



Austrian Government Measures for Exporters in Times of COVID-19 Crisis

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Abstract and Policy Implications

The research paper provides important findings about the development, difficulties and perception of the support measures for exporters introduced by the Austrian government in times of COVID-19 crisis. Based on a literature review using secondary data, eight qualitative interviews were conducted with experts from the Austrian economy and government, among them the Austrian ECA 'Oesterreichische Kontrollbank AG'. To balance the effects of the COVID-19 pandemic on the Austrian economy, a broad coverage with financing instruments for a wide range of target groups was established. Although the support measures have been well received by companies, insolvencies cannot completely be prevented. Nevertheless, the actual effects are not yet predictable and need to be assessed in further research at a later point in time.

1. Introduction and Methodology

The topic of this research paper is to find out in what manner and scope the Austrian government supports its exporting companies financially in order to withstand the COVID-19 crisis. Especially interesting are the questions how the measures were developed, what difficulties occurred during the process and how the established measures are assessed by the export industry and the executing institutions.

The trading conditions and decisions of exporters are widely affected by the availability of sufficient and affordable trade financing (Heiland & Yalcin, 2015; Meyer & Klasen, 2013). Companies are in need of governmental support to bridge the gap between supply and demand in the private trade finance market (Krummaker, 2020; Meyer & Klasen, 2013).

In times of crisis, trade finance plays an even more important role as can be explained by the formula ' $Y = C + I + G + (EX - IM)$ ' with Y being the gross domestic product (GDP), C the consumption, I the investments, G the government spendings, EX the exports and IM the imports (Mankiw & Taylor, 2018). During a crisis, consumption, investments and trade balance (EX - IM) drop significantly, which is why governmental interventions become necessary to mitigate the effects on the economy and offer access to trade finance since private supply is significantly reduced in crises (Chatterjee et al., 2020). The financial crisis with its peak in 2008 showed that public institutions are able to lower the dimension of deficits in export volumes by counteracting liquidity problems in the private market (Chor & Manova, 2012). The main findings of this paper are that the Austrian government not only introduced several specific measures to ensure a broad coverage with financing instruments for a wide range of target groups, but also founded a subsidiary for the measures' handling. Overall, the measures have been well received by many companies and can thus at least partially soften the effects of the crisis.

To assess the research question primary and secondary data were collected. As primary data sources, eight qualitative, semi-structured interviews with experts from the Austrian economy and government were conducted over a period from the end of May to mid-June. Four governmental organizations such as the Austrian Federal Economic Chamber (WKO), the Federal Ministry of Finance (BMF), the German Chamber of Commerce in Austria (DHK) and 'Austria Wirtschaftsservice GmbH' (aws) were interviewed. Three more interviews were conducted with 'Oesterreichische Kontrollbank AG' (OeKB), 'Raiffeisen Bank International AG' and 'Erste Group Bank AG'. The company 'Siemens AG' was available for another interview. The interview partners were selected through research and recommendations, contacted by phone or e-mail and interviewed via video and telephone conferences. Secondary data were collected between the end of April and mid-June from academic databases and websites of various Austrian institutions and banks. The added value of using both data sources results from the fact that the primary data on internal information and experience reports from different perspectives complement the official information from secondary data sources.

For a structured analysis and evaluation of primary and secondary data, the Kolb's learning cycle for qualitative analysis was used. Therefore, the transcripts and notes from the interviews and the collection of secondary data function as starting point. In the second stage, all data were reviewed in the context of reflective observation, followed by the identification of key themes, concepts, overlaps and differences in the data in the third stage. In preparation for the application in the research paper, information was sorted, matched and selected in the last analysis stage. (Maylor & Blackmon, 2005)

