

Disclaimer: This factsheet has not been subject to the full Eurofound evaluation, editorial and publication process.

Factsheet for case **PL-2020-20/806**

Financial shield: large enterprises

Factsheet generated on 06 May 2020, 22:19

Country	Poland, applies nationwide
Time period	Temporary, started on 15 May 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Direct subsidies (full or partial)
Case created	30 April 2020 (updated 06 May 2020)

Background information

In mid-April the parliament passed into legislation another set of measures aiming to help enterprises go through the unfolding economic slowdown triggered by the COVID-19 public health crisis. The Act amending the Act on the System of Development Institutions facilitate a public support programme commonly referred to as the Financial Shield, operated by the Polish Development Fund (Polski Fundusz Rozwoju). The programme is divided into specific sub-sets of measures targeting 1) micro, 2) small and medium firms and 3) large firms.

Ustawa z dnia 4 lipca 2019 r. o systemie instytucji rozwoju („Ustawa o SIR”), znowelizowana ustawą z dnia 31 marca 2020 r. o zmianie ustawy o systemie instytucji rozwoju.

Content of measure

The programme relies on a scheme of advanced payables offered to small and medium firms (over 249 employees) with annual turnover of more than 50 million EUR (or balance sheet total above 43 million EUR). Eligible are the enterprises which: experienced decrease in sales by at least 25% experienced on a month-to-month basis after 1 February 2020 (or to the same month of the preceding year) due to COVID-19 outbreak; lost their production or service provision capacity due to shortages in resources/components entailed by COVID pandemic; cannot recover more than 25% of their receivables due to COVID pandemic; experience problems with access to financing due to instability of financial markets; have participated in sectoral operational programmes; are not in administration or liquidation procedure; had tax residency in Poland and paid taxes for two previous fiscal years; held operations on 31 December 2019; had all social

securities duly paid as of 31 December 2019.

The scale of support: up to do 1 bln PLN per beneficiary in loans or bonds for up to two years (possible extension by 1 year) to uphold firm's liquidity

Up to do 750 mln PLN per beneficiary in loans for three years (partially remittable). Investment support in forms of share/stock acquisition up to amount of 1 bln PLN per beneficiary.

Use of measure

Yet unknown, the programme still awaits notification of the European Commission as legitimate form of public aid

Actors, target groups and funding

Actors	Target groups	Funding
National government	Larger corporations	National funds

Social partners

Role of social partners	No involvement
Form of involvement	No involvement

The employers organisations have criticised the initial supportive measures as ignoring the needs of large firms, hence introduction of the programme may be regarded partly a positive response to their pressure.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 31 March 2020: The Act of 31 March 2020 amending the Act on the System of Development Institutions (prawo.sejm.gov.pl)