **6 month delay in reimbursement of loans at no cost**  
French banks offer deferment of repayment of corporate loans for up to six months at no cost.
- ✓ **Safety net for entrepreneurs**  
Safety net for those who would not be eligible to other measures: 1bn euros Solidarity Fund for small businesses, self employed workers and micro-entrepreneurs (under conditions – turnover lower than 1m euros, will have lost more than 70% of their turnover in March 2020 compared to March 2019).  
Additional measures:
  - Self-employed professionals whose taxable profit for the last financial year is less than €40k can receive up to €1500 in rapid assistance (per month).
  - Additional aid paid by the region: they will be eligible for an additional flat-rate aid of €2000 if they employ at least one employee, are unable to pay their debts within 30 days and have been refused a cash loan by their bank.

### Loans guaranteed by state

**€2bn**  
Scheme for innovative companies or companies created since January 2019.



French tech bridge 4%

**€0.16bn**  
To support start-ups in between two rounds of financing, and provided they can find private investors of their own, the state is making 80m euros available to match these financings. The goal is to provide them with funds between 100k and 5m, through convertible bonds with a possible access to capital, for a total amount of 160 million.

### Tax breaks (including advance payment of the research tax credit)

**€1.5bn**  
Start-ups can apply for an early refund of corporate tax claims refundable in 2020 and an accelerated processing of CAT credit refund. They are also eligible for immediate repayment of the research tax credit.

### Support for innovating start-ups through Bpifrance

**€0.25bn**  
As requested by the state, Bpifrance and Ademe will automatically accelerate the payment of Programme Investissements d'Avenir (French National program to foster Innovation) innovation aid. The State maintains, through Bpifrance, its support for innovative companies with nearly €1.3 billion of innovation aid planned for 2020 (grants, repayable advances, loans, etc.).

## Germany



State Guarantees 66%

✓ **€400bn**  
€400bn has been made available for the **Wirtschaftsstabilisierungsfonds** (Economic stabilisation fund) in state guarantees for liabilities including bonds, notes and loans. This state guarantee should help companies with their refinancing.

### Economic Stabilisation Fund

#### Recapitalisation

- ✓ **€100bn WSF Recapitalisation**  
€100bn has been made available for the WSF to recapitalise and stabilise companies in the current environment. The **recapitalisation** can occur under the following measures: subordinated debt, hybrid bonds, profit participation rights, silent partnerships, convertible bonds and share acquisitions. It is important to note that the WSF will only participate in the recapitalisation of an enterprise if the Federal Government has a special interest in the company. The conditions are as follows:
  - Balance sheet >€43m
  - Turnover > €50m
  - >249 employees

#### Refinancing

- ✓ **€100bn KfW refinancing programme**  
€100bn has been made available to assist in refinancing KfW programmes that have already been adopted. The WSF determines the terms and conditions for granting the loans. Numerous programmes exist for start-ups that meet the criteria found on the provided **link**.

### Deferrals

- ✓ **€500bn (Estimated)**  
To assist in tax-related liquidity issues, the German government has set up **deferral schemes** totalling €70bn for corporate income tax and €430 bn indirect tax and social contributions. Businesses can file applications with their respective tax offices until December 31, 2020. The enforcement of overdue taxes will be waived for the remainder of 2020.

### Additional Measures

- ✓ **Grants for one-person businesses and micro businesses**
- ✓ **Short-work compensation scheme (Kurzarbeit)**  
Under the **scheme**, companies affected by Covid-19 can send their workers home or radically reduce their hours. Temporally laid-off workers receive up to 60% of their pre-crisis pay from the Federal Labour Office, the agency that is also responsible for issuing unemployment benefits.  
  
**According to new regulation, after four months Kurzarbeit recipients will receive 70 percent of their lost wages (77 percent for parents), and after seven months 80 percent (87 percent for parents) and this will run until the end of 2020.**