2. Foreign trade structure and financial support measures in Austria

Export Financing

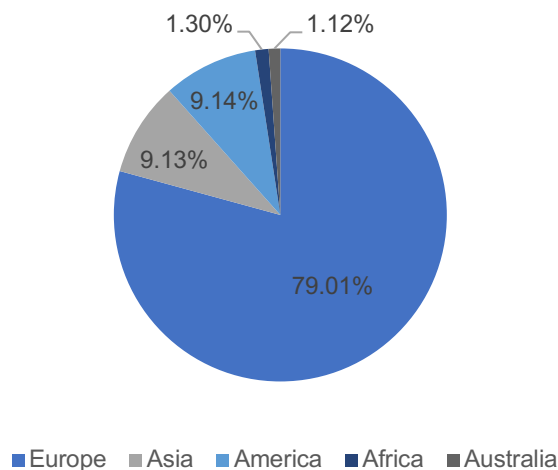
The background of export financing is that typically the exporter agrees to supply the buyer with goods or services and often bears production costs and credit risks before the buyer is willing to pay. This gap between production and payment can be bridged by an export credit or an export credit guarantee or insurance. These three trade finance instruments are often limited to short-term periods of less than one year but there are also trade credits covering medium-term periods of two to five years and long-term periods of more than five years. Export credits are given by banks and both the public and the private sector provide export credit insurance. (Auboin, 2020; Krummaker, 2020) Export credit guarantees cover the financial risk of debt shortfalls on the buyer's side by guaranteeing replacement of a certain percentage of the exposure to the bank and exporter (Malaket, 2020). The original idea of public organisations or governmentally backed private institutions offering export credit guarantees is to mitigate risk in situations of market failure (Egger & Url, 2006). Such governmental organisations are called Export Credit Agencies (ECAs), which 'are official or quasi-official branches of their governments and as such form an integral part of national governments' industry, trade promotion and foreign aid strategies' (Klasen, 2011, p. 220). Essentially, they serve the purpose of supporting, insuring and financing exports and thus enable exporters to enter new markets, secure national employment, contribute to economic growth and compensate the limited trade finance supply due to market failures (Chatterjee et al., 2020; Klasen, 2020; Krummaker, 2020; Abgaryan & Rosenthal, 2017; Klasen, 2011). Using the above mentioned instruments to reduce commercial and political export risks through cover support and fill liquidity gaps through direct lending, ECAs can help maintain international trade

relations even in times of crisis (Klasen, 2020; Krummaker, 2020; Klasen, 2011). Commercial risks can be transferred to private or public organisations through export credit insurance (Krummaker, 2020). ECAs often bear commercial risks when private insurance organisations are not able or not willing to do so (Krummaker, 2020; Abgaryan & Rosenthal, 2017). Political risks are solely covered by ECAs (Chatterjee et al., 2020; Krummaker, 2020). The financial dimensions of risks need to be assessed by the ECA and form together with the evaluation of eligibility the main preconditions for risk coverage (Klasen, 2011). Rules for ECAs are set by national laws and regulated further by international agreements of organisations as the World Trade Organization (WTO), the Organization for Economic Cooperation Development (OECD) and the European Union (EU) (Krummaker, 2020).

Foreign Trade Structure in Austria

Since the Republic of Austria is an export-oriented country, export financing is of great importance for its companies (BMDW, BMEIA & WKO, 2020). In 2019, 61,000 Austrian companies were operating in the export industry, creating an export quota in relation to the GDP of 55.7% (OeKB, 2020c; Statistik Austria, 2020). In the last 25 years the number of exporters has more than quadrupled, so that now one out of two jobs depends on the export industry (BMDW, BMEIA & WKO, 2020; OeKB, 2020c). Since 99.7% of Austrian companies are SMEs, the majority of exporters are SMEs as well which generate a third of the total export volume (BMDW, BMEIA & WKO, 2020). Austrian companies export mainly to Europe and the most important country is Germany, as shown in the charts below (WKO, 2020c).

Figure 1: Distribution of exports from Austria by continent in 2019



Source: Own representation based on WKO, 2020c.

Table 1: Five most important countries for exports from Austria in 2019

Country	Values in Euro	Percentage of world share
Germany	45,032,957,679	29.34%
United States of America	10,242,220,182	6.67%
Italy	9,753,739,269	6.35%
Switzerland	7,262,703,941	4.73%
France	6,720,686,876	4.38%

Source: Own representation based on WKO, 2020c.

