

# Suspension of Depreciation and Amortization vs. Government Financial Support for Businesses: An International Comparison

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## *Abstract*

*The macroeconomic crisis caused by COVID-19 has led many governments to take emergency actions for safeguarding businesses. In Italy, the suspension of depreciation and amortization (D&A) accounting represented a notable measure as it did not entail expenses for the state. This study aims to evaluate the impact of D&A suspension compared to that of international policies implemented with public financial disbursement. The results show that the measure – quantified in terms of lower business losses – has reached a significant extent, comparable to that of actions financed through public spending.*

**Keywords:** COVID-19 Pandemic; Depreciation and Amortization; Public Financial Support; Italian Micro-Enterprises; International Comparison; Global Markets.

## **1. Government Financial Support for Businesses in Times of COVID-19**

Except for the sectors that grew with the pandemic (Brondoni, 2021), the COVID-19 shock has deeply affected the world economy (Casalegno et al., 2020; Dev & Sengupta, 2020; Fortuna et al., 2021; Ozili & Arun, 2022) and has prompted governments of all countries to adopt urgent measures aimed at safeguarding businesses (Christensen et al., 2022; Razumovskaia et al., 2020). In 2020, the Italian government also implemented a series of interventions to support the economy (Berardi et al., 2020) and create favorable conditions for the continuation of business activity. This study analyzed the suspension of depreciation and amortization (D&A) accounting and compared it with other measures adopted both in Italy and abroad. Specifically, the research considers the art. 60 of Law Decree 104/2020, which

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allowed Italian non-IAS companies not to charge the depreciation and amortization (D&A) of tangible and intangible fixed assets.

The main reason for this provision was the improvement of the corporate image, through the representation of lower losses or higher profits, thanks to the absence of D&A in the financial statements. The measure was conceived as a tool to favor the corporate creditworthiness (Danos, 1989), given that financial statements represent the tool most used by banks in making lending decisions (Berry & Robertson, 2006; Libby, 1979). As demonstrated by Mattei et al. (2023), the suspension of D&A decided by Italian government has shown to be a concrete effective measure, since it has really facilitated access to bank credit in terms of both loan size and interest rates. The authors highlighted how companies that suspended D&A accounting, compared to those that did not make this choice, obtained greater financing and at a lower cost than before the suspension.

The literature has analyzed many economic effects of the pandemic (Carletti et al., 2020; Orlando & Rodano, 2020; Schivardi & Romano, 2020) and several government measures aimed at combating them (Di Tommaso, 2020; Gaglione et al., 2020; Garzillo et al., 2022; Gurrea-Martínez, 2020; Iavicoli et al., 2021; Tibiletti et al., 2021). With specific regard to the topic considered here, Buchetti et al. (2022) have shown how the suspension of D&A had a positive effect on financial statements income, even in the absence of actual monetary revenues. Although the results achieved by the authors are not directly comparable with those of this research they showed a marked improvement in the company's profitability due to the suspension of depreciation and amortization, which represents – among the various measures adopted by the government (furlough and wage subsidies, revenue allowance, rental charges and evaluation of fixed assets) – the best mechanism for containing losses. The same result, and in particular the improvement in profitability, is also confirmed by Fasano et al. (2022), who showed how the effects of the crisis were more evident precisely in companies that suspended D&A. Similarly, although with reference to another relief measure granted by the Italian government (i.e. the revaluation of fixed assets), Marchesi (2021) also reports the negative effects deriving from the recognition of depreciation and amortization in the financial statements, especially in terms of EBIT reduction.

