

Date of decision: 26.3.2009

Class: UP/I 430-01/2009-09/003

Case: CROATIAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

- Loan programme for production

Type of case: State aid (scheme)

Type of decision: Decision on authorisation (Compatible aid - Temporary framework)

The objective of the Loan programme for production is to enable the undertakings in the period of financial and economic crisis easier access to loans for acquisition of working capital for production of goods in order to continue production and maintain liquidity. The highest amounts of interest subsidy are higher than the allowed amount envisaged for awards of de minimis aid, but total up to EUR 500,000 (in Kuna countervalue) for the end beneficiaries.

Final beneficiaries of loans provided for by the Loan programme for production are micro, small, medium-sized and large enterprises which were not in financial difficulty on 1 July 2008 and which are registered and perform a production activity in the Republic of Croatia. Loans for production may not be used for the promotion of exports and placing domestic products in a more favourable position in comparison to imported ones.

HBOR will implement this programme through commercial banks by forwarding the offer for cooperation for its implementation to all banks which according to the current internal HBOR methodologies are classified under risk groups from A to B1/4. Commercial banks that accept the offer of HBOR may approve for end beneficiaries loans intended for the preparation of production, bridging until the collection of payment for sold goods and for the whole cycle from the preparation of production until the collection of payment for sold goods.