

Tool 12 // Seek additional financing for the household – diversify sources of financing level

Action to take	Expected results/effects in the short term	Long-term consequences	Degree of urgency (high/low)	Possibility to generate effect (high/low)	I will take this action Y/N
Assess where – temporary – savings can be used	Temporary improvement of liquidity position and household budget	Increased risk exposure for household with less savings to meet unexpected expenses			
Borrow from family or friends	Temporary improvement of liquidity position and household budget	Increased financial burden (repayments and interest charges); increased dependency on family and friends			
Formal borrowing	Temporary improvement of liquidity position and household budget	Increased financial burden (repayments and interest charges)			
Informal financing	Depending on the type of scheme, improvement of liquidity	Longer term engagement (e.g. community-based savings and loans schemes) or dependence on third parties in crowdfunding, remittances or private lenders			
Renegotiate terms on mortgage for premises/house or increase loan amount (if possible)	Temporary improvement of liquidity position and household budget	Increased financial burden (repayments and interest charges) over longer periods			
Apply for social welfare support	Temporary improvement of liquidity position and household budget; interference with private life by public sector	Gradual deterioration of income level with social welfare payments gradually being reduced over time. Sudden drop of regular income once entrepreneurial activities are taken up again.			