The literature has also extensively analyzed support plans consisting in the financing of businesses through the granting of loans by states (Tantikul & Soranarak, 2023), or Central Banks, and therefore – unlike the D&A suspension – not at zero cost for public finances. The financial commitment of governments to support the economy has been enormous. In the UK, more than 92% of debt funds in the period between April and September 2020 were supported by the government, compared to 5% supported under ordinary conditions (Calabrese et al., 2022). Belghitar et al. (2022) have shown that, in the absence of UK government support, the majority of SMEs would have reported losses and had a significantly shorter residual life. However, as underlined by Baker and Judge (2020), the loans granted by governments to small businesses have proven insufficient compared to the liquidity needs resulting from the crisis and it is therefore necessary to intervene on banks and financial intermediaries to fill this gap. Similarly, Ahrens and Ferry (2020)

highlighted how central government funding of English local authorities was not a reliable response to specific needs and could lead to distortions in incentives. Even in France, although the government financed the crisis with a high level of debt, the measures adopted were not sufficiently continuous (Cho et al., 2021).

Unlike direct financing by governments, in Spain, where interconnection between localities was essential (Rodríguez-Cohard et al., 2020), the public administrations used guarantee systems that have favored companies' access to credit, limiting the burden on public finances (Corredera-Catalán et al., 2021), while the interconnection between localities helped the interaction and development of businesses. A mix of measures – such as tax cuts, deferrals, guarantees and loans to businesses – was used in Germany, where financial support for businesses was implemented through guarantees and loans that reached an amount aligned with the British one (Hancké et al., 2022). Even in the Netherlands, the government, despite having adopted a different system of measures, has questionably granted large loans to some Dutch multinationals, intervening only marginally in other sectors heavily affected by the crisis (Van Overbeke & Stadig, 2020).

On a more general level, alongside the literature that has also considered actions other than liquidity support (Adam & Alarifi, 2021; Bellandi, 2020; Ciciotti, 2020; Juergensen et al., 2020; Pu et al., 2021), Wang et al. (2021) highlighted how the financing of businesses can be facilitated not through loans granted directly by the state, but through other measures, such as an adequate interest rate, incentives for banks to expand the granting of loans, and the extension of debt maturities.

Unlike the government actions analyzed by the main literature, the suspension of D&A did not result in financial expenditure for the Italian State. Consequently, this study can be useful from the perspective of lawmakers and policymakers as it shows the characteristics, mechanisms of action and feasibility of a measure that could also be validly adopted by other countries to contain public spending.

To this end, and for the purposes of formulating the resulting research questions, it is appropriate to specify that the objective of this study does not consist in estimating the amount of banking financing that companies obtained thanks to the D&A suspension. This study instead moved from the assumption, demonstrated in the literature (Mattei et al., 2023), of a positive correlation between D&A suspension and access to credit. On this basis, the research estimated the lower losses reported by the financial statements of the companies in the sample as a measure of the resources that the Italian government has saved, or should have used to promote equal access to credit by incentivizing the financial sector to grant loans. The research question was therefore defined as follows:

RQ1. What was the extent of the lower losses or higher profits deriving from the D&A suspension in the financial statements of Italian micro-enterprises in the period 2020-2021?

Furthermore, in order to understand the efficiency of the measure adopted by the Italian government, the study carried out an international comparison, formulating the following research question:

RQ2. What was the extent of the financial resources allocated in the period 2020-2021 by the major countries to grant loans or encourage the granting of loans to businesses by the financial sector?

## 2. Methodology

### 2.1 Sample Selection

To answer RQ1, the research carried out a survey on unlisted Italian companies that did not charge depreciation and amortization in 2020 and 2021, and estimated the impact of not allocating these costs on the companies' profitability. In temporal terms, the analysis focused on the period 2020-2021 as these were the years in which governments took the greatest urgent measures to react to the business crisis. Furthermore, these years were also those in which businesses most needed the aid that governments made available, considering that from 2022 the lock down measures ceased almost everywhere.

The study was conducted on a sample of non listed micro-enterprises which the Italian civil code identifies through the following three parameters:

- revenues up to €350,000;
- total assets up to €175,000;
- number of employees up to 5.

In addition to the above parameters, Table 1 illustrates the other criteria used to select the companies in the sample.

