

LEGAL UPDATE

Subsidy of the Ministry of Economy for compensation of sales for the segment of specific regular bus transportation and occasional bus transportation

On 7 September 2020 the Ministry of Economy of the Slovak Republic announced a call pursuant to Act No. 290/2016 Coll. on support of small and medium businesses and on amendment of Act No. 71/2013 Coll. on providing subsidies within competence of the Ministry of Economy, as amended, and has approved the Scheme on minimal support aid for SMEs in relation to outbreak of the disease COVID-19 DM-11/2020 (the “Scheme”) for submission of applications for provision of subsidies for compensation of sales for the segment of specific regular transportation and occasional transportation.

The purpose of the subsidy is compensation of economic losses of operators of specific regular bus transportation and occasional bus transportation caused by the spread of disease COVID-19, in form of compensation of sales loss occurred to transportation operations in the period from 11 March 2020 to 31 July 2020.

Persons entitled to ask for the subsidy

Persons entitled to ask for the subsidy are legal entities or natural persons – entrepreneurs who:

- are micro, small or medium businesses pursuant to Annex I of Regulation of the Commission (EU) No. 651/2014 of 17 June 2014;
- are operators of bus transportation, in particular specific regular transportation and occasional transportation pursuant to Act No. 56/2012 Coll. on road transportation, as amended, with the occupancy above 9 persons; and
- do not operate based on agreement on transportation services in public interest.

Other conditions for provision of the subsidy are:

- settled financial relationship of the applicant with the state budget;
- there is no bankruptcy proceeding against the applicant, no bankruptcy or restructuring has been declared over the applicant or has been rejected due to a lack of assets of the applicant;
- there is no enforcement proceeding conducted against the applicant;
- the applicant has not breached prohibition of illegal employment in the last 3 years;
- there are no registered debts of the applicant on social insurance or matured liabilities towards a health insurance agency;
- the applicant has not been sentenced by the ban of receiving subsidies;
- the applicant has not have been sentenced by the ban of to accept aid from the EU funds;

- the applicant provided data on its ultimate beneficiary owners in the application in case of the aid exceeding EUR 100,000 per application; and
- the applicant meets conditions set in the Scheme.

Provision of the subsidy

Applications for the subsidy may be submitted from 7 September 2020 up to 30 November 2020.

The subsidy shall be provided depending on the amount of loss of sales of the applicant in the period from 12 March 2020 to 31 July 2020. The loss of sales shall be determined by comparison of the sales of services related to the operation of specific regular transportation and occasional transportation from 12 March 2020 to 31 July 2020 with the reference period from 12 March 2019 to 31 July 2019. The subsidy may be provided to the applicant in the amount up to 60% of enumerated sales loss, however, not more than EUR 1,000 per bus for each month of the period.

The maximum amount of the subsidy is limited to EUR 200,000, provided the total amount of aid de minimis to one business shall not exceed EUR 200,000 in course of any period of 3 fiscal years.