The exported goods are dominated by mechanical engineering products and vehicles, followed by processed goods and chemical products (WKO, 2020b). Austria ranks 7th among the top exporting countries in terms of goods exports per capita and 9th in terms of services (BMDW, BMEIA & WKO, 2020). Nevertheless, Austria is not yet among the top 20 exporters in the world and lags behind other countries since the financial crisis in 2008 (BMDW, BMEIA & WKO, 2020; WTO Data, 2020). The state supports its export companies through the Austrian ECA OeKB which is a privately owned bank acting as an agent on behalf of the Austrian government (OeKB, 2020a; OeKB, 2020c). In 2019, 0.6% of the GDP were secured by export guarantees of OeKB (OeKB, 2020c).

COVID-19 Crisis Development in Austria

Since the beginning of 2020, the whole world has been in a pandemic caused by the corona virus SARS-CoV-2. Until July 5th the world health organization reports about 11 million confirmed cases and about 526,000 deaths worldwide (WHO, 2020). With 18,196 confirmed cases and 706 deaths, Austria is also affected by the COVID-19 humanitarian and economic crisis (OECD, 2020a; Sozialministerium, 2020; WHO, 2020). The resulting global production and demand shortfalls have plunged the world economy into the deepest recession since the Second World War and led to a call for policy responses (Baumgartner et al., 2020; OECD, 2020b). Austrian export revenues have collapsed, as demand from foreign companies and households has also fallen sharply (Url, 2020). Therefore, a decrease in the GDP of 5.2% is expected which would represent a greater negative impact on GDP than the financial crisis in 2008. Furthermore, the export of goods and services was made more difficult by the aggravated travel restrictions and border controls. (Baumgartner et al., 2020; Url, 2020) In addition, delays and shortfalls in the supply of raw materials and primary products within the international supply chains had a negative impact on production possibilities (Baumgartner, 2020). Austrian exports are projected to be 12% lower in 2020 compared to 2019 but are expected to recover by 2022 (Baumgartner et al., 2020).

Specifically Introduced Measures during COVID-19 Crisis in Austria

There are several Austrian support measures for the export industry which exist independently of the COVID-19 crisis. Namely these measures are the 'Kontrollbank Credit Line' (KRR) for large enterprises, the 'aws guarantees' and the direct financial support and consulting services by the platform 'go-international'. A detailed overview of these measures can be found in the appendix.

In order to support the economy and to secure jobs during COVID-19 crisis, the Austrian government founded the 'COVID-19 Finanzierungsagentur des Bundes GmbH' (COFAG) as a special purpose vehicle (SPV) in order to handle the aid funds and establish the rules. Furthermore a Corona support package of EUR 38 billion was introduced which includes the Corona aid funds of EUR 15 billion and further measures, among them hardship-funds for one-person and micro enterprises, a short-term work model and tax deferrals (BMF, 2020b; Ernst & Young, 2020). The Corona aid funds consist of two instruments, namely bridge-finance guarantees and fixed cost subsidies. The handling of the bridge-finance guarantees is split between three funding agencies. SMEs are handled by aws, large enterprises and exporters by OeKB and the tourism and leisure sector by 'Oesterreichische Hotel- und Tourismusbank' (ÖHT). (aws, 2020b) The bridge-finance guarantees supply banks with the necessary securities enabling them to grant working capital loans to businesses in need. In return, one

regulation is the suspension of profit distribution until 16th March 2021, followed by moderate profit distribution until the end of the loan period. Eligible are companies which are struggling to finance their operating costs due to the crisis and were neither undertakings in difficulty according to the EU definition nor in need of reorganization according to the Austrian Company Reorganization Act until 31st December 2019. (aws, 2020b; OeKB, 2020h; European Commission, 2014) For the bridge-finance guarantees the previously existing aws guarantees were extended. Furthermore, the application is simplified as several customary conditions are suspended. (aws, 2020b; DHK, 2020) The following table shows the different available bridge-finance guarantees.

