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Introduction

Facing the severe public health emergency, the coronavirus pandemic, the EU countries prepared and implemented immediate measures in order to mitigate the social and economic impact of the outbreak.

Highlighting the most important fields of action of the EU countries, Deloitte puts under a magnifying glass the measures adopted in the fiscal, economic, and social and employment areas, adding a filter for general related initiatives. The Deloitte **COVID-19 EU measures** booklet provides insightful and synthesized information about the major measures taken in the European Union in order to stop the spread of coronavirus, showing their complexity on different layers.

The material is constantly updated as the situation progresses and new measures are implemented daily around the world. Therefore, please, consider the current version a thorough and accurate situation analysis at the publication date, mentioned below.

All countries information is updated until 09.04.2020

Version 4. Date: 09-04-2020



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- **Measure:** Closing **until the end of the epidemic caused by COVID-19, of:**

- Facilities that provide night club services;
- Indoor facilities dedicated to entertaining children and youth;
- Activity of gyms, sports centers, swimming pools;
- Activity of internet centers;
- Activity of cultural and entertainment centers.

Legal Act: (Order No. 156, of the Ministry of Health and Social Protection, dated 10.03.2020).

Amendment: Amended by Order No. 223 dated 01.04.2020 "To take special measures to prevent the spread of COVID-19 infection until the end of the epidemic situation caused by Covid-19"

- **Measure:** Prohibition **until the end of the epidemic caused by COVID-19** of staff recruitment procedures.

Legal Act: (Order No. 156, of the Ministry of Health and Social Protection, dated 10.03.2020).

Amendment: Amended by Order No. 223 dated 01.04.2020 "To take special measures to prevent the spread of COVID-19 infection until the end of the epidemic situation caused by Covid-19"

- **Measure:** Prohibition of public and private transport, including private vehicles, within Tirana and Durrës and from Tirana and Durrës to other areas of the country and vice versa. Prohibition of circulation of public and private transport, including private vehicles, in Shkodra, Lezha, Elbasan, Lushnje, Fier and Vlora. Vehicles transporting goods shall be an exception to the abovementioned rules.

Legal Act: (Order of Ministry of Health and Social Protection dated 11.03.2020). Amended by Order No. 223 dated 01.04.2020 "To take special measures to prevent the spread of COVID-19 infection until the end of the epidemic situation caused by Covid-19"

- **Measure:** Closing of the activity for all entities that exercise their commercial activity as bars, restaurants, nightclubs, in Tirana and Durrës, until further notice. A fine of ALL 2,000,000 (two million) for failing to take the necessary measures to comply with the above order, or for reopening their activity contrary to the provisions of this order.

Legal Act: (Order of Ministry of Health and Social Protection dated 11.03.2020).

Amendment: Order 217 "For the closure of bars, restaurants and bars, fast-food and the restriction of services provided by accommodation structures that provide service to customers until the end of the epidemic situation caused by COVID-19"

- **Measure:** Closing of bars, restaurants, fast food, coffee shops and other facilities that provide customer services in the entire country, **until the end of the epidemic caused by COVID-19.** The exception to the rule set out above shall be only for home delivery, which must be carried out in accordance with approved hygiene rules.

Legal Act: Order no. 164, dated 12 March 2020 "On the closure of bars, restaurants, coffee shops, fast-food and the restriction of services of Accommodation Structures that provide customer service".

Amendment: Order 217 "For the closure of bars, restaurants and bars, fast-food and the restriction of services provided by accommodation structures that provide service to customers until the end of the epidemic situation caused by COVID-19"

- **Measure:** Bars and restaurants services of the accommodation structures shall be used and offered only for citizens accommodated in relevant accommodation structures, **until the end of the epidemic caused by COVID-19.**

Accommodation structures are prohibited from offering bar and restaurant services to citizens who are not clients of the accommodation structure, **until the end of the epidemic caused by COVID-19.**

Legal Act: (Order no. 164, dated 12 March 2020 "On the closure of bars, restaurants, coffee shops, fast-food and the restriction of services of Accommodation Structures that provide customer service").

