

May 1, 2021

Canada's COVID-19 Emergency Response: Monthly Report to FINA – [BDC / EDC / CMHC / OSFI / Bank of Canada]* **First Report, May 1, 2021**

***Pursuant to the Motion adopted April 1, 2021:**

That, in the same spirit as the referral motion of the House following the passage of the COVID-19 Emergency Measures Act (Royal Assent March 25, 2020) and the COVID-19 Emergency Measures Act No. 2 (Royal Assent April 11, 2020), the committee request the following organizations: BDC, EDC, CMHC, OSFI and the Bank of Canada, in both official languages, to provide to members of the Committee a report on the status of liquidity support measures resulting from the programs established in response to the fight against COVID-19 on a monthly basis and in the same format as formerly provided reports.

COVID-19 Economic Response Plan: Business Development Bank of Canada (BDC)

MEASURE	DESCRIPTION	AVAIL.	STATUS
Access to Capital			
Business Credit Availability Program (BCAP)	The Business Credit Availability Program (BCAP) provides access to capital solutions for businesses.		Currently available
BCAP - Small and Medium Enterprise Co-Lending Program BCAP – Mid-Market Financing Program	BDC Co-Lending Program for SMEs - BDC and FIs co-lend (80/20 share) incremental term loans to SMEs for operational cash flow requirements. Size of each term loan up to \$12.5 million. Interest-only payments up to first 12 months. Junior loans ranging between \$12.5 million and \$60 million for medium-sized businesses particularly impacted by the COVID-19 pandemic and/or the recent decline in oil and gas prices.	Available until June 30, 2021	As at April 9, BCAP authorized volume is \$938M, based on data provided by financial institutions on an aggregate and interim basis.
Expansion of existing BDC products	Business also have access to credit support through new and existing BDC direct financing offerings.	Currently available	As at April 9 BDC direct COVID-support lending totals \$2.67B. While peak volume in the spring reached almost 10 times more # of loans and 14 times more \$ amounts compared to last year for these types of loans, demand has normalized as the economy recovers while the sectors affected by the second wave continue to access other government liquidity supports.

COVID-19 Economic Response Plan: Business Development Bank of Canada (BDC) (Cont.)

MEASURE	DESCRIPTION	AVAIL.	STATUS
Access to Capital			
Highly Affected Sectors Credit Availability Program (HASCAP)	Through the Highly Affected Sectors Credit Availability Program (HASCAP), the Government of Canada has mandated BDC to provide a guarantee to financial institutions for 100% of the value of a new term loan, to increase the ability of hard-hit companies to access new credit. The guarantee covers amounts ranging from \$25,000 to \$1 million to ensure a degree of continuity for companies through the pandemic. The program provides flexible and competitive terms, notably through a 4% interest rate, a repayment term of up to 10 years and up to a 12-month postponement of principal payments at the start of the loan. The HASCAP Guarantee is available until June 30, 2021.	Available until June 30, 2021	<p>The program was launched on February 1 and, since then, fifty-one financial institutions have progressively come online. Interest in the program has been high with approximately 1,000 expressions of interest per week as at mid-March.</p> <p>The total of authorizations and applications in progress is 4400 as at April 25.</p>