



MINISTRY  
OF ENTREPRENEURSHIP  
AND TECHNOLOGY

# SME definition in Poland

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# Basic information on enterprises

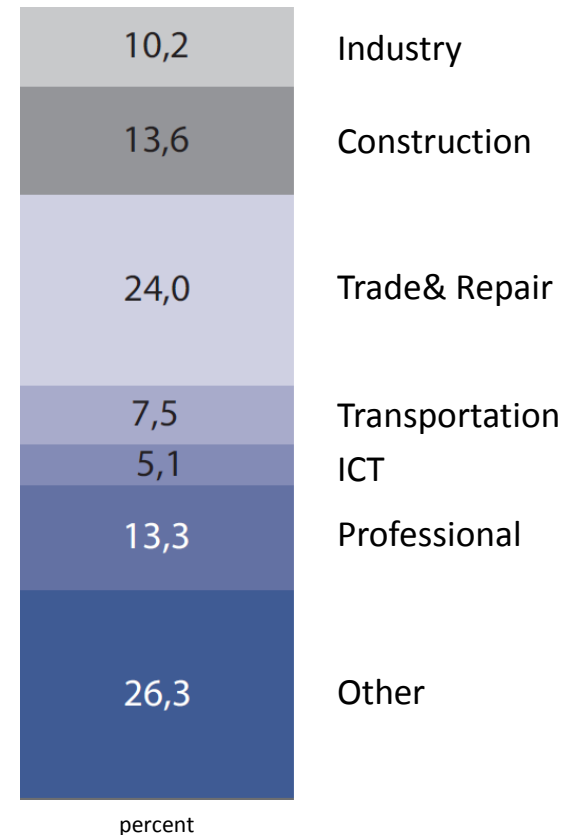
**2.08 mn** active non-financial enterprises

Structure of enterprises by NACE sections

	Share	Number	Since 2004
	percent	thousands	thousands
micro	<b>96,5%</b>	<b>2 004,3</b>	<b>+ 350,4</b>
small	2,6%	53,8	+ 9,4
medium	0,7%	15,3	+ 1,3
large	0,2%	3,6	+ 0,9

**6.7 mn people**

70% of employees  
working for non-financial enterprises



# EU definition and the Polish law

1996 – a first common SME definition

**Commission Recommendation 2003/361**

Commission Regulations 1407/2013 and 651/2014  
are based on the definition 2003/361

2005 – SME definition was introduced by  
amending the Act on Freedom of Business Activity

**Since 2018 – SME definition is in  
the Act – Law on Entrepreneurs**



The 2003/361 definition is used in a significant number of EU policies and legal texts.

Any adjustment of the definition requires adjustment of references to it.

# EU definition and the Polish law

Commission Recommendation 2003/361

The Act – Law on Entrepreneurs of 2018

	Headcount		Turnover		Balance sheet total
	annual work unit		annual EUR		annual EUR
micro	< 10		≤ 2 mn		≤ 2 mn
small	< 50	<b>+</b>	≤ 10 mn	<b>OR</b>	≤ 10 mn
medium	< 250		≤ 50 mn		≤ 43 mn

**AND**

Ownership

Partnership

Linkages

# EU definition and the Polish law

Commission Recommendation 2003/361

**Definition is applicable  
as for state aid and EU funds**

The Act – Law on Entrepreneurs of 2018

**Definition is applicable on a national basis**  
(e.g. to determine the duration of the inspection)

**There are also other definitions**  
(e.g. the Accounting Act has its own financial  
thresholds for micro and small enterprises due  
to limited responsibilities for financial reporting)

# Smart Growth Operational Programme 2014-2020 \*

	Applications	Contracts	Total value of projects	Contribution of the EU
	number	number	PLN '000 000	PLN '000 000
micro	<b>5 363</b> → <b>1 365</b>		6 902	4 077
small	<b>8 088</b> → <b>1 562</b>		6 691	4 689
medium	<b>3 525</b> → <b>1 178</b>		11 289	4 969
<b>Total</b>	16 976	4 105	<b>24 882</b>	<b>13 735</b>

\* SM OP:

