

Dear all, we hope that all is well and good with each of you and that soon the term “Groundhog Day” might again one day be just a movie not a reality.

“When in doubt, create more confusion”, seems to be the rally cry of the country’s politicians. Whilst creating legislation variously identified under the banner known as the “Anti-Crisis Shield”, there emerge version references (1.0, 1.1, 2.0 etc) that seem to be more relevant to a series of 1980’s Microsoft Windows updates than to a series of serious government acts. There is a lot of discussion, hand wringing and fiddle-playing as partisan politics and electioneering take precedence over solid policy. Whether by design or accident, legislation is spreading in multiple directions but fortunately constrained not by politicians themselves, but economic and social realities. The need for this to be fixed with positive action is as important for humanity as the economy and that sense must ultimately prevail.

As you will note in our team’s report below, version 2.0 of the non-operating system is now a discussion piece but not a piece of legislature just yet. Yes, that helps several industry bodies in gaining time to lobby for further change, but could hide a bigger issue as raised in this daily before – can the government afford it without breaching constitutional restrictions on debt/GDP ratio of 60%?

All the best

15 April 2020

GOVERNMENT / STATE NEWS

Despite the already approved **ACS 1.0**, Polish Government, Sejm and Senate is currently working on set of support instruments for the economy.

There are works being carried on the **ACS 1.1**, so amendments to already existing act – which mainly aims to fill the gaps and extend the support to business, which currently are exempted from the Act.

The new **ACS 2.0** is being now consulted with experts and representatives of the industry as well and aims to change unfavourable and missing legislation. The formal process of production of the act has not yet been started, i.e. document is not drafted, but hopefully will be ready soon including proposed solutions from the industry.

Unofficially, there are also works being carried for Anti-Shield Act for Local Authorities.

Meanwhile, the Sejm is debating and will vote on the change in constitution in order to **extend current President’s term by 2 years**, so that May’s election can be moved in time. However, any change in constitution requires 2/3 of votes – project of the change presented by MPs from PiS, so may be difficult to get the oppositions votes.

Free Trade Union of Postal Workers, stressing its apolitical views, strongly protests against postal ballot.

Today **ZUS** (social security institution) will pay the first benefits as part of **the Anti-crisis Shield** - over **172,000 PLN** will go to accounts 86.2 thousands People. Gertruda Uścińska, the president of ZUS, said on Tuesday. At the same time The Ministry of Development announced that by April 14, a total of 639.4 thousands. Applications for various forms of support for companies under the Anti-Crisis Shield. The vast majority, 459.3 thousand applies to exemptions from ZUS contributions.

Wig20 -3.38 % (update: 17:15 CET)

From tomorrow (yes, from Thursday) everyone is obliged to cover the mouth and nose with mask or cloth:

- On the roads and squares
- In the work place and public building
- In retail or services facilities
- In common parts of the properties

Lifting of the restriction can start from Monday 19th, however the official plan should be presented tomorrow. Unofficially, lifting of restrictions related to shopping centres will be extended to 27.04.

PM Morawiecki announced that **The Local Government Road Fund** is to increase to PLN 6 billion this year - thus it will be twice as high as previously planned.

INDUSTRY

Groupa 305 and **PRCH** are constantly working on the providing the solutions to the government from the perspective of shopping centre's owners – which aims to offload the whole cost from the Landlords. At the same time, groups are working on solutions for the whole retail industry, which could be agreed with tenants.

PRCH to provide the detailed plan “what to do” after shopping centres are back to life.

RETAILERS AND SMALL BUSINESS MATTERS

CENTRAL REGISTRATION AND INFORMATION ON BUSINESS (as per 14.04.2020):

Number of registered business activities 387

Number of resumed business operations 491

Number of suspended economic activities 696

Number of closed economic activities 250

LPP: Reduction of orders for the Autumn / Winter 2020 season, reduction of investment expenditure for 2020/21 to PLN 500 million, reduction of store openings, postponement of the construction of headquarters and distribution centre in Brest and recommendation not to pay dividends.

From today in **Żabka** stores you can buy package of 10 masks for 16,17 PLN.

The **catering industry** makes its own shield postulates, among others abolition of ZUS for all gastro business as well partners and support with CIT and PIT, financial support from the state to help covering employees' salary and rent of the premises.

According to the latest data collected by the analytical company Quantum Metric, American retailers recorded a 50% increase in revenues in the **e-commerce** channel between the fifth and eighth week of 2020.

CIVIL NEWS AND REACTIONS

Epidemiological status in Poland data from 17:00 CET on 15.04.2020

Number of confirmed cases SARS-CoV-2: **7,408**

Number of fatalities: **268**

Number of recoveries: **668**

Over 170 thousand masks and masks, 7.5 thous. overalls and 7 thousand goggles - so many protective equipment will be given to doctors from Wielkopolska after the first plane with equipment from China landed on Wednesday morning at Ławica airport in Poznań. This is another transport that has reached Wielkopolska in the last hours. The protective equipment was purchased by Dominika Kulczyk.

OTHER EUROPE

- The head of the **European Commission**, Ursula von der Leyen, and the president of the European Council, Charles Michel, presented today a strategy for breaking the restrictions on citizens and the functioning of the economy introduced in connection with the coronavirus pandemic. The Commission has not set a specific date for loosening the restrictions, as it is the Member States' prerogative to determine when they should be lifted. - However, it is important that this takes place in a coordinated manner to avoid possible side effects - said the head of the EC.
- Toyota Motor Corporation has announced the partial resumption of operations in its European manufacturing plants, which have been closed due to the coronavirus epidemic.
- The German Retail Association has proposed that stores be open seven days a week by the end of this year

WORLD

- Donald Trump suspends WHO funding and blames organisation for Covid-19 deaths
- From the abstract of *Projecting the transmission dynamics of SARS-CoV-2 through the postpandemic period* report published in Science magazine:
It is urgent to understand the future of severe acute respiratory syndrome–coronavirus 2 (SARS-CoV-2) transmission. We used estimates of seasonality, immunity, and cross-immunity for betacoronaviruses OC43 and HKU1 from time series data from the USA to inform a model of SARS-CoV-2 transmission. We projected that recurrent wintertime outbreaks of SARS-CoV-2 will probably occur after the initial, most severe pandemic wave. Absent other interventions, a key metric for the success of social distancing is whether critical care capacities are exceeded. To avoid this, prolonged or intermittent social distancing may be necessary into 2022. Additional interventions, including expanded critical care capacity and an effective therapeutic, would improve the success of intermittent distancing and hasten the acquisition of herd immunity. Longitudinal serological studies are urgently needed to determine the extent and duration of immunity to SARS-CoV-2. Even in the event of apparent elimination, SARS-CoV-2 surveillance should be maintained since a resurgence in contagion could be possible as late as 2024.

FINALLY

Did you know that on 15th April 1770, Joseph Priestley, British scholar, invented the rubber eraser?