Table 2: Bridge-finance guarantees

	Max. credit line in EUR	Guarantee	Interest p.a.	Max. duration	Costs	Processing time
Handled by aws	500,000	100%	0% (in the first 2 years)	5 years	none	48h
	27.7 million	90%	1%	5 years	0.25 - 1%	48h
Handled by OeKB	2x annual payroll OR 25% of annual turnover OR Actual liquidity needs for 12 months	90%	Max. 1%	5 years	0.5 - 2%	Few working days

Source: Own representation based on aws, 2020b; OeKB, 2020h.

OeKB introduced a fast-line facility of EUR 100 million in cooperation with BMF which is available for new businesses in the health, waste, water and sewage industry and in civil protection and disaster prevention. The objective behind this measure is to rapidly support the financing of projects acting to prevent and fight effects of the pandemic in Austria's export destinations. (OeKB, 2020b; OeKB, 2020d)

Fixed cost subsidies, the second instrument of the Corona aid funds, can be requested online directly at COFAG. Eligible are those businesses with losses of sales of at least 40% between 16th March and 15th September 2020 due to the crisis. In addition, the enterprise must have made reasonable efforts to reduce the fixed costs in question. The subsidies are staggered in three tranches which make in total a maximum refund of 75% of the fixed costs and perishable goods. Initially, the government planned to pay the refunds in 2021, but in reaction to feedback from entrepreneurs, in May 2020 the immediate payment of up to one third of the total costs within ten days after application was facilitated. (BMF, 2020c; COFAG, 2020)

Especially for exporters, OeKB extended the KRR to a so-called 'Sonder-KRR' which contains additional loan funds of EUR 3 billion. Similar to the existing KRR, the Republic of Austria can assume the insolvency risk depending on the creditworthiness by covering 50%–70% of the credit volume. General conditions for exporters to receive a Sonder-KRR are at least 25% Austrian added value and economical health before the crisis as mentioned before. The maximum amount of the loan is confined to 10% of last year's export turnover for large enterprises and 15% for SMEs with an upper limit of EUR 60 million per business group. As with the KRR, charges to be paid by the exporters are credit fees, processing fees and interest. The credit period is provisionally limited to two years with the possibility of extension depending

on the situation thereafter. The loan provision usually takes between one and two weeks. (OeKB, 2020e)

Additional information about support measures was collected through the interviews. The before mentioned support measures of WKO's platform go-international remain available unchanged. Furthermore, DHK offers a discount of EUR 1,000 for consulting services which has been well received by companies. The Austrian government introduced further financial and non-financial measures which are not as relevant for this paper as those described above.

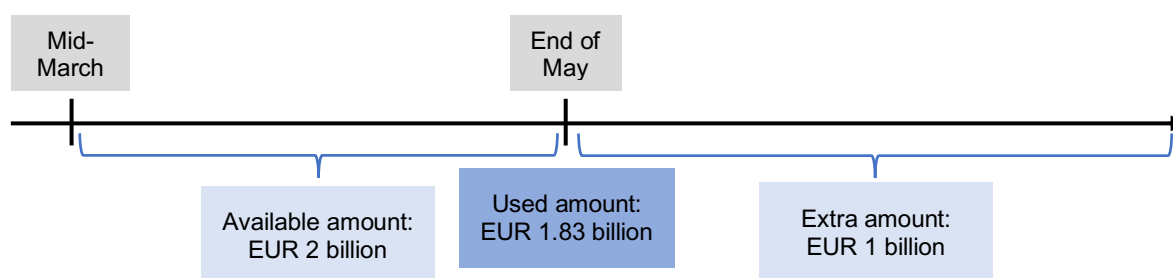
3. Interview Findings

In this chapter, the results of eight interviews are described, related to each other and critically assessed, depending on the subject area.

Support Measures Development

The introduction or modification of certain measures, such as the KRR, was discussed and decided on the basis of proposals made by OeKB in informal discussions between OeKB's executive board and BMF. The concrete volume of the measures introduced, and in particular the Sonder-KRR, was estimated on the basis of experience. Therefore, the Sonder-KRR was introduced by initially increasing the KRR by EUR 2 billion. Due to the high demand, EUR 1.83 billion were disbursed by the end of May, whereupon the Sonder-KRR was increased by EUR 1 billion. The following figure illustrates the development of the Sonder-KRR's credit line which has no defined time limit.