**Table 1:** *Sample Selection Parameters*

Parameter	Number of companies
Revenues up to €350,000 in 2020 and 2021	573,401
Total assets up to €175,000 in 2020 and 2021	266,759
Number of employees up to 5 in 2020 and 2021	234,201
Non listed companies	234,201
Joint stock companies and limited liability companies	213,718
Date of establishment until 2017	132,726
Depreciation and amortization equal to zero in 2020 and 2021	39,873
Depreciation and amortization 2019 greater than zero	5,122
Tangible and intangible fixed assets greater than zero in 2020 and 2021	2,988

*Source:* own elaboration based on AIDA Bureau van Dijk database accessed 28 February 2024

Among Italian unlisted companies, the research selected only joint-stock and limited liability companies as they are required to publish financial statements. As

regards the choice relating to the date of establishment, the study excluded companies established after 2017 as generally new enterprises need at least one or two financial years before depreciation and amortization become stable. Furthermore, in order to analyze the effects of non-recording depreciation and amortization, only the companies with zero depreciation and amortization in both 2020 and 2021 were selected. Additionally, among these companies only those that had recorded depreciation and amortization in 2019 were chosen. In fact, considering that depreciation and amortization were allocated in 2019, it is plausible that their absence in the 2020 and 2021 financial statements was determined by the option for the D&A suspension. In this regard, it is important to note that the companies that made use of the D&A suspension should have illustrated this choice in the financial statements. However, this investigation found that, despite the information obligation, many companies made use of the provision in question but did not indicate it in the explanatory notes. For this reason, the analysis excluded reconstructing the data sought by reading the supplementary notes and calculated it via estimate. Finally, to exclude companies in which the absence of depreciation and amortization was due to the absence of assets to be depreciated and amortized, the selection of the sample posed the further condition of the non-zero value of the assets.

The sample resulting from the selections described above consists of 2,988 companies that prepare their financial statements according to homogeneous criteria, based on the Italian civil code and National Accounting Standards (OIC).

To answer RQ2, the study conducted an international survey considering the countries listed in Table 2. The list was selected from the top ten countries by GDP (2023) belonging to the European Union, with the addition of Portugal, to also represent the smaller economies, and Norway, to complete the Scandinavian area.

**Table 2:** *List of Selected Countries*

Country
Austria
Denmark
Finland
France
Germany
Ireland
Italy
Netherlands
Norway
Portugal
Sweden

## 2.2 Empirical analysis

As regards the analysis of Italian companies, in order to highlight the trend of the sample before and after COVID-19, Table 3 shows the main determinant variables of profitability in the period 2017-2021.

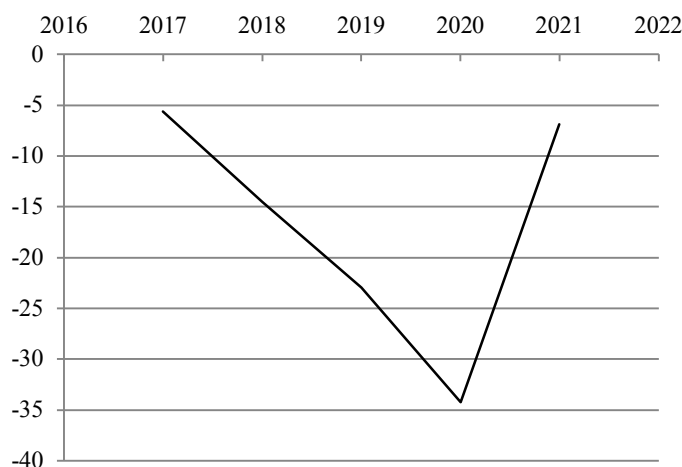
**Table 3:** *Main Economic Variables 2017-2021 (Thousands of Euros)*

