

## **Government opens applications for their Business Finance Guarantee Scheme**

Adding to what is currently \$25 billion of economic support for New Zealanders during the COVID-19 pandemic, the Government has also opened up applications for its Business Finance Guarantee Scheme to help support businesses and their banks to stay afloat during the lockdown and beyond.

The idea is to support New Zealand businesses and their workers who will be experiencing difficulties with cashflow and operating expenses and to help give a viable kick start to the economy when New Zealand comes out the other side of the lockdown restrictions.

The Government is working with banks by acting as guarantor to 80% of a bank for businesses with an annual revenue between \$250,000 and \$80 million. This loan will be carried out as usual between the business and their bank, with the bank covering the remaining 20% of the risk.

Resource:

Business Finance Guarantee – applications open <<https://www.beehive.govt.nz/release/business-finance-guarantee-%E2%80%93-applications-open>> 1 April 2020