

JOINT PRESS RELEASE

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CDP, EIF and MCC: 5 billion euro in new lending to SMEs through one of the largest guarantee operations ever carried out in Italy with EGF funds

- **The agreement allows the SME Guarantee Fund to issue new guarantees in support of approximately 30,000 Italian companies**
- **The operation is backed by the Pan-European Guarantee Fund (EGF), part of the 540 billion euro package of measures approved by the European Union to respond to the economic impact generated by COVID-19**

Two separate agreements to grant five billion euro in new lending from the banking system to Italian small and medium-sized enterprises. This is the primary objective of the initiative launched by Cassa Depositi e Prestiti (CDP) together with the European Investment Fund (EIF, EIB Group) and Mediocredito Centrale (MCC), manager of the SME Guarantee Fund (Guarantee Fund).

In terms of size, this is one of the largest portfolio guarantee operations ever carried out in Italy to date backed by the [Pan-European Guarantee Fund \(EGF\)](#), part of the 540 billion euro package of measures approved by the European Union to respond to the economic impact of the pandemic. It is estimated that the agreements signed will facilitate the access to finance at advantageous conditions for some 30,000 Italian SMEs affected by the pandemic crisis, thereby also safeguarding employment levels.

The operation is structured on a portfolio basis, via new guarantees to be originated by the SME Guarantee Fund up to a maximum amount of 4.5 billion euro, 80% of which will benefit from a CDP counter-guarantee (i.e., up to 3.6 billion euro). CDP, on its turn, will receive a counter-guarantee from the European Investment Fund (EIF) - of which the European Investment Bank (EIB) is the principal shareholder - using resources from the EGF. Given the significant amount of leverage generated by the scheme, it is estimated that over five billion euro in new funding will be made available to Italian businesses.

The operation seeks to boost further the operating capacity of the [SME guarantee Fund](#) in support of Italy's productive fabric. The initiative follows [an agreement signed by CDP and the EIB](#) in July, in which the EU bank granted up to 600 million euro in guarantees, always within the framework of the EGF programme, to support CDP's lending operations in favour of Italian mid- and large-cap corporate.

The SME Guarantee Fund, managed by Mediocredito Centrale on behalf of the Ministry of Economic Development, was the primary public sector operational mechanism for dealing with the pandemic crisis in support of Italian firms. From March 2020 to September 2021, it received 2.4 million applications for guarantees amounting to approximately 198 billion euro.

European Investment Fund (EIF)

The EIF is a financial institution within the European Investment Bank (EIB) Group. Its primary mission is to support Europe's micro, small and medium-sized enterprises (SMEs) by improving their access to credit. The EIF designs and develops equity, guarantee and microcredit instruments that are tailored to the needs of this category of businesses. In this role, the EIF pursues the European Union's objectives of supporting innovation, research and development, entrepreneurship, growth, and employment.

[The Pan-European Guarantee Fund](#) (EGF) was set up by the EIB Group (EIB and EIF) with contributions from Italy and other EU Member States to protect businesses affected by the crisis caused by COVID-19. With nearly 25 billion euro in guarantees, the Pan-European Guarantee Fund allows the EIB and EIF to rapidly issue loans, guarantees, equity and other financial instruments, primarily to SMEs and mid-caps. The Pan-European Guarantee Fund is part of the European Union's package of measures that aims to provide a total of 540 billion euro to relaunch the hardest-hit sectors of the EU economy.

Cassa Depositi e Prestiti (CDP)

Cassa Depositi e Prestiti is a National Promotional Institution that has been supporting the Italian economy since 1850. Through its actions, it is engaged in accelerating the industrial and infrastructural development of the country, so as to sustain its economic and community growth. CDP focuses its activities on regional sustainable development and also supports innovation and growth, including international growth, of Italian companies. It is a partner of Local Authorities, with loans and advisory services, for the creation of infrastructures and for the improvement of services of public utility. In addition, it is active in the field of International Cooperation to fund projects in developing countries and emerging markets. Cassa Depositi e Prestiti is funded totally by private resources, through the issue of postal bonds and passbook accounts and through issues onto the national and international market. For more information, please visit www.cdp.it.

Mediocredito Centrale (MCC)

Mediocredito Centrale is a state-owned bank wholly owned by the Invitalia Group, which is controlled by the Ministry of Economy and Finance. The Bank has consolidated its institutional role in increasing the competitiveness of the country, particularly in the South, by establishing the Mediocredito Centrale Banking Group, which includes Banca Popolare di Bari and Cassa di Risparmio di Orvieto. MCC's three main objectives, supporting the country's economic fabric, facilitating access to credit for SMEs, and providing support for productive investments and research and development, are achieved through the granting of credit and subsidies. For more information, please visit www.mcc.it.

The [SME Guarantee Fund](#), managed by Mediocredito Centrale on behalf of the Ministry of Economic Development, facilitates access to credit for small and medium-sized enterprises and professionals by issuing a public guarantee on loans granted by banks, lease companies and other financial intermediaries. The Fund, strengthened through the Liquidity Decree to counter the pandemic crisis, intervenes on loans for any purpose and duration granted to entities operating in all economic sectors. The Fund intervenes in the form of a direct guarantee at the request of the lenders (banks, lease companies and other intermediaries) or in the form of a reinsurance/counter-guarantee at the request of the guarantors (credit consortiums and other intermediaries).

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