Amendment: Order 217 "For the closure of bars, restaurants and bars, fast-food and the restriction of services provided by accommodation structures that provide service to customers until the end of the epidemic situation caused by COVID-19"

- **Measures:**

- Entities or individuals which export medicinal and medical equipment without a proper authorization from the Minister of Health may be subject to a penalty ALL 5,000,000 (five million) and the seizure of medicinal and or medical equipment. In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;

- Entities or individuals which organize public gathering events may be subject to a penalty ALL 5.000.000 (five million);
- The entry of the family members of the patients in the premises of the medical urgency service without the authorization of the Hospital Directorate is subject to a penalty of ALL 500,000 (five hundred thousand). This penalty is imposed toward the individual member of the family and the person in charge with the application of such limitation;

- A penalty of ALL 700,000 (seven hundred thousand) is imposed to the following:

- Any citizen who does not declare entering the Republic of Albania from a country affected with COVID-19; Any person infected with COVID-19 who does not comply with the obligation to self-quarantine himself.

- Private or public education institutions and/or kindergartens which do not comply with the obligation to suspend their activity may be subject to a penalty ALL 5,000,000 (five million) for education institutions and ALL 1,000,000 (one million) for kindergartens. In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;

- Entities or individuals exercising activities in closed entertainment premises for children and young persons, gyms, sport centers, internet centers, and cultural centers which do not comply with the orders of the competent authorities for their suspension are subject to a penalty of ALL 1,000,000 (one million). In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;

- Entities or individuals which do not comply with the orders of the competent authorities for the suspension of the activity for bars, restaurant and clubs are subject to a penalty of ALL 1,000,000 (one million). In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;

- Postal services should regularly continue their services and should take adequate measures for the limitation of the contact of the public with employees. Breaches of this provision will be subject to penalty of ALL 1,000,000 (one million);

Drivers of vehicles who do not comply with the limitations set out by the competent authorities for the circulation of vehicles in the areas and timeslots defined by the competent authorities, will be subject to the suspension of the driving license for a period of 3 years and the seizure of the vehicle; The increase of the sale price of food products, medicinal, medical equipment or services compared to their regular price in the foregoing months (for seasonal products in the foregoing years) which are not a result of the increase of the import price are subject to a penalty of ALL 5,000,000 (five million) for wholesale traders and ALL 1,000,000 (one million) for retail traders. In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;

- All television programs having more than two people in the same studio will be subject to a penalty of ALL 1,000,000 (one million) and in case of repeated breach the full or partial blocking of the transmission;

- Drugstores, medicinal traders and or producers which offer services by not applying the safety criteria set out by the competent authorities will be subject to a penalty of ALL 10,000,000 (ten million) for wholesale and ALL 50,000 (fifty thousand) for retail traders. In case of repeated breach all the product quantity will be seized and the activity will be suspended for a period of 3 years;

- Entities/individuals engaged in wholesale and retail of food products which offer services by not applying the safety criteria set out by the competent authorities will be subject to a penalty of ALL 10,000,000 (ten million) for wholesale and ALL 50,000 (fifty thousand) for retail traders. In case of repeated breach all the product quantity will be seized and the activity will be suspended for a period of 3 years;

- Depending on the spreading dynamics of COVID-19, in case of necessity, upon order of the Ministry of Health, all private hospitals, health and hotel structures as well as ambulances along with the relevant staff will be placed on the disposal of the patients infected with COVID-19.

Failure to comply with such order will be subject to a penalty of ALL 5,000,000 (five million) for structure and ALL 100,000 (one hundred thousand) for medical personnel. In case of repeated breach, for the structure will be applied the suspension of the activity and will be forcibly placed at the disposal of the public health service while for medical personnel will be prohibited the exercise of the profession for a period of 10 years.

Legal Act: Normative Act no. 3, dated 15.03.2020 "On Special Administrative Measures During the Infection Period caused by COVID-19".

- **Measure:** The suspension of the services provided near the regional tax directorates' service desks and offices from March 17, 2029 until further notice. During this period, the services will be provided to the taxpayers through the online platforms.

Act: Notice of The General Directorate of Taxes (GDT)

- **Measure:** Starting from 05:00 on 24.03.2020, only the following private activities shall be allowed to operate during the time period 5:00 -13:00: <https://shendetesia.gov.al/wp-content/uploads/2020/03/Tabela-e-aktiviteteve-tëlejua-dhe-të-ndaluar.pdf>

- Employees of financial institutions, food and beverage supply businesses, and any permitted activities, according to the table shown in the above link, shall be allowed to circulate only for the home-work itinerary, after obtaining authorization from the State Police.

Legal Act: Order of the Ministry of Health and Social Protection no. 193 dated



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20.03.2020 “On the closure or restriction of movements in the Republic of Albania”.

