

The fiscal response to the economic fallout from the coronavirus

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The various lock-down measures in response to coronavirus have halted economic activity in certain sectors and harshly disrupted others. The resulting job losses and bankruptcies are likely to create major economic strains for millions in Europe and worldwide.

In the euro area, the European Central Bank has reacted with strong monetary policy and supervisory measures announced on **12** and **18** March 2020. Governments throughout the European Union have started to announce and implement various fiscal measures to contain the economic fallout. European **state aid rules** and **fiscal rules** have been suspended.

In this dataset we summarise and compare the discretionary fiscal responses of EU countries, the United Kingdom and the United States. We consider only adopted measures. Other measures under discussion will be added to our comparison when adopted.

We consider only discretionary fiscal measures, while budget balances will deteriorate because of the likely severe economic downturn, leading to lower tax revenues and higher unemployment benefit payments.

We group discretionary fiscal measures into three categories:

- **Immediate fiscal impulse:** additional government spending (such as medical resources, keeping people employed, subsidising SMEs, public investment) and foregone revenues (such as the cancellation of certain taxes and social security contributions). These types of measures immediately lead to deterioration of the budget balance without any direct compensation later.
- **Deferrals:** several governments have decided to defer certain payments, including taxes and social security contributions, which in principle should be paid back later. These measures improve the liquidity positions of individuals and companies but do not cancel their obligations. Therefore, these measures cause

deterioration of the budget balance in 2020, but improve it later. A few countries have also deferred the servicing of loans or the payment of utility bills, which also improve the liquidity positions of those impacted. Even if the loans were granted by private banks and utilities are provided by private providers, the budget balance will deteriorate in 2020 because of lower profits and consequent taxes, but will improve later.

- **Other liquidity provisions and guarantees:** these measures include export guarantees, liquidity assistance, credit lines through national development banks. Some of these measures improve the liquidity position of the private sector, but unlike deferrals which are automatic and generally apply to the target groups, credit lines require action from the impacted companies. Credit lines and guarantees might not weaken the budget balance in 2020, but would create contingent liabilities which might turn into actual expenses either in 2020 or later.

The table summarises the amount (as a share of GDP) of these measures by country, while the detailed country-specific measures are explained below.

**Discretionary 2020 fiscal measures
adopted in response to coronavirus by 16
April 2020*, % of 2019 GDP**

	Immediate fiscal impulse	Deferral	Other liquidity/guarantee
Belgium	0.7%	1.2%	0.0%
Denmark	2.1%	7.2%	2.9%
France	2.4%	9.4%	14.0%
Germany	6.9%	14.6%	38.6%
Greece	1.1%	2.0%	0.5%
Hungary	0.4%	8.3%	0.0%
Italy	0.9%	13.0%	7.3%
Netherlands	1.6%	3.2%	0.6%
Spain	1.1%	1.5%	9.1%
United Kingdom	4.5%	1.4%	14.9%
United States	5.5%	2.6%	4.1%

Note: we calculate the ratio of the 2020 measures to 2019 GDP, because the 2020 GDP outlook is very uncertain. The category 'Other liquidity/guarantee' includes only government-initiated measures (excludes central bank measures) and shows the total volume of private sector loans/activities covered, not the amount the government put aside for the liquidity support or guarantee (the amount of which is multiplied to cover a much larger amount of private sector activity).

** The cut-off date is earlier for some countries, see at the country specific descriptions.*

Our calculations differ from some other calculations by clearly discriminating the three categories above. Other calculations, but also sometimes government press releases, combine, for example, tax cancellations and tax deferrals which are very different types of measures.

Beyond new spending measures, some governments likely postpone or cancel some earlier planned expenditures, like certain investments. The reason is partly the need to provide more fiscal resources to the fight against the pandemic and its economic impact, and partly supply disruptions. Such diminished expenditures constitute a negative fiscal impulse. Due to lack of data, we cannot quantify these diminished expenditures.

Country-specific measures

Click on the countries below for their respective dataset:

[Belgium](#)
[Denmark](#)
[France](#)
[Germany](#)
[Greece](#)
[Hungary](#)
[Italy](#)
[Netherlands](#)
[Spain](#)
[UK](#)
[USA](#)

 **BELGIUM**

Belgium

National measures (€7.5 billion)

Date of announcement: 6 March 2020 and 20 March 2020

Immediate fiscal impulse (€3 billion):

- €1.5 billion: Temporary unemployment becomes automatic, is broadened and reinforced. This is the mechanism through which companies can ask for the State to pay for a part of their employees' salaries when they have to temporarily lay them off due to dramatic economic circumstances – as in the current crisis. There is no more distinction between partial unemployment for economic reasons and partial unemployment due to an unforeseen highly disruptive shock. Companies can automatically access partial unemployment without having to prove their need. The rate of reference, which is the percentage of an employee's previous salary that is covered by

the State, is increased from 65% to 70% (source 1 and 2).

- €1.5 billion: Active independent workers that were forced to shut down their business by government mandate are eligible for 1291,69 euros per month if they do not have a dependent family and 1614,10 euros per month if they do (source 1 and 2).

Deferrals (€4.5 billion):

- €4.5 billion: Automatic extension of due date for income tax payments for individuals. Companies' fiscal payments can be deferred up to 2 months and social contributions can be deferred up to 2 semesters (source 1 and 2).

