

# NATIONAL PROGRAM TO SUPPORT MICRO AND SMALL BUSINESSES

## PRONAMPE

To protect small businesses and preserve jobs during the pandemic period, the Federal Government has created, by means of Law 13999/2020, the **National Program to Support Micro and Small Businesses – Pronampe**. The program consists of a credit line with the following main characteristics:

### ➤ Requirement to be eligible to the Pronampe (“Beneficiary”)

- The Beneficiary must be a Micro or Small Business, pursuant to Supplementary Law 123, based on the gross annual revenue of 2019

### ➤ Value of the credit line

- For company operating for less than 1 year: up to 50% of the share capital or up to 30% of the average monthly income calculated from the beginning of its activities, whichever is more advantageous
- For company operating for over 1 year: up to 30% of the gross annual revenue earned in 2019

### ➤ Purpose of the credit line

- Financing of the business activity, investments and working capital; the allocation for distribution of profit and dividends to partners is prohibited

### ➤ Cumulative obligations to be undertaken by the Beneficiary under penalty of early maturity of the debt

- To provide accurate and true information and
- To increase or preserve the number of employees verified on 05/19/2020, in the period between the date of contracting the loan and the 60th day after receiving the last installment of the loan



➤ **Deadline for lenders to formalize the credit line**

- 3 months, from 05/19/2020, extendable for 3 months

➤ **Deadline for payment the credit line by Beneficiary**

- 36 months

➤ **Interest rate**

- Maximum annual interest rate equal to Selic + 1.25% on the amount granted

➤ **Guarantee required from the Beneficiary**

- Only the Beneficiary's personal guarantee in the amount of the contracted loan, plus charges, except in the case of companies operating for less than 1 year, whose personal guarantee may be up to 150% of the contracted value, plus additions

➤ **The financial institution participating in the Pronampe will be exempted from requesting the following proofs/certificates/consultations related to Beneficiaries**

- Certificate of discharge attesting to the annual presentation of the list of employees to the Ministry of Labor
- Electoral Discharge Certificate
- Certificate of Good Standing with the FGTS
- Debt Clearance Certificate – CND of taxes administered by the Brazilian Federal Revenue Service
- Proof of payment of the ITR (Tax on Rural Properties) related to the past 5 fiscal years
- Consultation to CADIN

➤ **Assistance of SEBRAE**

- SEBRAE may provide assistance and management tools to Micro businesses receiving the credit line

➤ **Law 13.999/2020 came into force on 05/19/2020**

**For more information, please contact:**

**Mauro Takahashi Mori** - [mmr@machadoassociados.com.br](mailto:mmr@machadoassociados.com.br)

**Maria Eliana Pereira** - [mep@machadoassociados.com.br](mailto:mep@machadoassociados.com.br)