

MARCH 2020**COVID 19****BUSINESS SUPPORT MEASURES****CASH-FLOW SUPPORT LINE TO TOURISM MICRO-ENTERPRISES**

Last Friday, March 20th, a €60 million credit line was launched by the government to support tourism micro-enterprises with cash flow difficulties.

I - WHAT OPERATIONS CAN BE FINANCED?

This line of credit may only be used to support the financing of cash-flow needs.

II - WHO CAN APPLY?

- Micro-enterprises, certified by IAPMEI, I.P.'s Electronic Declaration or Individual Entrepreneurs (ENI), certified by IAPMEI, I.P.'s Electronic Declaration, all with headquarters in Portugal;
- The activity exercised must fall under the following CAE: 551, 55201, 55202, 55204, 55300, 561, 563, 771, 79, 82300, 93192, 93210, 93292, 93293, 93294.

III - ADDITIONAL REQUIREMENTS

Applicants shall:

- Not have any outstanding debts with the Tax Authority, Social Security or Turismo de Portugal;
- Be duly licensed for the exercise of their activity;;
- Be, whenever required, duly registered in the National Tourism Register;
- Demonstrate that their activity was negatively affected by the Covid-19 outbreak. This demonstration is made through a written exposition in the Application Form;

IV - THE FOLLOWING ARE NOT ELIGIBLE TO APPLY:

- Companies incorporated three or more years ago, and in which half of the subscribed share capital has been consumed by accumulated losses;
- Companies subject to insolvency proceedings or which fulfil the criteria for being the subject of insolvency proceedings at the request of their creditors;

- Companies which have received rescue aid and have not repaid the loan, or have terminated the guarantee or have received restructuring aid, and are still subject to this plan;
- Companies which in the two years prior to the date of application have been convicted of unlawful dismissal of pregnant women or women who have recently given birth or are breastfeeding;
- Companies to which, in the two years preceding the date of application, administrative or judicial penalties have been imposed, for the use of undeclared labour in their service and that, in accordance with the legislation in force, were subject to the payment of taxes and social security contributions.

V - CONDITIONS

The maximum funding per company is €750 per month, for each existing job in the company on the 29th February 2020, multiplied by the period of three months, up to €20,000.

The loan is repaid within three years, with a grace period of one year, in equal and successive interest-free quarterly instalments.

At today's date, as no deadline has been set for the submission of applications, financing should be granted on a first come, first serve basis.

PARES | Advogados is available to provide more detailed information on the referred credit line that will suit the specific needs of each client, being able to offer all necessary support on issues of corporate financing.

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