Walloon measures (€350 million)

Date of announcement: 18 March 2020

Immediate fiscal impulse (€362 million):

- €115 million: Support to health and social sectors in Wallonia. Funds will go to: sectors that will have to increase their activity (hospitals, retirement homes, social sector and help to handicapped individuals) – €75 million are reserved for this; sectors that will have to reduce or stop their services; sectors that will lose revenue from beneficiaries of their services (source).
- €2 million: Support to communes that decide to suspend communal taxes (source).
- €77.7 million (one-third of the €233 million announced to support MSMEs): Creation of a COVID-19 fund to provide Micro, Small and Medium Enterprises (MSMEs) with a one-time compensation of €5000 if they have had to fully shutdown due to government policy and €2500 to businesses that have to partially shut down. The region estimates there are 48900 potential beneficiaries for the €5000 allowance (source). If more than one-third of the potential beneficiaries will claim this benefit, then the cost will be more than €7 million.

Note: The Walloon government allocated €233 million to supporting MSMEs, which includes three main measures: (1) COVID-19 fund, (2) the deferral of fiscal and social payments and (3) measures for public loans guarantees. Given there are no official estimates on how the cost will be split between these three types of measures, we allocate one-third to each.

Deferrals (€116 million):

- €77.7 million (one-third of the €233 million announced to support MSMEs): All payments due for loan repayment on the 31st of March to SOWALFIN, SOGEPA and SRIW (main public investment and management funds in Wallonia) are deferred with no additional interest for loans equal to or below 2.5 million euros. For loans above this amount, an individual case study will determine whether additional interest fees are added or not. All payments for water fees are also deferred by a

month (source 1 and 2).

Note: See the note above.

Other liquidity and guarantee measures (€77.7 million):

- *€77.7 million (one-third of the €233 million announced to support MSMEs): The SOGEPA and Wallonie Health will provide loans of up to 200000 euros, without private matching, to be reimbursed within one year and with a fixed interest rate of 2%. Additionally, the Walloon government guarantees 50% of uncovered credit lines to companies hit by the crisis, up to 75% of increases in short-term credit lines to help companies during the crisis, and up to 75% of new short-term credit lines (source).

Note: See the note above.

Brussels-region measures (€150 million)

Date of announcement: 19 March 2020

Immediate fiscal impulse (€92 million):

- €20 million: Regional government pays for salary of workers in social service companies. Payments amount to €14,60 per hour per employee (source).
- €36 million (estimate): Support to businesses shut down during crisis through a one-time compensation of €4000 to businesses that have to fully shutdown due to government policy (source).

Note: In the absence of an official number, this figure is estimated on the basis that the regional government announced measures amounting to €150 million. Partial unemployment measures and public loan guarantees were each announced to amount to €20 million, so they were subtracted from the total number to find the amount dedicated to the other measures. This amounts to €110 million split between compensation for businesses that have to shut down, deferral of fiscal and social payments and financial and technical support to businesses. We thus divide this amount equally for each of these measures.

- 36 million: Reduced interest rates for hotel, restaurant and catering companies that employ more than 50 people and their key suppliers; a moratorium on the capital reimbursements of companies in most affected sectors; 200 000 euros given to the *Centre pour entreprises en difficultés* (centre which helps Brussels-based SMEs) (source).

Note: see previous note.

Deferrals (€36 million):

- €36 million: Suspension of City Tax (tax on hotel sector) for the first semester of 2020 and of tax on taxi sector (source).

Note: see previous note.

Other liquidity and guarantee measures (€20 million):

- €20 million: Public guarantees on loans to companies ([source](#)).

Flemish measures (€1.263 billion)

Date of announcement: 18 March 2020

Immediate fiscal impulse (€158 million):

- €7 million: Additional government investments to buy masks ([source](#)).
- €125 million (estimate): Companies that have fully shut down are given a one-time compensation of €4000. If closures last past the 5th of April 2020, companies will receive an additional €160 per day of shutdown ([source](#)).

Note: In the absence of an official estimate, we calculate this estimate based on the number of applications (31 000 to date) and the amount given to each of them (€4000).

- €6 million: €5 million dedicated to subsidies to tourism industry and €1 million dedicated to subsidies for youth hostels specifically ([source](#)).
- €20 million: Government will pay for 100 000 employee's utility fees (water, gas and electricity) for 1 month if they are facing technical unemployment.

Deferrals (€1.005 billion):

- €3 million (estimate): 3-month delay in payments for start-up loans and co-financing loans ([source 1](#) and [2](#)).

Note: In the absence of an official estimate, we calculate this estimate by multiplying the number of firms that are covered (860) by the average loan amount (25000).

- €1 billion: Property evaluations for companies will not be published until September and company property tax payments will not be due until then ([source](#)).
- €2 million (estimate): 4-month deferral of the annual road tax ([source 1](#) and [2](#)).

Note: In the absence of an official estimate, we calculate this estimate by dividing the annual revenue from the road tax in 2018 (16 million euros) by 12, and multiplying by 4 (months of deferral).

Other liquidity and guarantee measures (€100 million):

- €100 million: Publicly guaranteed loans of up to 12 months to be taken out before the end of the calendar year ([source](#)).

DENMARK

Date of announcement: 15 March 2020

Direct fiscal impulse (DKK 55.9 billion):

- DKK 10 billion to provide an income to self-employed workers who lost their revenue (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)
- DKK 40 billion to provide compensation to businesses that lost their revenue due to the pandemic (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)
- DKK 3.8 billion covering the wage costs of work who are partially unemployed due to the crisis (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis> and <https://www.ft.dk/samling/20191/aktstykke/aktstk.108/index.htm>)
- DKK 0.2 billion to extend the sickness and unemployment benefits to a larger group of people by lengthening the period of rights to these support schemes (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)
- DKK 1.7 billion to reimburse businesses the sickness benefits they have to pay to workers (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)
- DKK 0.1 billion to create a pool for initiatives to support large-scale redundancies of work (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)
- DKK 0.1 billion in compensation for businesses which were affected by the cancelation of large events (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)

Deferrals (DKK 165 billion):

- DKK 165 billion (Nordea estimate) in deferrals including a 30 day VAT deferral and a four month delay on labour contributions and labour taxes (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)

