

# Economic support measures in the Baltics

	Support measures
<b>Latvia</b>	<ol style="list-style-type: none"> <li>1. Overall support program up to 1beur</li> <li>2. Credit guarantees and loans by ALTUM if company was not in financial difficulties before COVID-19. Guarantee up to 50%, 5 MEUR max per issuer, up to 10 year duration. New loans for working capital – up to 1 MEUR per issuer, up to 3 year duration, grace period up to 1 year. Program still in development, overall ammount TBD and TBC with EC.</li> <li>3. Deference of tax payments for period up to 3 years in selected sectors (TBD) if missed payments are due to COVID-19 impact</li> <li>4. Government funded sick pay in the first 10 days (currently paid by employers) if employee has caught COVID-19 or is in self isolation</li> <li>5. Salary payments to employees of companies temporary suspending activates in sectors (TBD) most affected by COVID-19 (75% of previous salary and up to maximum of 700 eur after taxes per month). Taxes on these salaries to be paid by companies after resumption of activities.</li> </ol>
<b>Lithuania</b>	<ol style="list-style-type: none"> <li>1. Support program of 5b eur</li> <li>2. For Jobs and income protection 500 MEUR – support for downtime with employee benefit, 257 eur/month for 3 months for self-employed persons unable to carry their activites due to quarantine, allow deferral or settlement of payments for electricity and natural gas UAB Ignitis, to recommend municipalities to defer or defer utility bills and payments for thermal energy. Support for working people who have been declared downtime due to COVID-19 42MUR.</li> <li>3. Maintain business liquidity - 500meur: i) taxes - deferred or deferred payment, without interest; stopping recovery actions on the basis of reasonableness criteria; ii) increase the guarantee limit of the Agricultural Loan Guarantee Fund and INVEGA by \$ 500 million; iii) enable the business to defer or place payments for the electricity and natural gas consumed by Ignitis UAB; iv) recommended that municipalities exempt businesses from commercial real estate, land taxes and recommend that municipalities be allowed to defer or arrange utility bills and payments for heat.</li> <li>4. Economic and Financial Instruments – 1b eur. Accelerate investment programs by accelerating payments and increasing the intensity of funding. Reallocate EU investment funds to health, employment and business, accelerate the use of public budgets for running costs, use all funds from the Climate Change, Road Maintenance and Development programs and accelerate the renovation of apartment buildings.</li> <li>5. Credit of state guarantees limit for up to 50-100% payed interest rate compensations (Invega/Garfondas) and other support mechanisms</li> <li>6. Capital and liquidity requirements relief for the banks, with the target to expand banks capability to lend up to 2b eur of new loans</li> <li>7. To change mortgage law and to set 6 month grace for the mortgage clients, who lost job due to the corona virus.</li> <li>8. For health sector 500 MEUR - purchase personal protective equipment, reagents, medical and other equipment. Additional health care resources, including staff salary.</li> </ol>
<b>Estonia</b>	<ol style="list-style-type: none"> <li>1. Financial support package – 1.5-2b eur</li> <li>2. Suspend the interest on tax deferrals for the March and April</li> <li>3. Temporary tax cuts. Reduction in consumption taxes (fuel, electricity, gas), a total of 140-150 million a year.</li> <li>4. Increase capitalization of Kredex. Guarantees up to 1b EUR and direct lending by Kredex up to 500 MEUR.</li> <li>5. Support to farmers through Rural Development Foundation- EUR 100 million in revolving loans and EUR 50 million in guarantees</li> <li>6. Reduced requirements for unemployment benefits. For self-employed people cancel the advance payment of social tax. Wage subsidy of the Unemployment Insurance Fund</li> </ol>