



## SECOND PHASE OF THE CREDIT LINE TO ENSURE CASH FLOW FOR THE SELF-EMPLOYED AND COMPANIES

15<sup>th</sup> April 2020

### Second phase of the Credit Line

On the 10<sup>th</sup> of April, the Resolution of the Secretary of State for the Economy and Corporate Support was published, which includes the Agreement of the Board of Ministers of the above-mentioned date, by which the *Instituto de Crédito Oficial (ICO)* is required to launch the **second phase** of the credit line passed by *Real Decreto-ley 8/2020*, of the 17<sup>th</sup> March. It is established that its beneficiaries are the **small and medium-sized companies and self-employed workers** affected by the economic consequences of COVID-19.

The total amount of this second phase is **20,000 million euros**, for the renewal and new loans granted to the **self-employed and small and medium-sized companies**.

This State Credit Line of the Ministry of Economic Affairs and Digital Transformation will be managed by the ICO through the financial institutions that grant financing to companies and self-employed workers in order to reduce the economic impact of COVID-19. It guarantees cash flow and covers the cash needs of the self-employed and small and medium-sized companies, in order to maintain the production activity and employment, with the same criteria as those established for the first phase.

The distribution of the credit line among the different

entities will be carried out under the same criteria as those established by the Ministry of Economic Affairs and Digital Transformation for the first phase. However, for this second phase, the distribution of the maximum amount allocated will be valid until the 30<sup>th</sup> June. After that date, the credit amounts allocated and not used by the entities will be distributed among the rest of them, in a proportional way to the guarantee amount they had used until that date.

Full text of the Resolution can be accessed on the following link:

[https://www.boe.es/diario\\_boe/txt.php?id=BOE-A-2020-4414](https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4414)



Department: Finance and Capital Markets

Contact People:

Ramón Ruiz de la Torre – [rruiztorre@ontier.net](mailto:rruiztorre@ontier.net)

Paula Enríquez – [penriquez@ontier.net](mailto:penriquez@ontier.net)