Other liquidity and guarantee measures (DKK 66 billion):

- DKK 60.7 billion of extra credit available through an increase in the guarantees for small and medium-sized enterprises and large companies (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)
- DKK 1.3 billion of supplementary credit through for liquidity guarantees for medium and small export firms through the EKF, Denmark's Export Credit Agency (source: <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)
- DKK 1.0 billion for liquidity guarantees to the airline SAS <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>
- DKK 1.5 billion of state guarantees to the Danish Travel Guarantee Fund which enables Danish tourists to go home in case of a tour operator bankruptcy <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>
- DKK 1.5 billion for increased access to loans for students and pupils <https://e-markets.nordea.com/#!/article/56456/denmark-economic-measures-to-tackle-the-corona-crisis>)

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FRANCE

Date of announcement: 12 and 26 March 2020 (adopted), 16 April 2020 (measures currently discussed by parliament)

Immediate fiscal impulse (€56.7 billion):

- €8 billion for national health system. This will be used to buy necessary material, including masks, as well as to fund exceptional compensations for health workers. (sources: [source 1](#) and [source 2](#))
- €24 billion for keeping people employed for 2 months (chômage partiel): Companies pay their workers 70% of their gross salary (which is roughly equivalent to 84% of net salary, [source](#)), or 100% of net salary for those at the minimum wage, in which case the State reimburses them entirely for all salaries paid, up to 4,5 times the minimum wage. The State covers €16 billion through its budget, and the remaining €8 billion are provided by the Unedic (mandatory unemployment insurance). (sources: [source 1](#), [source 2](#) and [source 3](#))
- €7 billion subsidies through the Solidarity Fund, for small companies with a revenue of less than €1 million, who have lost 50% or more of their revenue in March 2020, compared to March 2019. (sources: [source 1](#) and [source 2](#))
- €16 billion (estimate): a total of €32 billion is

indicated for deferral and cancellation of taxes and social security contributions for companies and independent workers facing difficulties, which is subject to an individual case examination (sources: [source 1](#), [source 2](#) and [source 3](#)). We have no basis to allocate the total €32 billion between cancellation and deferral, but in order to be able to include this measure in our table, we assumed half-half. All large companies that deferred their fiscal and social contributions while also continuing to pay their shareholders' dividends will have to reimburse the State treasury with penalties ([source](#)).

- €2 billion: Emergency plan to support start-ups. This plan includes an envelope of 80 million euros, managed by Bpifrance to finance bridges between two fundraising campaigns, €1.5 billion to accelerate the reimbursement of State tax credits to start-ups, namely research tax credits, €250 million to accelerate the payment of support for innovation of the PIA (*Programme d'investissements d'avenir*) and €1.3 billion of support to innovating companies through Bpifrance. ([source](#))

Deferrals (€228 billion):

- €16 billion (estimate): half of the total of €32 billion is indicated for deferral and cancellation of taxes and social security contributions for companies and independent workers facing difficulties – see the last point above
- €180 billion, debt repayment moratorium: corporate loans repayments are deferred by six months ([source](#)). We estimate the volume as follows: the outstanding stock of loans to non-financial corporations was €1063 billion in January 2020 ([source](#)). By assuming an average maturity of 3 years, one-sixth of it would expire in the next six months, leading to €177 billion amortisation postponement. As regards interest, total interest revenue of French banks was €8.7 billion in 2018 ([source](#)), which include revenues from households and other sectors. Given that household loans amount to €1300 billion ([source](#)), somewhat less than half of interest income would come from the non-financial corporate sector in the full year. The debt repayment moratorium applies for six months, but interest income would have increased from 2018 to 2020 in the absence of the pandemic-caused economic distribution, so we assume a deferred interest of €3 billion, leading to total deferral of €177 billion + €3 billion = €180 billion.
- €3 billion, deferral of utility fees (gas, electricity and water) and rent, for small companies with a revenue of less than €1 million, who have lost 70% or more of their revenue in March 2020, compared to March 2019. The cost to the Treasury announced by Bruno Le Maire, minister of Finance, for all deferrals of fiscal and social costs to companies was €35 billion ([source](#)), of which an estimated €32 billion are costs due to tax deferrals or cancellations (see point above). As such, the cost of deferral of utility fees and rent to the public treasury is estimated to be €3 billion.

Other liquidity and guarantee measures

(€337.925.0 billion):

- Public guarantee of loans made between 16 and 30 March, up to €315 billion total ([source](#))
Large companies that continue paying their shareholders' dividends cannot benefit from this loan guarantee. ([source](#))
- €2 billion in public loan guarantees specifically for startups, which can cover up to 90% of the loan, depending on loan maturity. These loans can be distributed by private banks and Bpifrance. ([source](#))
- €0.5 billion guarantees by internal reallocations within Bpifrance and/or budget allocations (since most of this amount is internal reallocation, not the provision of new resources, we do not count this measure)
- €20 billion of credits to 'strategic economic actors' to reinforce their capital or debt securities. This new programme will be managed by the Commissioner for State Participation (head of the *Agence des participations de l'Etat*, which manages the state's holdings in firms). ([source](#))
- €925 million increase in the Fund for Economic and Social Development's (FESD) funding capacity. This programme provides loans to weak companies or companies facing economic difficulties. ([source](#))

Note: the law modifying the budget says only that the FESD's capacity will be increased to reach €1 billion. The original amount it was authorized to loan was €75 million ([source](#)), so we remove this from the €1 billion total and find €925 million.