Figure 2: Timeline of the credit line within the Sonder-KRR



Source: Own representation.

The main reason for the modification of the KRR was the familiarity of this support program among banks and customers, which should enable smooth and rapid support for companies. Overall, OeKB's interviewee appreciated the efficient and productive cooperation with BMF, which contributed to a quick and uniform introduction of government measures in all federal states. DHK was also involved in the development of the measures for the COVID-19 crisis, as the German Ambassador in Vienna passed their interests on to the government.

Particularly interesting was the discussion about the differences between SMEs and large enterprises during the COVID-19 crisis. Two reasons why SMEs can apply for higher credits than large enterprises under the Sonder-KRR were discussed. On the one hand, large companies have better access to the capital market and financing possibilities. On the other hand, the limits of the financing instruments would be reached more quickly if large companies could also apply for higher loans. Siemens AG supported these statements from the

perspective of a large company by reporting on the comfortable liquidity situation even in times of crisis of a company the size of Siemens. Large enterprises also have a corresponding negotiating position with the government and thus political influence, since for example two to four percent of Germany's GDP consists solely of tax revenues from Siemens and its employees. SMEs, on the other hand, have little or no influence, are present in significantly fewer markets and therefore face liquidity problems due to fluctuation effects of the crisis sooner than large enterprises.

Comparing Germany and Austria, a faster payment of direct aid to companies in Germany was reported. However, the 100% bridge-finance guarantees of aws represent a unique feature in European country comparison, as Austria is one of only four countries to offer this instrument. Furthermore, Austria handled the introduction of support measures in a uniform way, as compared to Germany no decision is left to the federal states and all decisions were adopted at government level. Another interesting aspect is that in the COVID-19 crisis Germany has in many ways used Austria as a model for measures and the general handling of the crisis. This relationship normally is reversed which suggests that Germany assessed the Austrian handling of the crisis as solid and efficient. Another reason certainly is that the crisis reached Austria earlier than Germany. Nevertheless, these statements only reflect the personal perception of the interviewees and cannot completely be supported by facts.

In the context of the difficulties encountered in handling the measures introduced, criticism from companies was reported. Despite the fast handling of applications by aws, the payout time is perceived to be too long mainly by SMEs. This indicates the undercapitalisation of Austrian SMEs and the resulting dependence on foreign capital which supports the special need for trade finance among SMEs stated by Krummacker (2020) and Meyer and Klasen (2013). Furthermore, the interviews provided valuable insights into the difficulties in the application process from the banks' perspective. Essentially, the banks explained the delays with the individuality of each case and the necessity of checking each application thoroughly. The normal processes and risk assessments of the banks cannot be ignored even in times of crisis, as otherwise possible loan defaults would have serious and far-reaching consequences. The queries submitted to the banks by OeKB, COFAG and politicians also make it impossible to pay out loans in the shortest possible time. Although the government has issued some process simplifications, this does not work for every instrument for the reasons explained above and is not appropriate in the long run. Nevertheless, the processing of the Sonder-KRR runs more smoothly than the processing of the measures via COFAG, which confirms the considerations already mentioned above for adapting this established instrument. It was also observed that the Sonder-KRR is preferred by most companies. In addition, the bridge-finance guarantees represent a much greater restriction for the banks due to the fixed interest rate already described in chapter 2 compared to the Sonder-KRR, since the risk of a changed interest landscape must therefore be carried completely by the banks. Credit risk hence is expected to increase from 2021 and the focus for banks will be on building up risk provisions this year.