<b>Economic variable</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Revenues	352,900	355,482	309,489	146,782	160,202
Change in inventories and other revenues and income	18,776	19,638	20,241	26,194	29,219
Production value	371,676	375,120	329,730	172,976	189,421
Production costs	(377,288)	(389,636)	(352,675)	(207,222)	(196,294)
Financial income and expenses	(3,763)	(4,040)	(3,222)	(2,522)	(2,317)
Value adjustments to financial assets and liabilities	(256)	(503)	(98)	(26)	(19)
Extraordinary income and expenses	0	18	3	16	1
Taxes	(4,929)	(4,520)	(4,542)	(846)	(1,586)
Net profit (loss)	(14,560)	(23,561)	(30,804)	(37,624)	(10,794)

*Source:* own elaboration based on AIDA Bureau van Dijk database accessed 28 February 2024

Given that revenues had been declining slightly since 2019, the pandemic exacerbated the economic weakness that the observed companies were already suffering from. While financial charges remained essentially stable, the reduction in taxes due to losses was not sufficient to offset the decline in operational management. In this regard, as Figure 1 highlights, operational profitability (difference between value and production costs), despite having been negative for the entire five-year period, suffered a real crash in 2020, expressing the profound impairment of the core business.

**Figure 1:** *Operating Profitability 2017-2021 (Thousands of Euros)*



Source: own elaboration

In order to evaluate the impact of the suspension of depreciation and amortization, the analysis first considered what their trend was in the three-year period preceding 2020, when the general economic conditions were substantially stable. It is also significant to represent the impact that D&A had on the formation of profits in those years. To this end, Table 4 shows the profit gross and net of depreciation and amortization in the years 2017 to 2019.

**Table 4:** *Profit (Loss) Before and After Depreciation and Amortization 2017-2019 (Thousands of Euros)*

Economic variable	2017	2018	2019
Profit (loss) before depreciation and amortization (a)	(6)	(7,787)	(13,580)
Depreciation and amortization (b)	14,554	15,774	17,224
Net profit after depreciation and amortization (c)=(a)-(b)	(14,560)	(23,561)	(30,804)

Source: own elaboration based on AIDA Bureau van Dijk database accessed 28 February 2024

As the data in Table 4 shows, the incidence of depreciation and amortization in the three-year period 2017-2019 was particularly high, determining a large part of the net losses.

Furthermore, since the purpose of the measure was to obtain a better representation of the financial statements values, in order to facilitate access to bank financing, the study also considered, in Table 5, the trend of the sample's debts to bank and the average cost of borrowed money in the five-year period 2017-2021. This analysis was carried out in order to verify whether indebtedness has undergone restrictions after the pandemic and what rate was applied to the loans.

**Table 5:** *Debts to Banks (Thousands of Euros) and Cost of Borrowing Money (%) 2017-2021*

Variable	2017	2018	2019	2020	2021
Total debts to banks	21,514	18,562	13,846	15,713	13,244
Average cost of borrowed money	6.01	6.43	5.95	3.62	3.86

Source: own elaboration based on AIDA Bureau van Dijk database accessed 28 February 2024

As regards the analysis of foreign countries, the study used the Asian Development Bank's (ADB) ADB COVID-19 Policy Database, within which, as illustrated by Felipe and Fullwiler (2020), measures are divided into the classes summarized in Table 6.

**Table 6:** *Classification of Policy Measures According to the ADB COVID-19 Policy Database*

Code	Measure	Actions
01	Liquidity Support	Support the normal functioning of the money markets and short-term finance
02	Credit Creation	Encourage private credit creation
03	Direct Long-term Lending	Long-term direct lending to businesses, households, and state/local/regional governments, and forbearance
04	Equity Support	Equity claims on the private sector (equities, primary and/or secondary, ETFs, etc.)
05	Health and Income Support	Health support, tax and contribution deferrals and policy changes, tax and contribution rates reduction, subsidies to individuals, households and businesses, income support, no breakdown
06	Budget Reallocation	Redirecting or reallocating previously budgeted spending
07	Central Bank Financing Government	Direct lending and reserve drawdown, secondary purchase government securities
08	International Assistance Received	Swaps, international loans/grants
09	International Assistance Provided	Swaps, international loans/grants
10	No Breakdown	Support for the sectors most affected by the crisis
11	Other Economic Measures	Other various supports
12	Non-Economic Measures	Measures affecting travel and transport (local and international), measures affecting business and workplace, others.