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GERMANY

Germany

Dates of announcements: 9 March 2020, 13 March 2020, 23 March 2020, 24 March 2020, 27 March

Immediate fiscal impulse (€236 billion):

- €100 billion to recapitalise and buy stakes in companies affected by corona via the Economic Stabilisation Fund ('WSF')
<https://www.bmwi.de/Redaktion/EN/Pressemitteilungen/2020/20200327-altmaier-unprecedented-support-programme-for-employees-and-enterprises.html>
- €55 billion funds made available for further pandemic control projects
<https://www.bundesfinanzministerium.de/Content/DE/FAQ/2020-03-13-Corona-FAQ.html>
- €50 billion in direct grants to distressed one-person businesses and micro-enterprises
<https://www.bmwi.de/Redaktion/DE/Downloads/E/eckpunkte-corona-soforthilfe.pdf?>

- €10 billion for keeping people employed, by expanding the reduced hours compensation benefit scheme ('Kurzarbeitergeld')
<https://www.nytimes.com/reuters/2020/03/25/world/europe/25reuters-health-coronavirus-germany-measures-factbox.html>
- €7.7 billion to expand access to welfare payments such as child allowance and income support, removing means-testing rules and including self-employed workers
<https://www.bundesfinanzministerium.de/Content/EN/Pressemitteilung03-23-supplementary-budget.html>
- €5 billion Funds from the health insurance companies
<https://www.bundesfinanzministerium.de/Content/DE/FAQ/2020-03-13-Corona-FAQ.html>
- €3.5 billion for emergency measures, such as procuring protective suits and masks, fast-tracking work on a vaccine against corona and repatriating German holidaymakers stranded abroad
<https://www.bundesfinanzministerium.de/Content/DE/FAQ/2020-03-13-Corona-FAQ.html>
- €3.1 billion per year between 2021 and 2024 of additional investments into the private sector (not included in total since only starting in 2021)
<https://www.france24.com/en/20200313-germany-unleashes-biggest-post-war-aid-package-against-virus>
- €2.8 fund for hospitals to cushion loss of revenue and higher costs
<https://www.bundesfinanzministerium.de/Content/DE/FAQ/2020-03-13-Corona-FAQ.html>
- €2 billion to expand venture capital financing to start-ups, new technology companies and small businesses during the coronavirus crisis
<https://www.bmwi.de/Redaktion/EN/Pressemitteilungen/2020/20200401-customised-support-for-new-businesses-affected-by-the-coronavirus-crisis.html>

State-level measures (not included in total)

- €20 billion fund by the state of Bavaria to buy stakes in struggling companies
<https://www.reuters.com/article/us-health-coronavirus-germany-stimulus/germany-eyes-post-virus-stimulus-package-idUSKBN21B1EY>
- €8.5 billion fund by the state of Hesse
<https://www.reuters.com/article/us-health-coronavirus-germany-stimulus/germany-eyes-post-virus-stimulus-package-idUSKBN21B1EY>
- €5 billion fund by the state of Baden-Wuerttemberg to help small firms and the self-employed
<https://www.reuters.com/article/us-health-coronavirus-germany-stimulus/germany-eyes-post-virus-stimulus-package-idUSKBN21B1EY>

Deferrals (€500 billion):

- €500 billion (Bruegel)

estimate) tax deferrals for businesses: €70 billion for direct corporate income tax; €430 billion if include indirect taxes and social contributions (assuming 75% tax deferral and 5% GDP loss in 2020)

https://www.bmwi.de/Redaktion/EN/Downloads/a/a-protective-shield-for-employees-and-companies.pdf?__blob=publicationFile&v=3

Other liquidity and guarantee measures (€1,322 billion):

- €822 billion available to guarantee and subsidise loans through KfW (including an extension of existing programmes) and to set up new ones and to expand liquidity assistance programmes.
<https://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2020/2020-03-23-supplementary-budget.html>
- €400 billion under the Economic Stabilisation Fund (WSF) to provide guarantees and tackle liquidity problems
<https://www.bmwi.de/Redaktion/EN/Pressemitteilungen/2020/202003:altmaier-unprecedented-support-programme-for-employees-and-enterprises.html>
- €100 billion to refinance large KfW loans
<https://www.bmwi.de/Redaktion/EN/Pressemitteilungen/2020/202003:altmaier-unprecedented-support-programme-for-employees-and-enterprises.html>

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GREECE

Date of announcement: 30 March 2020

Immediate fiscal impulse (€2.1 billion):

- €1.4 billion in extraordinary financial support to employees, including providing 800 euro to up to 1.7 million employees (81% of all private sector total) ([source](#))
- €150 million in support for areas of the primary sector affected by the health crisis through the Ministry of Rural Development and Food ([source](#))
- €550 million in additional expenditure, including increased health expenditure, supporting health care workers and covering employees Easter bonus ([source](#))

Deferrals (€3.7 billion):

- €2.1 billion in suspension of tax liabilities, including deferred tax expenditure for affected

businesses and employees and 25% tax discounts for those who choose not to defer payment ([source](#))

- €1.6 billion in suspension of social security contributions and subsidies of the contributions of the self-employed, small business owners and employees ([source](#))

Other liquidity and guarantee measures (€1 billion):

- €1 billion financing scheme to provide wholly or partially repayable direct financial support to active SMEs affected by the health crisis ([source](#))

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HUNGARY

Date of announcements: 17 March 2020

(<https://magyarkozlony.hu/dokumentumok/0a45e158ca1d1b307b2057292893bc7981c3d500/megtekintes>) and 23 March 2020

(<https://magyarkozlony.hu/dokumentumok/9ede64f74b967131f6e0b99bf4e092775ce6633c/megtekintes>)

Immediate fiscal impulse (HUF 208.6 billion):