Applications and Processing

In an attempt to reach an overview of the structure of companies in need of financial support, the dominating company sizes and industries of the applications submitted so far were discussed. Although companies of all sizes were represented, more SMEs applied. However, this can be traced back to the fact that there are far more SMEs in Austria than large

enterprises. Concerning the companies' industries, the sectors in focus are automotive suppliers, retailers and tourism, however the demand of financial support crosses all industries. The main reason for the insignificance of size and industry of the applying companies is that problems in supply and payment delays are not restricted to single areas of the economy. Nevertheless, the loans are in many cases not fully utilised because of the restriction of profit distribution and the companies' will to repay as soon as possible. Furthermore, the impression was mentioned that sometimes banks decide not to apply for bridge-finance guarantees because they assess their own risk as too high despite the guarantees. This might be a common problem with high-guarantee instruments. Additionally, the high request of financing without delivering corporate securities for the banks again suggests a high vulnerability among the Austrian economy as a result of the above mentioned undercapitalisation especially of SMEs. This seems to be a comparable situation as of the banks during the financial crisis of 2008.

During the interview conduction, a new support measure for private credit insurers was in progress aiming to ensure the continuous provision with supplier credits. This measure was introduced soon afterwards, on 1st July 2020, with a volume of EUR 1 billion (Auer, 2020). Auer has already reached their maximum with the 100% guarantee with 0% interest for two years and 48 hours of processing time, but BMF communicated that the financial limits could be extended if necessary. Furthermore, information about the internal controlling of the effectiveness of the provided guarantees gave valuable insights: Sophisticated systems for results monitoring are used, random samples of applications are examined for correctness, a constant analysis of clients' feedback and an ongoing, intensive dialogue with banks and companies is maintained, since a thorough control by the Court of Auditors is expected. Due to the additional workload the internal structures have also undergone considerable changes since March 2020. Moreover, an innovation backlog in relation to home office and digital working environments became visible.

Current Atmosphere and Future Outlook

The views on the mood currently dominating the Austrian economy and especially the Austrian exporters differed. On the one hand, the opinion was expressed that, although the atmosphere among companies is negative due to the collapse of revenues (especially for exporters), there is little despair due to the broad support by the government. On the other hand, the atmosphere was still perceived as tense and desperate since it takes too long for some SMEs to get the requested aid paid. The future of the Austrian economy, and of exporters in particular, will probably be marked mainly by the insolvencies of those companies that already faced liquidity problems before the crisis. Additionally, delays in delivery and losses of sales make management failures in some companies visible. Furthermore, the tendency of an increased importance of domestic trade and more local value chains will lead to a tighter export market in the future. However, all assessments of the future are subjective opinions of the interviewees. At this point in time it is difficult to estimate the extent of the COVID-19 crisis, as this situation is not comparable to previous economic crises.

4. Summary and Conclusion

The research in the context of this working paper has shown that the Austrian financial support measures for the export industry in response to the COVID-19 crisis consist mainly of the

modification of already established export financing instruments such as the KRR and the awg guarantees and the introduction of new measures such as the fixed cost subsidies. The entire Corona support package of EUR 38 billion, together with the Sonder-KRR of EUR 3 billion, forms a large volume compared to the size of Austria and ensures a broad coverage with financing instruments for a wide range of target groups. This is also supported by the extension of the Sonder-KRR, the recent introduction of the measure for private credit insurers and the clear positioning of BMF that financial resources are not the limiting factor concerning support measures. Further special features of the financial support during the COVID-19 crisis are the introduction of the financing agency COFAG and the highest possible guarantee coverage of 100%. All interviewees confirmed the overall fast, efficient and uniform implementation of the measures, which is supported by positive feedback from many companies, despite initial difficulties in processing the applications. Notwithstanding Austria's overall solid position with regard to financial instruments, all interviewees stated that insolvencies could not be avoided, which is also reinforced by the apparent undercapitalisation of many SMEs. Since the Austrian economy consists mainly of SMEs, this indicates an overall vulnerability of the economy in times of crisis. In order to be better prepared for future crises, the build-up of a higher level of equity financing for companies together with more robust liquidity planning is essential. Additionally, the innovation backlog must be cleared further in future with regard to the expansion of home office and the general degree of digitisation in the institutions. Moreover, government and companies alike should place a stronger focus on the domestic market in order to maintain a better balance between the markets served and at least partially reduce their dependence on international customers, suppliers and markets. Also worth mentioning is the finding that the government not only contributes to improving the situation in Austria, but also to the overall situation in other countries, for example by promoting projects via the fast line facility that mitigate the global effects of the crisis.

