# The State Government of North Rhine-Westphalia



Press briefing - 371/05/2020

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# State government plans to broaden investments in NRW emergency aid and the MKW emergency aid programme

Minister of Economic Affairs, Pinkwart: Safeguarding reliance on the existing law helps in cushioning the effects of the crisis for solo self-employed persons

Minister of Cultural Affairs, Pfeiffer-Poensgen: Support for freelance artists to be increased to 32 million euros

The Ministry of Economy, Innovation, Digitalisation and Energy and the Ministry of Culture and Science have reported as follows:

In order to ensure that NRW emergency aid 2020 can deliver the anticipated support to all small businesses in the midst of the Corona crisis, the state government has developed a fast and fair solution to safeguard the reliance on existing order. For, according to the will of the Federal Government, the emergency aid may only be used for on-going operational material and financial expenses and not for subsistence. In order to ensure that solo self-employed persons who did not submit an application for basic protection in March and April do not suffer any disadvantage as a result, the state government will grant them an indirect subsidy amounting to a total of 2,000 euros for these months.

The arrangement made for NRW emergency aid also covers freelance artists who have submitted an application by the end of April. With additional funds amounting to 27 million euros, support for freelance artists will also be reinforced: The Ministry of Culture and Science's emergency aid programme launched mid-March will be upscaled to 32 million euros. Up to 13,000 additional cultural workers will thus receive a grant of EUR 2,000 for their living expenses for the months of March and April.

Minister of Cultural Affairs, Isabel Pfeiffer-Poensgen: "With today's decision, we as a country have found a fair solution for the problems of many freelance artists who are particularly affected by the constraints of Corona. It was a matter of deep concern to me that we do not abandon the multitude of cultural workers who have not yet been included in our MKW programmes. That is why we are boosting our programme to around 32 million euros and at the same time, as a state, we are doing right by the reliance and trust of all those applicants who have applied for NRW emergency aid for their livelihoods by the end of April within the framework of NRW emergency aid."

Minister of Economic Affairs, Prof. Dr. Andreas Pinkwart. "The federal states have strongly lobbied the federal government to ensure that the solo self-employed persons who have been hit hard by the crisis can also use parts of the emergency aid to secure their livelihoods. Unfortunately, the Federal Government did not heed this overarching demand of the federal states. I am pleased that we are helping the solo self-employed persons in NRW to mitigate the consequences of the crisis with the NRW reliance and trust solution. In doing so, we are also recognising their entrepreneurial performance and honouring this professional group."

## The regulations at a glance:

- All solo self-employed persons are required to submit a declaration at the end of the three-month approval period. In this declaration, they state whether they needed the NRW emergency aid in full to cover the corona-induced liquidity bottleneck. If not, they must repay any excess aid received. Under the terms of the agreement now reached, they can apply for 2,000 euros to cover their living expenses.
- The prerequisite is that the applicants have not applied for Unemployment Benefit II either in March or April. This indirect subsidy from the state will also not be granted if they have already received support from the Ministry of Culture and Science's emergency programme for artists.

### **Emergency programme for freelance artists:**

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- Eligible applicants who have already submitted an application but have not yet been awarded funding owing to the limit of five million euros will receive a financial grant of 2,000 euros for their living expenses for the months of March and April, provided that they present proof of their artistic activity (membership in artists' social insurance or another artists' association). The prerequisite is that they did not receive any benefits from the MKW programme, the NRW Emergency Aid 2020 or the basic provision of social security in March and April.
- The support for those applicants whose application has already been approved will also be increased to a flat rate of 2,000 euros.

With Corona-emergency aid programme, the state government has already made it possible to provide almost 400,000 companies with non-bureaucratic and financial support since its launch at the end of March. In total, the state and federal government have disbursed 4.07 billion euros. 86 percent of the applicants included self-employed professionals and also companies with up to five employees. 15,000 applications were rejected.

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