- HUF 142.5 billion (17 March decisions) plus an additional HUF 35.6 billion (23 March decisions) tax and social security cancellation for selected activities in March – June 2020 (amount estimate for the 17 March decisions is from https://index.hu/gazdasag/2020/03/21/jarulekok_csokkentese_kata_adozas_vendeglatos_taxis_turizmus_koro, while for the 23 March decision we assume one-fourth of the 17 March amount)
- HUF 12 billion cancellation of the tourism development fee for March-June 2020 (source for a March-May estimate is <https://www.portfolio.hu/gazdasag/20200319/mekkora-csomagot-jelentett-be-orban-viktor-kizamoltuk-420523> that we corrected to March-June 2020)
- HUF 2.1 billion (17 March decisions) plus an additional HUF 16.3 billion (23 March decisions) cancellation of taxes of certain small entrepreneurs (amount estimates https://index.hu/gazdasag/2020/03/21/jarulekok_csokkentese_kata_adozas_vendeglatos_taxis_turizmus_koro and https://index.hu/gazdasag/2020/03/24/hat_pont_gazdasagi_segitsege/)
- HUF 0.1 billion cancellation of interests and charges on certain unpaid taxes (base estimate is from https://index.hu/gazdasag/2020/03/24/hat_pont_gazdasagi_segitsege/, which is multiplied by 6% and applied for 3 months)

Deferrals (HUF 3873 billion):

- HUF 450 billion (interest) and HUF 3423 billion (capital amortisation) loan repayment moratorium for all households and corporate loans up to 31 December 2020. Amount estimates: HUF 450 billion interest estimate is from the Hungarian Banking Association

(<http://www.bankszovetseg.hu/hirek-aktualitasok.cshtml?lang=hun&hirId=46>).

HUF 3423 billion capital amortisation is our estimate by considering outstanding amount and maturity of households and non-financial corporate loans. Household loans are categorised as maturing within a year, within 1 and 5 years and over 5 years. We assumed that the average maturity of loans maturing within 1 and 5 years is 3 years, while the average maturity of loans over 5 years is 10 year for mortgage loans and 7 years for other loans. Information for corporate loans is available for within one year and over one year maturity: we assumed that the average maturity of over one year loans is three years. We then calculated the expected capital amortisation over the next 12 months and then multiplied this value with $9.5/12$ to approximate capital amortisation from mid-March to end-December.

Other liquidity and guarantee measures:

- No such measure is announced by the government (but the Hungarian central bank announced a number of measures boosting liquidity of the banking system)

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ITALY

Date of announcement: 17 March 2020, official text:

<https://www.gazzettaufficiale.it/eli/id/2020/03/17/20G00034/sg>, Ministry of Economics and Finance dedicated page: <http://www.mef.gov.it/covid-19/>

Immediate fiscal impulse (€16 billion):

- €2.4 reduced taxes and contributions for all firms in severely affected sectors (severely affected sectors include tourism and leisure, transport, restaurants and bars, culture, sports, education, events) and all firms below €2 million, which include (a) suspension of VAT payments and contributions in March, (b) 60% tax break of on commercial rents, (c) 50% tax break for sanitization costs, (d) Deducibility of donations for Covid19, (e) Suspension of expiring tax payments demands and tax declarations
- €10.4 billion for keeping people employed and supporting the unemployed, which include the following measures: (a) All workers: Freezing of layoffs for all workers for two months, independently on the type of contract, where the layoff was opened after February 23rd, including layoffs for economic reasons; (b) All workers: Extension of (various) unemployment insurance mechanisms for all sectors, regions, and employees (9 weeks); (c) Self-employed: €600 bonus for self-employed and autonomous workers; (d) All workers not-working-from-home: €100 salary bonus in March to all workers not in smart working, cap of income of €40000; (e) Working parents: €600 bonus

- €3.2 billion additional healthcare related spending, which includes: (a) €1.65 billion in the National Emergency Fund, (b) the cost of 20,000 additional staff in the sanitary sector, (c) €150 million for extra-hour payroll costs of NHS personnel; (d) €400 million increase of intensive care units, €50 million subsidies to firms producing protective equipment; (e) €150 million for requisition from private sector for public health purposes of sanitary equipment and facilities (including hotels); (f) €68 million additional medical and nursing personnel in the military; (g) the cost of the possibility to postpone retirement of medical personnel.

Deferrals (€230.7 billion):

- € 10.7 billion deferred taxes and contributions for all firms in severely affected sectors and all firms below €2 million, which include; see the measures in the first point above at immediate fiscal response
- €220 billion moratorium on all loans and mortgages payable in instalments until 30 September of all micro, small, and medium sized firms (SMEs)

Other liquidity and guarantee measures (€130 billion):

- €100 billion new loans Central Guarantee Fund for SMEs access to credit
- €10 billion state guarantee for banks financing big and medium enterprises not in SMEs support fund (500 million guarantees with a multiplier of 20)
- €10 billion for incentives for liquidity unlocking for banks and enterprises
- €10 billion in other measures

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NETHERLANDS

Date of announcement: 17 March 2020

Direct fiscal impulse (€12.7 billion):

- €10 billion to keep people employed with reduced hours or no hours of work, using legislation designed to temporarily bridge crisis situations without job losses ("Tijdelijke noodmaatregel overbrugging voor werkbehoud (NOW)") (source: <https://www.rijksoverheid.nl/ministeries/ministerie-van-economische-zaken-en-klimaat/nieuws/2020/03/17/coronavirus-kabinet-neemt-pakket-nieuwe-maatregelen-voor-banen-en-economie>)
- €1.5 to 2 billion to provide an income to self-employed workers amounting to a maximum of €1500 depending on the composition of the worker's household (source: <https://www.rijksoverheid.nl/ministeries/ministerie->

van-economische-zaken-en-
klimaat/nieuws/2020/03/17/coronavirus-
kabinet-neemt-pakket-nieuwe-maatregelen-
voor-banen-en-economie)

