

## Italy: COVID-19 – EIB provides €50 million to MCC for SMEs and mid-caps in southern Italy



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- **Support for new investment projects, with a maximum term of five years, in all production sectors mainly for companies in southern Italy.**
- **Working capital, including wages, tax, social security contributions, and administrative and other operational costs are also financed.**

The European Investment Bank (EIB) and [Mediocredito Centrale](#) (MCC) are providing €50 million to help Italian small and medium-sized enterprises (SMEs) and mid-caps to face the [COVID-19 crisis](#).

An agreement to this end was announced today by the EU bank and the Italian public sector bank dedicated to supporting smaller companies mostly in southern Italy. Under the agreement, the EIB will make €50 million available to MCC for SMEs (businesses with up to 250 employees) and mid-caps (up to 3 000 employees).

The new credit line, aiming to address the ongoing crisis, provides financing for new investment projects with a maximum term of five years, and covers

working capital needs, in view of the exceptional situation being faced by Italian industry. This includes social security contributions, administrative and other operational costs and multifunctional credit lines, even if these are extensions or renewals of working capital loans. Only purely financial and/or real estate transactions remain excluded.

The loans target projects from companies active in all production sectors: agriculture, crafts, commerce, tourism, services and industry.

*"Thanks to the partnership with Mediocredito Centrale, the advantages of EIB financing in terms of loan duration and low interest rates will be available to small and medium-sized companies, mostly in southern Italy, an area which, in addition to manufacturing, also hosts production chains interconnected with national and international industry, such as many activities in the automotive sector,"* said **EIB Vice-President Dario Scannapieco**.

*"The agreement signed by Mediocredito Centrale and the EIB is an important tool for small and medium-sized enterprises in southern Italy that, from a position of competitive disadvantage, have been more heavily affected by the effects of the ongoing health crisis. The interdependence of northern and southern Italy means that supporting production chains and investments in this area will provide a boost for the entire country. This virtuous multiplier effect shows how Italy can only grow with a stronger and more competitive South, and how this region is playing a strategic role in post-crisis reconstruction and recovery policies,"* added **Mediocredito Centrale CEO Bernardo Mattarella**.