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## FOCUS

*State-affiliated ARP and BGK have a wide array of business support tools for all types of companies.*

EVER SINCE ITS INCEPTION 30 YEARS AGO, ONE OF THE MOST FUNDAMENTAL FUNCTIONS OF AMCHAM HAS BEEN TO MAINTAIN PLATFORMS FOR SHARING PROFESSIONAL KNOWLEDGE AND EXPERIENCE BETWEEN ITS MEMBERS. THERE ARE SEVERAL SUCH PLATFORMS, INCLUDING AMCHAM MONTHLY MEETINGS, THE AMCHAM COMMITTEES, ONLINE EXPERT DISCUSSIONS AND *AMCHAM.PL QUARTERLY* AVAILABLE IN PRINT AND ONLINE AT [AMCHAM.PL](http://AMCHAM.PL)

# FOCUS

## *Business support*

### THE PROS OF STATE AID

#### STATE-AFFILIATED ARP AND BGK HAVE SUPPORT TOOLS FOR ALL TYPES OF COMPANIES.

In March, the American Investor Desk had its second online event devoted to financial support for companies involved in foreign trade, available from the Agency for Industrial Development (ARP) and the National Development Bank (BGK). ARP was represented by speakers Monika Konofał, Director of the Entrepreneur Services Department in Wrocław, and Jarosław Łokietko, Expert from the department.



According to **Monika Konofał**, ARP is not constrained by banking laws, which allows the agency much more flexibility than commercial banks when it comes to servicing companies in need.

Speakers representing the BGK were Ewa Nowak-Iskra, Lower Silesia Regional Director; Joanna Mularczyk, Expert in Financing Export Trade; and Krzysztof Jeziorny, Project Development Expert for Lower Silesia.

#### THE ARP OFFER

Monika Konofał spoke about ARP's financial instruments available to companies that need to restructure their operations and are not eligible for commercial bank loans for various reasons. ARP offers solutions for small, medium-sized, and large companies. As a government agency, ARP is not constrained by banking laws, which allows the agency much more flexibility than commercial banks in servicing companies in need. She explained the conditions under which the agency can provide financial assistance and detailed the re-

quirements for companies seeking help from the agency through the Anti-Crisis Shield program sponsored by the government.

In turn, Jarosław Łokietko talked about ARP's strategic goals, which included assisting companies that are developing renewable energy.

The financial products that the agency offers come in four groups: financial loans, lease services, factoring (turnover financing in which ARP pays for the invoices issued by its client companies and shoulders the risk that a payer could go under before they are able to pay) and financing clients' exports.

Łokietko said that ARP is focused on offering investment loans. The agency supports investment projects because it believes that post-pandemic economic prospects are excellent in Poland and the European Union.

The agency offers loans for up to 10 years to all types of companies investing in innovative projects and projects that boost the Polish economy's competitive edge, including projects in renewable energy.

The agency may offer loans to companies that generated 2020 operational profits below 2019 levels, as they recognize the blow many companies took due to the pandemic and economic lockdown.

ARP's financial services are not competitive with commercial banks, and a company on ARP's client roster is not required to limit its relationship with any commercial bank or private financial institution.

#### THE BGK OFFER

Ewa Nowak-Iskra from BGK Lower Silesia Region branch talked about how the bank supports the development of regional entrepreneurship. BGK's strategic task is to support Polish enterprises' development in the international arena.

The BGK offer comes in two sections: financial support for exports and financial support for a company's foreign expansion.

BGK offers short-term financing, including foreign letters of credit (confirmation, discounting, and post-financing). BGK also offers long-term financing such as equity instruments, structured loans intended to finance the foreign expansion of Polish enterprises, and the pre-financing of exports.

The Anti-Crisis Shield program issued loans totaling nearly PLN 200 billion, including over PLN 50 billion to small and medium-sized companies.

In turn, Joanna Mularczyk said that BGK participates in a government-sponsored program of supporting the exports of Polish companies and explained how the bank can help hedge risks regarding foreign buyers by cooperating with a range of foreign banks.



**Ewa Nowak-Iskra** said that BGK issued loans totaling nearly PLN 200 billion through the Anti-Crisis Shield program, including over PLN 50 billion to small and medium-sized companies.

The bank also supports companies expanding abroad as investors in greenfield and brownfield schemes. In doing so, the bank aims to use the investor's foreign assets to hedge risk, thus helping to keep a good financial balance sheet for the investor's Poland-based company.

The bank specializes in supporting Polish investors in high-risk investments, such as in Belarus, Ukraine, Russia, and other Eastern states.

The bank also helps clients with cash flow problems if they experience a delay in payment from foreign contractors.

Another speaker, Krzysztof Jeziorny, showcased the bank's offer for supporting domestic trade and investment and highlighted the aid tools the bank offers through the Anti-Crisis Shield.