

# Italy announces a new decree to help the Italian economy.

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On Monday, Italy's government announced a new decree containing extraordinary measures offering respite to banks and companies. The government is going to pump into the economy more than 400 billion euros worth of liquidity and bank loan guarantees to avoid further stressing the national economy. This amount adds up with the previous March decree for a total of 750 billion euros.

During his press conference on Monday evening, Prime Minister Conte called it "real firepower", an unprecedented array of measures, never seen before in the history of the Italian Republic to help with the financing of the country's businesses. The state will also offer its guarantee to speed up borrowing procedures. Conte also pledged to boost the fund for SMEs and additional state financing through Cassa Depositi e Prestiti and SACE, Italy's State lender and export agency.

"We are working on a much more substantial package to be adopted this month, following a systemic approach, encompassing all suffering categories," Conte said. "This is not just a health emergency it is, also, an economic and social one. The April decree will contain social security measures to support families and workers, especially those most in difficulty".

"We are going to provide a 200 billion guarantee for loans of up to 90%, guaranteed by the state, for any kind of company, without turnover limits. They can reach up to 25% of the company turnover or double the personnel costs; accessing them will be very easy thanks to a SACE-mediated connection to banks, and with limited conditionality, including not being able to pay dividends," said Economy Minister Roberto Gualtieri.

SACE's guarantee will cover between 70% and 90% of the loans, fitting the size of the company. For those with less than 5,000 employees in Italy and turnover under 1.5 billion euros, the guarantee will be 90% and with a simplified procedure; it will drop to 80% for companies with over 5,000 employees and turnover between 1.5 and 5 billion and to 70% for those who have a turnover over the 5 billion euros mark.

Even if the epidemic's numbers seem to be dwindling, further 450 billion euros were allocated to fight the virus' spread, hoping all Italy's sacrifices will be worth once that the crisis will be over.

Source: ANSA