- €0.006 billion in reduction of interest of microcredit loans from Qredits (source: <https://www.rijksoverheid.nl/ministeries/ministerie-van-economische-zaken-en-klimaat/nieuws/2020/03/17/coronavirus-kabinet-neemt-pakket-nieuwe-maatregelen-voor-banen-en-economie>)
- €0.465 billion in emergency support in the form of a lump sum of €4000 for businesses that were forced to close doors due to government regulations (source: [https://fd.nl/economie-politiek/1338517/hoekstra-trekt-15-6-mrd-uit-voor-eerste-steun-bedrijven?](https://fd.nl/economie-politiek/1338517/hoekstra-trekt-15-6-mrd-uit-voor-eerste-steun-bedrijven?utm_medium=social&utm_source=twitter&utm_campaign=SHR_ARTT_20200318&utm_content=Economie)
[utm_medium=social&utm_source=twitter&utm_campaign=SHR_ARTT_20200318&utm_content=Economie](https://fd.nl/economie-politiek/1338517/hoekstra-trekt-15-6-mrd-uit-voor-eerste-steun-bedrijven?utm_medium=social&utm_source=twitter&utm_campaign=SHR_ARTT_20200318&utm_content=Economie))
- €0.150 billion fiscal cost related to lost interest income on tax deferrals and cancelling late payment fees (source: [https://fd.nl/economie-politiek/1338517/hoekstra-trekt-15-6-mrd-uit-voor-eerste-steun-bedrijven?](https://fd.nl/economie-politiek/1338517/hoekstra-trekt-15-6-mrd-uit-voor-eerste-steun-bedrijven?utm_medium=social&utm_source=twitter&utm_campaign=SHR_ARTT_20200318&utm_content=Economie)
[utm_medium=social&utm_source=twitter&utm_campaign=SHR_ARTT_20200318&utm_content=Economie](https://fd.nl/economie-politiek/1338517/hoekstra-trekt-15-6-mrd-uit-voor-eerste-steun-bedrijven?utm_medium=social&utm_source=twitter&utm_campaign=SHR_ARTT_20200318&utm_content=Economie))
- €0.300 billion for the administrative implementation of the measures mentioned for the self-employed workers (source: [https://fd.nl/economie-politiek/1338517/hoekstra-trekt-15-6-mrd-uit-voor-eerste-steun-bedrijven?](https://fd.nl/economie-politiek/1338517/hoekstra-trekt-15-6-mrd-uit-voor-eerste-steun-bedrijven?utm_medium=social&utm_source=twitter&utm_campaign=SHR_ARTT_20200318&utm_content=Economie)
[utm_medium=social&utm_source=twitter&utm_campaign=SHR_ARTT_20200318&utm_content=Economie](https://fd.nl/economie-politiek/1338517/hoekstra-trekt-15-6-mrd-uit-voor-eerste-steun-bedrijven?utm_medium=social&utm_source=twitter&utm_campaign=SHR_ARTT_20200318&utm_content=Economie))

Deferrals (€26 billion):

- €26 billion (Bruegel estimate) of tax deferral based on the deferral for 3 months of VAT, income tax, wage tax and corporate tax. (source: <https://www.rijksoverheid.nl/ministeries/ministerie-van-economische-zaken-en-klimaat/nieuws/2020/03/17/coronavirus-kabinet-neemt-pakket-nieuwe-maatregelen-voor-banen-en-economie>)

Other liquidity and guarantee measures (€4.5 billion):

- € 2 billion for loans with subsidized interest rates to self-employed workers' businesses to maintain adequate capital (source: <https://www.rijksoverheid.nl/ministeries/ministerie-van-economische-zaken-en-klimaat/nieuws/2020/03/17/coronavirus-kabinet-neemt-pakket-nieuwe-maatregelen-voor-banen-en-economie>)
- € 2.2 billion of extra credit available due to increased guarantee ceiling for business loans and ensure availability of credit to firms (this amount could be increased later) (source: <https://www.rijksoverheid.nl/ministeries/ministerie-van-economische-zaken-en-klimaat/nieuws/2020/03/17/coronavirus-kabinet-neemt-pakket-nieuwe-maatregelen-voor-banen-en-economie>)
- € 0.3 billion of additional credit available through increased state guarantee for bridging loans to small businesses will be expanded from 50% to 75% of the loan under the

Borgstelling MKB-kredieten (BMKB) (source: <https://www.rijksoverheid.nl/binaries/rijksoverheid/documenten/kamerstukken/2020/03/23/toetsingskader-risicoregelingen-rijksoverheid-verruiming-bmkb/bijlage-toetsingkader-risicoregelingen-rijksoverheid.pdf>)

- € 0.014 billion of additional credit available through state guarantees for credit to the agricultural sector will be extended by adding € 300 000 to the guarantee ceiling per agricultural firm of the Borgstellingskrediet Landbouw (BL). (source: <https://www.rvo.nl/subsidie-en-financieringswijzer/borgstellingskrediet-voor-de-landbouw-bl/verruimd-verband-met-corona> and <https://www.boerderij.nl/Home/Nieuws/2020/3/Ruimte-voor-120-miljoen-extra-krediet-in-landbouw-560100E/>)

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SPAIN

Date of announcement: 12th, 17th and 31st March 2020

Immediate fiscal impulse (€13.9 billion):

- €3.8 billion in medical expenditure (out of these, €2.8 billion will be transferred to regional governments, the remaining €1 billion will be placed in a contingency fund, to be directed by the ministry of health) https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824
- 25 million in meal allowances to ensure the basic access to food for vulnerable children https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824
- €5 billion in additional public expenditure corresponding to the package of measures adopted on March 17th to add flexibility to the economy, to preserve jobs, to support workers, firms, families and vulnerable groups, and to fund research on COVID-19. The package includes, among other measures:
 - €110 million funding research into a vaccine and other treatment https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824
 - €300 million in transfers to regional governments to combat the social impact of COVID-19 https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824
 - €300 million in additional expenditure by local authorities to fund social services and primary assistance to dependent persons