Source: ADB COVID-19 Policy Database available at <https://covid19policy.adb.org/>. Accessed 28 February 2024



The study identified, for each state, the measures adopted to finance small businesses and the amount of the allocated resources. Furthermore, the amount of bank debts reconstructed in Table 5 was compared with the amount of resources lent to companies by governments, in order to verify their substitutability.

### 3. Results and discussion

Based on the empirical analysis, the study answered RQ1 by reconstructing the quantitative impact generated by the D&A suspension on the profitability of the sample. To this end, the analysis was developed in the following two phases:

- a) calculation of estimated depreciation and amortization in 2020 and 2021;
- b) calculation of the value that the net losses would have assumed if depreciation and amortization had not been suspended.

In relation to phase a), the estimated depreciation and amortization for both the year 2020 ( $DA_{2020}$ ) and the year 2021 ( $DA_{2021}$ ) were calculated as the average of 2017 ( $DA_{2017}$ ), 2018 ( $DA_{2018}$ ) and 2019 ( $DA_{2019}$ ) depreciation and amortization, according to formula 1.

$$DA_{2020} = DA_{2021} = \frac{(DA_{2017} + DA_{2018} + DA_{2019})}{3} \quad (1)$$

In relation to phase b), Table 7 shows, separately for each year 2020 and 2021, the losses recorded in the financial statements and those that would have emerged if the depreciation and amortization had been accounted for.

**Table 7:** *Loss Net of Estimated Depreciation and Amortization (Thousands of Euros)*

Economic variable	2020	2021
Production value	172,976	189,421
Production costs	(207,222)	(196,294)
Estimated depreciation and amortization	(15,851)	(15,851)
Financial income and expenses	(2,522)	(2,317)
Value adjustments to financial assets and liabilities	(26)	(19)
Extraordinary income and expenses	16	1
Taxes	(846)	(1,586)
Net profit (loss) from financial statements	(37,624)	(10,794)
Profit (loss) net of estimated depreciation and amortization	(53,475)	(26,645)

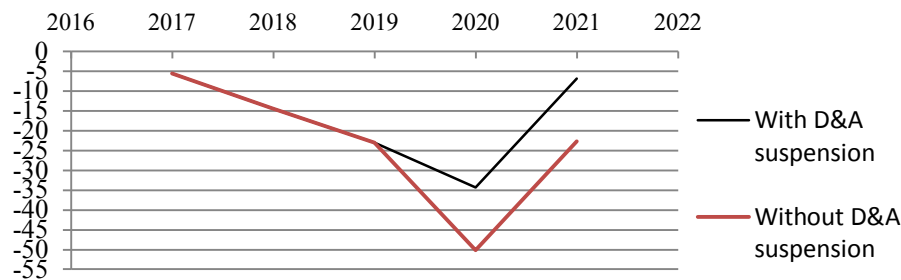
Source: own elaboration based on AIDA Bureau van Dijk database accessed 28 February 2024

As Table 7 shows, in the absence of the D&A suspension, losses would have been more than 42% higher in 2020 and more than double in 2021. Overall, the measure in question allowed micro-enterprises to postpone losses – or not to report them in the financial statements – for a total amount of 31,702 thousand Euros. This result is in line with the findings of the empirical analysis, which highlighted the weakness of

Italian micro-enterprises that existed before the pandemic, when the sector has shown itself to be particularly fragile and vulnerable. This explains why companies completely eliminated depreciation and amortization in subsequent periods, in order to contain the effects of the crisis as much as possible.

