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Factsheet for case **FR-2020-14/536**

Solidarity Fund for very small companies, the self-employed and micro-entrepreneurs

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Country	France, applies nationwide
Time period	Open ended, started on 31 March 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Direct subsidies (full or partial)
Case created	13 April 2020 (updated 29 April 2020)

Background information

The State and the Regions have set up a solidarity fund to help small businesses most affected by the crisis. Inter-municipalities and large companies will also be able to contribute to the financing of the fund. For instance, insurance companies have already announced a contribution of €200 million. This aid of up to €1,500 will be available to very small companies, the self-employed, micro-entrepreneurs and the liberal professions which have no more than 10 employees, a turnover of less than €1 million and an annual taxable profit of less than €60 000.

From 31 March, all eligible businesses that have been subject to administrative closure or have suffered a loss of turnover of more than 70% in March 2020 compared with March 2019 will be able to make a simple declaration on the tax website - impots.gouv.fr - to receive aid of up to €1500. This sum will be tax-free.

From 3 April, all eligible companies that have suffered a loss of turnover of more than 50% in March 2020 compared to March 2019 will also be able to make a simple declaration on the tax website - impots.gouv.fr - to receive tax-free aid of up to €1,500.

From 15 April, the companies experiencing the most difficulties will be able to apply for additional aid of €2,000 on a case-by-case basis from the regions.

Content of measure

Direct financial assistance may be granted to very small enterprises, the self-employed, micro-entrepreneurs and the liberal professions which have no more than 10 employees, an annual turnover of less than €1 million and an annual taxable profit of less than €60,000.

To be eligible for support, applicants must :

- be banned from receiving the public under Article 8 of the decree of 23 March 2020, even if there is a residual activity such as takeaway sales, delivery and withdrawals of orders, "room service".
- face a loss of turnover of at least 50% in March 2020 compared to March 2019.

It is sufficient to meet one of the two conditions to obtain this aid of €1,500 euros.

For the most difficult situations (inability to pay claims due within 30 days and refusal of a cash loan), additional support of €2,000 may be granted to companies that have at least one employee to avoid bankruptcy. Allocation decisions will be made on a case-by-case basis.

Use of measure

No data available.

Actors, target groups and funding

Actors	Target groups	Funding
National government Company / Companies Local / regional government	Self-employed Solo-self-employed SMEs One person or microenterprises	Companies Local funds National funds Regional funds

Social partners

Role of social partners	Consulted
Form of involvement	Direct consultation

No formal consultation, but according to the target such tools are discussed between the government and the employers' organisation representing SMEs.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 25 March 2020: Ordonnance n° 2020-324 du 25 mars 2020 portant mesures d'urgence en matière de revenus de remplacement (www.legifrance.gouv.fr)
- 25 March 2020: Ordonnance n° 2020-317 du 25 mars 2020 portant création d'un fonds de solidarité à destination des entreprises particulièrement touchées par les conséquences économiques, financières et sociales de la propagation de l'épidémie de covid-19 et des mesures prises pour limiter cette propagation (www.legifrance.gouv.fr)
- 30 March 2020: Décret n° 2020-371 du 30 mars 2020 relatif au fonds de solidarité à destination des entreprises particulièrement touchées par les conséquences économiques, financières et sociales de la propagation de l'épidémie de covid-19 et des mesures prises pour limiter cette propagation (www.legifrance.gouv.fr)
- 02 April 2020: Décret n° 2020-394 du 2 avril 2020 modifiant le décret n° 2020-371 du 30 mars 2020 relatif au fonds de solidarité à destination des entreprises particulièrement touchées par les conséquences économiques, financières et sociales de la propagation de l'épidémie de covid-19 et des mesures prises pour limiter cette propagation (www.legifrance.gouv.fr)