

# UniCredit and EIB: an additional €500 million for Italian mid-caps to tackle the COVID-19 crisis



- Loans supporting working capital, including wages, tax, social security contributions, and administrative and other operating costs
- New investment projects, with a maximum term of 12 years, in all production sectors will also be financed
- Financing made available to businesses by UniCredit and the EIB since the start of 2020 has risen to around €1.2 billion

UniCredit and the European Investment Bank (EIB) are providing new funding to ensure the resilience of the economy hit by the pandemic and stimulate recovery.

According to the agreement recently signed, the EIB will provide UniCredit and UniCredit Leasing with an additional €250 million dedicated to mid-caps (between 250 and 3 000 employees). The bank has pledged to double this amount from its own funds, for a total of €500 million worth of loans.

The new credit line, designed to tackle the ongoing crisis, provides financing for new investment projects and covers working capital needs in view of the exceptional situation being faced by Italian industry.

The funding is intended for companies all over Italy and in all production sectors: agriculture, crafts, industry, commerce, tourism and services.

It will be possible to finance the working capital necessary for operating activity and investments in tangible and intangible assets; only purely financial and/or property transactions are excluded from the agreement.

The loans can have a maximum term of 12 years, with EIB funds covering up to €12.5 million in the case of investment or working capital projects costing less than €25 million and up to 50% for investment projects costing €25-50 million.

For this credit line, the EIB and UniCredit have agreed on [extraordinary eligibility criteria for companies](#). In particular, it will be possible to finance working capital, including wages, tax, social security contributions, administrative and other operating costs, even if these are extensions or renewals of working capital loans.

The credit line complements the concessionary measures provided for by the Liquidity Decree, meaning that EIB funds can be combined – as required – with the direct guarantee from either the SME Guarantee Fund or from SACE (publicly-owned insurance and credit agency specialising in support for export activity and internationalisation).

In a year characterised by the severe crisis in global economies due to the COVID-19 pandemic, the EIB has made available resources that have enabled – and will continue to enable – UniCredit, thanks also to its own funds, to provide some €1.2 billion in funding to Italian companies since the beginning of 2020.

That total includes almost €800 million in funds chiefly intended to bolster the liquidity of Italian SMEs and mid-caps to help them deal with the crisis. Cooperation between the two institutions continued during 2020, focusing on some specific areas: innovation, support for digital businesses and [female entrepreneurship](#).

There is a particular focus on the regions, as demonstrated by the special [agreement with the EIB to support businesses in the Lazio Region](#), which will make its own separate contribution. Such support is also illustrated by the existing agreement with the EIB and the European Investment Fund (EIF) – “SME INITIATIVE”, a subsidised facility aimed at providing loans on favourable terms to companies located in the Mezzogiorno regions of Italy (Sicily, Calabria, Campania, Puglia, Basilicata, Molise, Abruzzo and Sardinia).