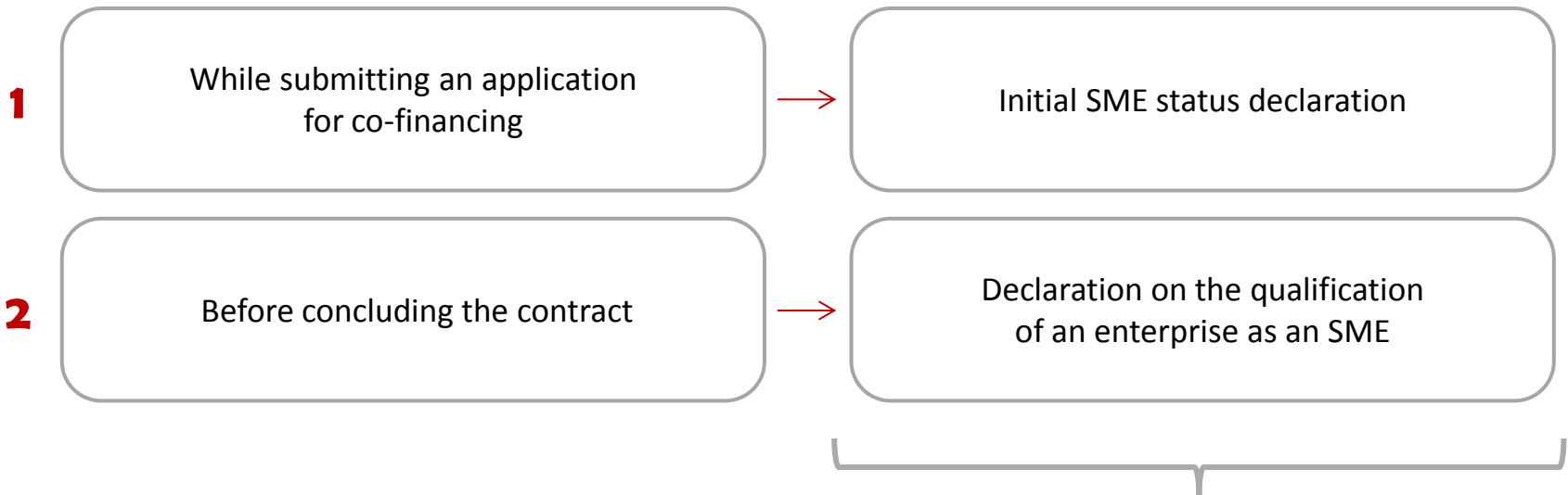
- aims to boost the innovativeness and competitiveness
- is used nationwide



Medium-sized enterprises are more effective in applying for EU funds

# User experience – SM OP

## Entrepreneurs:



Supporting documents, in particular:

- financial statements or financial information,
- documents confirming the number of employees.

All documentation should also relate to partner and linked enterprises.

Other documents confirming existence or absence of partnership and linkages might be needed (e.g. shareholders' structure declaration, resolutions of the general shareholders meeting or the supervisory board).

# Polish Agency for Enterprise Development – SM OP

## Institutions implementing EU funds:

**SME status verification  
before concluding the contract**



Polish Agency for Enterprise Development verifies all the information contained in the application with information available to the public and business intelligence data



The verification must be completed before the contract is signed.

The SME status must be unambiguously confirmed.

In case of doubt, Agency asks for an an immediate explanation. There is no fixed date. However, Agency expects a response within a several days. Thereafter, a reminder is sent.



# Good practice

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- 1** All documents are submitted just before concluding the contract.
- 2** Institutions implementing EU funds usually offers consultation at the pre-application.
- 3** Institutions implementing EU funds usually use business intelligence data.
- 4** There are 73 Information Points of the European Funds which offers consultation at the pre-application.
- 5** Office of Competition and Consumer Protection (UOKiK) helps dispel the doubts case by case.
- 6** Under the Interministerial Team for Innovation, coordinated by the Ministry of Entrepreneurship and Technology, a Group for State Aid acts. Its task is to review applicable regulations and to prepare a position statement.

# Current issues

**In general**



the definition must be unambiguous, simple, and comprehensible

Partnership and linkages



relationship between entrepreneurs

investor or management relations

verification process

completing documentation

# Current issues

Criterion 1



Should we raise the threshold?

If so, to what level?

And why?

Criteria 2 and 3



Should we update the thresholds?

Or should we raise them?

If so, to what level?

And why?

# Ideas

Easy check?



Horizon 2020: The SME Self-Assessment Wizard

Revision?



revision of the definition should not make verification more difficult

Micro?



increase of the number of enterprises that would be considered SMEs, should not negatively affect microenterprises

- it should be ensured that all the voices in the discussion are heard

# Next steps?

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Further discussion on:

- **Commission Recommendation of 6 May 2003**

concerning the definition of micro, small and medium-sized enterprises

To reflect on:

- **Commission Regulation (EU) No 1407/2013 of 18 December 2013**

on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid

- **Commission Regulation (EU) No 651/2014 of 17 June 2014**

declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty



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