As the empirical analysis (Table 3) showed, unlike the collapse that occurred in 2020, which is evidently explained by the crisis due to the pandemic, the strong improvement in operating profitability in 2021 is instead almost unexpected and mainly due to the reduction in production costs, also obtained thanks to the absence of depreciation and amortization. Specifically, the data shows that the sample was at a loss in all years of the observed period. From this evidence two relevant observations can be deduced. Firstly, the companies that suspended depreciation in 2020-2021 were, even before the pandemic, in a situation of serious profitability imbalance. This indicates that the D&A suspension has proven to be effective as it was used precisely by the companies – the loss-making ones – whose support the measure was most aimed at. Secondly, upon closer inspection, the collapse in net profitability that occurred in 2020, although extraordinary, is substantially aligned with that of the previous three years, while in 2021 the losses actually decreased. The micro-enterprises sector that opted to apply the measure had already suffered huge losses before the pandemic and, as shown in Figure 2, the situation would have worsened further, without the elimination of D&A.

**Figure 2:** *Operating Profitability 2017-2021 With and Without D&A Suspension (Thousands of Euros)*



Source: own elaboration

The results of this study are in line with and corroborate the literature which found a positive correlation between D&A suspension and the ability of companies to obtain financing. The extent of the losses that did not emerge but existed, which this study estimated at almost 32,000,000 Euros, is only apparently, or only in absolute value, of modest entity. If considered in relative terms, data show that tacit losses represented 66% of those declared by the financial statements and 9% of the total revenues of the sample in the two-year period 2020-2021.

Regarding the answer to RQ2, Table 8 reports data on government financial support provided by selected countries to small businesses, including Italy. Specifically, among the many actions adopted by governments, those aimed at facilitating access to credit by small businesses were chosen. Furthermore, within these actions, for

which governments have allocated huge sums of money (thousands of millions of USD), the choice concerned smaller measures (up to USD 100,000) as they were generally dedicated to smallest enterprises or more easily accessible by them. This choice made the selected measures better comparable, in purpose and recipients, with the D&A suspension.

**Table 8:** *Government Financial Support for Small Businesses*

Country	Measure classification	Measure content and amount (USD)*
Austria	05 - Subsidies to businesses	With the “loss bonus”, any company with a loss of more than 40% in sales could apply for up to USD65,634 per month.
Denmark	08 - International loans/grants	USD65,634,000 over a 10-year loan agreement between the Nordic Investment Bank (NIB) and the Danish Ringkjøbing Landbobank (RLB) for lending to environmental projects and to SMEs in Denmark.
Finland	05 - Subsidies to businesses	The Government has enabled the granting of business development aid in the form of so-called temporary state aid for a maximum of USD874,172 per company.
France	03 - Long-term lending	USD19,690,200 of soft loan.
Germany	01 - Short-term lending	Companies with a pandemic-related drop in sales of at least 30% could apply for liquidity aid of up to USD10,939,000 per month until the end of December 2021.
Ireland	03 - Long-term lending	USD16,408,500 made available to the COVID-19 Loan Fund which assists businesses with fewer than ten employees, impacted negatively by COVID-19.
Italy	03 - Forbearance	USD 54,695,000 allocated for one-year suspension in repayment of loans to Invitalia (national development agency owned by the Ministry of Economy) to support SMEs in the most affected municipalities.
Netherlands	01 - Short-term lending	USD76,573,000 has been set aside for Corona virus bridging loans to startups. Each startup can obtain a bridging loan of up to USD38,287.
Norway	05 - Subsidies to businesses	USD48,000,000 current municipal relief scheme for affected businesses of the stricter national measures.
Portugal	05 - Subsidies to businesses	USD27,347,500 fiscal package to support the entrepreneurship ecosystem.
Sweden	02 - Loan guarantees	USD7,340,000 of government guarantees on 70% of new bank loans to companies experiencing financial difficulty but otherwise robust.

\*The original currency of most measures is Euro. However, given the presence of different currencies in the sample, all values have been converted into USD to make comparison possible.

*Source:* own elaboration based on ADB COVID-19 Policy Database accessed 28 February 2024

The actions summarized in Table 8 include measures consisting of financing provided to businesses directly by governments. The exceptions are Austria, Finland, Norway and Portugal, where the measures most similar in value to the D&A suspension consisted not in facilitating access to credit, but in granting non-repayable economic subsidies to companies in difficulty.