A few difficulties have been met while working on this research paper. Due to the fact that at the time of the research not many secondary sources on topics concerning the COVID-19 crisis and its consequences for the export economy could be found, additional information was gathered through expert interviews. The interview partners were found primarily on the basis of recommendations, which also made it easier to establish contact during the hectic time of the crisis. A further challenge was the constant flow of news and changes to the topic under discussion because of the dynamic crisis situation. Therefore, the main research for new information was stopped at the end of June 2020.

As already mentioned, the actual effects of the crisis remain unpredictable. To determine and assess in a detailed and well-founded manner whether the financial aid introduced for export enterprises in Austria was sufficient and successful, a further investigation must be carried out at a later point in time. In addition to this mentioned implication for academics the research topic offers further implications for other stakeholders. For politicians and members of state institutions, further investigations and performance reviews would be helpful, as they can be used for reflection and prevention in order to be better prepared for similar situations in the future. Additionally, this research topic can be useful for companies as it gives an overview of the financial support measures.

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Appendix

Overview of financial support measures in Austria (Chapter 2)

There are several Austrian support measures for the export industry which exist independently of the COVID-19 crisis and are provided by various institutions. In the following, only the relevant financial support measures for the present research paper are described.

OeKB

As already discussed, the Austrian ECA OeKB is the main partner for companies in handling export financing in Austria (OeKB, 2020a). With regards to working capital loans OeKB offers a framework credit for SMEs as well as for large enterprises from Austria that export goods and/or services and meet the EU definition of SMEs or large enterprises (OeKB, 2020f; OeKB, 2020i; OeKB, 2020g). The framework credit for SMEs includes revolving capital loans for the financing of up to 30% of the annual export turnover (OeKB, 2020i). For large enterprises the so-called 'Kontrollbank Credit Line (KRR)' is an established financial instrument under which banks can issue working capital loans to finance export receivables and up to 20% of export orders (OeKB, 2020g). In addition, OeKB can act as a risk partner towards the bank by handling federal guarantees as an authorised representative of the Republic of Austria (BMF, 2020a). Under these export guarantees by aval, the Republic of Austria covers up to 80% of the credit volume, a maximum of 15% of the export turnover and a maximum of EUR 60 million. In accordance with the objectives of export financing, collateral is thus created for the banks and the financial leeway of companies is increased through attractive loans. The costs on the companies' side include a guarantee by aval fee, a one-off handling fee and the interest rate. Succeeding an application to OeKB made through the company together with the bank, the final approval is granted by the BMF after careful review. (OeKB, 2020g)

aws

Another governmental institution is aws, which is the promotional bank of the Austrian federal government and offers various support services for financing and securing direct investments abroad (aws, 2020c; WKO & BMDW, 2020b). Their herein most relevant support program is the aws guarantee for sole entrepreneurs, SMEs and large enterprises from Austria. Similar to OeKB's KRR described above, the guarantees serve as collateral for the banks when granting investment or working capital loans. More precisely, these guarantees can be used to guarantee up to 80% of the loan volume with a maximum liability of EUR 25 million and a maximum term of 20 years. In return, companies are obliged to pay a processing and guarantee fee. The application is made online at aws in cooperation with the respective bank. (aws, 2020a)

Advantage Austria and go-international

Besides OeKB and aws, the foreign trade department of the Austrian Federal Economic Chamber 'Advantage Austria' operates as the foreign trade promotion organisation of the Austrian Economy and offers further business development services for Austrian companies. These include consulting services, information events on export, contact arrangements and much more (WKO, 2020a). Together with the Austrian Federal Ministry for Digital and Economic Affairs (BMDW), the 'go-international' platform is operated, which offers, in addition to further consulting services and events, direct financial support for exporting SMEs and large enterprises from Austria (WKO, 2020a; WKO & BMDW, 2020a).