- 5.1 billion in additional key fiscal measures, as estimated by the IMF (no official Spanish government estimate is available yet).
<https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#S>
This includes some of the following:
- Additional expenditure relates to the use of temporary employment schemes (ERTEs). They have been simplified and access conditions to them have been extended. In addition, employers will benefit from certain exemptions of social security contributions during the period of application of the temporary employment adjustment scheme.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824
- An extraordinary allowance is provided for self-employed workers affected by the suspension of economic activity.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824
- An assistance programme to support those identified those as economically vulnerable, to meet rent payments or to service debt obtained to cover their rent (up to a total of 900 euro a month, the full rent payment or the full interest payment). An additional programme looks to specifically support victims of domestic violence, those at risk of eviction, the homeless and those identified as especially economically vulnerable.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208
- Extension of eligible recipients of the 'social coupon' (on electricity), including to the self-employed who have seen their monthly income diminished by over 75% from the previous semester's average.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208
- A subsidy for domestic workers who have seen their contracts suspended or terminated, amounting to 70% of their contribution base.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208
- An allowance to

temporary workers now
redundant, not eligible for
regular unemployment
benefits (around 430 euro
a month).
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208

Deferrals (€18.55 billion):

- €14 billion in deferred tax expenditure for 6 months for SMEs and the self-employed
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3580 &
<https://elpais.com/economia/2020-03-13/pymes-y-autonomos-podran-aplazar-hasta-30000-euros-en-el-pago-de-impuestos-durante-seis-meses.html>
- About €5 billion moratorium on mortgage loan payments on primary homes for those identified as economically vulnerable, facing extraordinary difficulties procuring payment as a result of the COVID-19 pandemic
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824 &
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208 No official amount estimate is available, nor could we find estimates by researchers. The €5 billion amount is our rough estimate, by multiplying the outstanding volume of mortgages by 35% (assuming that the condition will apply to 35% of them, after the March 31st package widened the scope of beneficiaries) and then dividing it by 40 (assuming that the average maturity is 10 years so one-tenth would be paid in the next 3 months).
- No amount estimate available: Guaranteed supply of water, electricity and gas regardless of payment to consumers identified as vulnerable or at risk of social exclusion
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824
- No amount estimate available: moratorium on rent payments for those tenants identified as economically vulnerable whose landlord satisfies certain conditions (chiefly owning over 10 properties) for a maximum of four months.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208
- No amount estimate available: discretionary moratorium on non-mortgage debt payments, to be granted to certain individuals identified as economically vulnerable.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208
- No amount estimate available: 6 months discretionary moratorium on social security contributions of companies and self-employed workers that meet certain conditions.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208

Other liquidity and guarantee measures (€112.4 billion):

- €100 billion in credit guarantees programmes for companies and the self-employed, both for re-financing and new credit

https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824

- €10 billion increase in the net borrowing limit of the ICO (Spanish equivalent of the EIB) to increase existing lines of credit
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824
- Specific ICO financing facility amounting to €400 million to support, through liquidity provision, firms and self-employed workers in the tourism sector affected by COVID-19
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3580
- 60 million increase in the budget of CERSA (Compañía Española de Reafianzamiento) to increase their ability to provide guarantees.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208
- No amount estimate available: the establishment of a full government guarantee package to facilitate bank financing for tenants identified as economically vulnerable who must still meet rent payments, with no interests or costs accrued by the applicant, up to a maximum of six months of rent payments.
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-4208
- Up to 2 billion in guarantees through the Spanish Export Insurance Credit Company
https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-3824

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UNITED KINGDOM

Dates of announcements: 11 March 2020, 18 March 2020, 20 March 2020, 23 March 2020, 26 March 2020, 31 March 2020, 8 April 2020

Immediate fiscal impulse (£100.5 billion):

- £42.0 billion for the Coronavirus job retention scheme
<https://obr.uk/coronavirus-reference-scenario/>
- £15.0 billion for the small business grant schemes
<https://obr.uk/coronavirus-reference-scenario/>
- £13.0 billion for a 12-month business rates holiday for all retail, hospitality, leisure and nursery businesses.
<https://obr.uk/coronavirus-reference-scenario/>
- £10.0 billion of additional funding to the NHS
<https://obr.uk/coronavirus-reference-scenario/>
- £10.0 billion for the Self-Employed Income Support Scheme
<https://obr.uk/coronavirus-reference-scenario/>

- £7.0 billion for welfare measures, including increases in the standard allowance of universal credit
<https://obr.uk/coronavirus-reference-scenario/>
- £1.2 billion to delay by a year the implementation of reforms to off-payroll working rules for the private sector
<https://obr.uk/coronavirus-reference-scenario/>
- £1.0 billion to extend Statutory Sick Pay (SSP) and temporarily remove the minimum income floor in Universal Credit
<https://obr.uk/coronavirus-reference-scenario/>
- £0.8 billion of extra funding to frontline charities across the UK
<https://obr.uk/coronavirus-reference-scenario/>
- £0.5 billion of funding for local authority to support vulnerable people
<https://obr.uk/coronavirus-reference-scenario/>
- no cost estimate for the suspension of rail franchise agreements
<https://obr.uk/coronavirus-reference-scenario/>
- no cost estimate for exemptions from import duties on medical products
<https://obr.uk/coronavirus-reference-scenario/>

Deferrals (£330 billion):

- £330 billion for the Coronavirus business interruption loan scheme and the Covid Corporate Financing Facility
<https://obr.uk/coronavirus-reference-scenario/>

