Responding to the Coronavirus Crisis
Update on Poland (18/05/20)

EBRD Policy Comparator

<table>
<thead>
<tr>
<th>Financial Sector</th>
<th>Direct support to firms</th>
<th>Payment holidays</th>
<th>Temporary controls</th>
<th>Support to individuals</th>
<th>Increased social benefits</th>
<th>Health</th>
<th>External Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy rate reduced</td>
<td>Liquidity increased</td>
<td>Prudential req. loosened</td>
<td>Wage subsidies</td>
<td>Tax/ social sec. def.</td>
<td>Loan subsidies</td>
<td>Guarantees</td>
<td>Inspections/ audits suspended</td>
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Economic channels of disruption
Services, especially. small and micro enterprises, value chains, private consumption
- Government launched a four stage lockdown easing on Apr 20; shopping malls, restaurants, some services, child care facilities are reopened under certain conditions.
- Strong GVC integration suffering from border disruptions.
- High share of SMEs, especially micro companies, often in the hard-hit service sector.

Selected crisis impact indicators
- EBRD GDP growth outlook (May 2020) 2020: -3.5%
  2021: 4%
- Economic sentiment (April 2020): April ESI 47.2 (down 48.1 points m/m)
- Purchasing Managers Index (April 2020): April PMI 31.9 (down 10.5 points m/m)
- Warsaw stock market (end-April 2020): 1,648.7 (up 9.0% m/m)

Crisis response measures to date
Support for support for healthcare, workers and business liquidity
- Furlough and preferred loans (with a grant option) for loss-making companies that keep employment. Social security breaks for micro and reductions for small companies, cash stipends for self-employed.
- Capital support (market based or state-aid) for affected large companies.
- Rate cut, liquidity provision to banks, secondary market sovereign bond buying by the NBP, elimination of the systemic risk buffer, smoothing credit losses to SMEs allowed by banking supervisor.

Selected crisis response indicators
- Total size of package 15% of GDP announced in two packages so far
- Wage subsidies up to 40% of average wage
- Self-employed up to 80% of statutory minimum wage
- Loan subsidies/Guarantees 3.3% of GDP, coming mostly from BGK
- Liquidity injections to firms to save employment 4.5% of GDP, coming from PFR; 60% non-refundable
- Payment holidays 3 months, voluntary only
- Financial Sector 100-bp rate cut, 300bps in RRR cut for banks
- Health Additional €1.6bn on healthcare equipment and supplies

Key short-term priorities
Provide liquidity to the economy, particularly SMEs, and revenue support to vulnerable workers and other individuals.

To learn more about EBRD’s support to Poland visit: https://www.ebrd.com/poland.html
Media enquires: Axel Reiserer, axel.reiserer@ebrd.com