In any case, while the D&A suspension produced benefits for companies without using state resources, the alternative measures indicated in Table 8 entailed burdens on public finances. Although this study did not estimate the presence of any differences in effectiveness between D&A suspension and other interventions, in terms of efficiency the gap is evident. Furthermore, the comparison highlights how, alongside the large loans granted to small businesses, several countries have also operated through actions of more modest value. It is precisely with respect to these actions that the D&A suspension could represent a valid substitute.

In this regard, as shown by the empirical analysis, the data in Table 5 highlight two aspects of particular relevance. First of all, credit capacity following the pandemic did not decrease, but, on the contrary, remained stable, demonstrating the resilience of companies' ratings despite the crisis. Secondly, the ability of enterprises to obtain better rate conditions has improved precisely during the pandemic. In this regard, the study verified the trend of the Euribor over the five-year period, finding it substantially stable, always in the negative zone, and tending to be flat. This confirmed the conclusion that the decline in the cost of borrowing was attributable to the ability of businesses to obtain better lending conditions rather than to the reduction in financing rates.

From the above considerations derives the feasibility of a comparison between state-funded business financing and the alternative of bank lending. By selecting only the measures belonging to classes 1,3 and 8 of Table 8, consisting of the disbursement of loans by the governments of Denmark, France, Ireland and the Netherlands (Germany cannot be quantified), the overall amount of resources allocated is equal, on average per country, at USD44,576,000. The annual average of resources allocated by the Italian banking system in the same period corresponds to USD15,818,000. The comparison between the two data shows how 35% of the financial support to businesses granted with state resources by the selected foreign governments was obtained in Italy without burdening public finances. This result is significant as it expresses how the D&A suspension contributed to the saving of public resources to a non-marginal extent when compared with the financial intervention of the governments of other countries. The measure can therefore be fully included among the actions of governments that have proven concretely useful in supporting micro-enterprises.

#### **4. Conclusion**

Despite the high attention paid to the measures adopted worldwide by local governments (Cheng, 2020; De Villiers et al., 2020; Hale et al., 2021; Maher, 2020), studies that jointly consider the effects of non-monetary actions and the costs of

monetary ones are currently rather rare. Similarly to Fasano et al. (2022), this research revealed that the enterprises that completely eliminated depreciation and amortization were weak companies, suffering from losses since 2017. Furthermore, in line with Berry and Robertson (2006) and Libby (1979), the study confirmed how the financial statements, even in times of pandemic, have remained the fundamental tool on which financial sector based lending decisions. However, unlike existing literature, this study stands out for its comparative approach, as it has considered some alternative interventions, with costs borne by the state, adopted at an international level.

As regards the prospective impact of the two types of measures analyzed here, a particular effect is worth mentioning. In monetary terms, both will involve future disbursements for debt and interest payments. However, the D&A suspension will entail an additional implication, namely the lengthening of the original amortization plans and the transfer to subsequent years of costs not allocated in 2020 and 2021. This consequence, although appearing negative for the company, must be considered in light of three aspects. First of all, it derives from the basic assumption of emergency measures, i.e. the return to normal conditions, in which companies will be able to physiologically sustain operating costs. Secondly, unaccounted for depreciation and amortization will affect future profitability but being non-monetary costs they will not reduce liquidity. Finally, it is necessary to ask ourselves what the fate of the companies would have been without the measure in question, since it could probably have been the default.

The evaluation, even empirical, of the three aspects highlighted could represent an interesting perspective for future research, in order to delve deeper into relevant topics that have not been covered here. The analysis of the post-COVID-19 scenario, the verification of the sustainability of deferred D&A, the monitoring of liquidity, the detection of the ability to overcome the crisis shown by micro-enterprises and the comparison with companies of the same type that have not applied the facilitation are some directions along which the literature could go.

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