Other liquidity and guarantee measures (£30 billion):

- £30 billion for VAT payments deferred
<https://obr.uk/coronavirus-reference-scenario/>

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UNITED STATES

Dates of announcement: 6 March 2020, 18 March 2020, 26 March 2020

Immediate fiscal impulse (\$1170.9 billion):

- \$600 billion (Bruegel estimate) in direct payments of \$1,200 to Americans earning up to \$75,000 — which would gradually phase out for higher earners and end for those with

incomes more than \$99,000 — and an additional \$500 per child
<https://www.nytimes.com/2020/03/25/us/politics/coronavirus-senate-deal.html?action=click&module=RelatedLinks&pgtype=Article>

- \$117 billion for hospitals and veterans' health care
<https://www.nytimes.com/2020/03/25/us/politics/coronavirus-senate-deal.html?action=click&module=RelatedLinks&pgtype=Article>
- \$100 billion to fund national emergency declaration measures, including provisions for emergency paid leave for workers at big businesses, expanded unemployment insurance and free testing
<https://www.cnn.com/2020/03/23/trump-fed-congress-government-efforts-to-contain-coronavirus-economic-impact.html>
- \$193 billion (Bruegel estimate) to expand jobless aid, providing an additional 13 weeks and a four-month \$600-per-week enhancement of benefits, extending them for the first time to freelancers and gig workers (Assumptions for the estimate: constant unemployment rate of 20% [Fed's Bullard predicts 30%, currently at 5.5%]; all beneficiaries as of 4 January 2020 remain for an additional 16 weeks in 2020 and exit unemployment thereafter; all new beneficiaries remain for the whole year; does not account for freelancers and gig workers)
<https://www.nytimes.com/2020/03/25/us/politics/coronavirus-senate-deal.html?action=click&module=RelatedLinks&pgtype=Article>
<https://www.bloomberg.com/news/articles/2020-03-22/fed-s-bullard-says-u-s-jobless-rate-may-soar-to-30-in-2q>
- \$50 billion in tax credit for retaining employees, worth up to 50% of wages paid during the crisis, for businesses forced to suspend operations or that have seen gross receipts fall by 50% from the previous year (<https://www.nytimes.com/aponline/2020/03/25/business/ap-us-virus-outbreak-congress.html>)
\$35 billion to increase the Federal share of Medicaid payments by 6.2 percent
<https://www.cbpp.org/blog/medicaid-funding-boost-for-states-cant-wait>
- \$32 billion in grants for wages and benefits to the airline industry
<https://edition.cnn.com/2020/03/25/politics/stimulus-package-details-coronavirus/index.html>
- \$16 billion for strategic national stockpile of pharmaceutical and medical supplies
<https://www.cnn.com/2020/03/25/coronavirus-stimulus-bill-updates-whats-in-the-2-trillion-relief-plan.html>
- \$15.5 billion in additional funding for the Supplemental Nutrition Assistance Program (food stamps) and Child Nutrition Program.
<https://edition.cnn.com/2020/03/25/politics/stimulus-package-details-coronavirus/index.html>
- \$8.3 billion to authorities already fighting to contain the outbreak and allocated \$3 billion for vaccine research.
<https://www.cnn.com/2020/03/23/trump-fed-congress-government-efforts-to-contain-coronavirus-economic-impact.html>
- \$1.2 billion to Fund National Guard's

coronavirus response

<https://edition.cnn.com/2020/03/25/politics/stimulus-package-details-coronavirus/index.html>

- \$1 billion to fund additional Defense Purchases Act purchases
<https://edition.cnn.com/2020/03/25/politics/stimulus-package-details-coronavirus/index.html>
- \$0.8 billion to fund the emergency food assistance programmes
<https://www.aljazeera.com/news/2020/03/2-trillion-coronavirus-rescue-bill-hits-late-snags-senate-200325212657144.html>
- \$0.8 billion in Increased funding for Peace Corps, diplomatic programs, USAID and refugees
<https://edition.cnn.com/2020/03/25/politics/stimulus-package-details-coronavirus/index.html>
- \$0.3 billion in additional funds for the State Department, as well as money specifically for evacuation expenses
<https://edition.cnn.com/2020/03/25/politics/stimulus-package-details-coronavirus/index.html>
- \$0.1 billion to support National Endowment for the Art and the John F. Kennedy Center for the Performing Arts in Washington, DC.
<https://edition.cnn.com/2020/03/25/politics/stimulus-package-details-coronavirus/index.html>

Deferrals (\$561 billion):

- \$492 billion (Bruegel estimate) delay payroll tax for employers: qualifying companies would be able delay their share of Social Security payroll taxes to the Internal Revenue Service (IRS). They would be delayed until 1 January 2021. (assumptions for estimate: 75% of businesses deferral claim)
<https://www.cnbc.com/2020/03/25/coronavirus-stimulus-bill-updates-whats-in-the-2-trillion-relief-plan.html>
- \$69 billion (Bruegel estimate) student loan payment suspensions without penalty through September 30
<https://edition.cnn.com/2020/03/25/politics/stimulus-package-details-coronavirus/index.html>

Other liquidity and guarantee measures (\$877 billion):

- \$500 billion government lending program for distressed companies, allowing the administration to take equity stakes in airlines that received aid to help compensate taxpayers.
<https://www.nytimes.com/2020/03/25/us/politics/coronavirus-senate-deal.html?action=click&module=RelatedLinks&pgtype=Article>
- \$377 billion federally guaranteed loans to small businesses
<https://www.nytimes.com/2020/03/25/us/politics/coronavirus-senate-deal.html?action=click&module=RelatedLinks&pgtype=Article>

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Comments to improve the coverage and the estimates are welcome. Please send your comments to