- **Measure:** The High Judicial Council has decided to continue the suspension of the activity and judicial services of general and special jurisdiction in all courts of the country for an additional period of 2 weeks, from 25.03.2020 to 07.04.2020. Exception to this rule shall continue to be the following cases:
Judicial actions and services related to matters of an urgent nature, assessed as such, on a case-by-case basis by the judge.
 - Hearings regarding the assessment of security measures.
 - Hearings at which arrest security measures are sought or enforced, and where the detainees, defendants, or their defence attorneys expressly request to proceed with the examination.
 - Due to the risk of COVID-19 spreading, the court should in any case avoid public presence during court hearings.

Legal Act: Decision of the High Judicial Council No.128 dated 24.04.2020.

- **Measure:** Declaration of the state of natural disaster throughout the Republic of Albania due to the epidemic caused by COVID-19 and the restriction of some constitutional rights to the extent considered necessary to achieve the protection of the health of citizens. The rights that can be restricted are exactly:
 - The inviolability of residence (article 37);
 - The right to choose residence and freedom of movement (article 38);
 - Expropriation for a just reward (article 41, paragraph 4);
 - The right to freely choose a profession (article 49);
 - The right to strike (article 51).This Decision provides for specific obligations for public institutions, civil defence system operational structures, private entities and all citizens.
Legal Act: Decision of Council of Ministers no. 243, dated 24.03.2020 “On the Declaration of the State of Natural Disaster”.

- **Measures:**
 - Apart from hospitals, health and hotel structures, upon proposal of the Minister of Health and the Minister for Reconstruction any other structure considered indispensable is placed at the disposal of the emergency situation caused from COVID-19. Individuals who do not comply with circulation limitations in the daily hours set from the authorities and without accompanying persons may be subject to a penalty of ALL 10.000, exclusion from the benefits deriving from alleviating financial measures related to the emergency and the seizure of the vehicle (if any) for a period of 3 months.
 - All entities engaged in the wholesale of food and other products indispensable for the situation of the epidemic emergency caused from COVID 19, should take the necessary actions for assuring a trading stock of 3 months or in accordance with the expiration terms of the products. In case that the epidemic emergency ends, and the wholesale traders have not sold the stock accumulated under this provision, upon their request may sell the remaining stock to the General Directorate of State Reserves in accordance with the purchase invoice of the goods.
 - All entities engaged in the wholesale and production of medicines/medical devices and entities that provide health services, should be prepared and should undertake all measures needed to secure the supplies of medicinals and medical devices and to provide necessary health services, in order to tackle the situation of the epidemic emergency situation caused by COVID-19.
 - Failure to comply with the obligations described in points 3 and 4 above may be subject to a penalty of ALL 5.000.000 and the expulsion for 3 years from procedures

of public procurement.

Legal Act: Normative Act no. 8, dated 24.03.2020.

- **Measure:** On the official Gazette no. 50, is published the Normative Act of the Council of Ministers no. 9, dated 25.03.2020 “On special measures in the field of judicial activity during the infection period caused by Covid-19” (**Normative Act 9**).
The Normative Act 9, under article “Special measures and effects in the field of judicial activity”, inter alia provides for the following:
 01. Court hearings on administrative, civil and criminal cases, scheduled in all courts, are postponed until the end of the state of epidemic emergency caused by the proliferation of COVID-19.
 02. From the date of entry into force of this normative act until the end of the epidemic emergency caused by the proliferation of COVID-19, the deadlines for filing lawsuits and submission of appeals are suspended as well as any procedural action in administrative, civil, and criminal cases, as provided in this normative act. In case deadlines start during the suspension period, they are postponed until the end of the epidemic emergency.

The above rules do not apply in the following cases:

- A. In administrative cases, having as object an injunction measure, if the court evaluates that the examination after the term provided for in this normative act may cause serious and irreparable damage to the parties.
- B. In family law cases, having as object, the due care, obligations and observance of juvenile rights, custody and adoption, safeguards against domestic violence, parental responsibility, custody and alimony, and civil cases for which the court considers that delayed hearings may cause serious and irreparable damage to the parties.
- C. In criminal cases related to the validation of arrests due to blazing offences or detention, the assignment, verification of the terms and conditions for the application of a precautionary measure, the replacement, revocation or termination of the precautionary measures of “imprisonment” or “house arrest”, when arrestees, defendants or their defense counsel request to be examined, as well as in criminal cases related to the imposition of a precautionary measure of “preventive sequestration”.
- D. In criminal cases, where the maximum term of detention under article 263/6 of the Criminal Procedure Code expires during the period of suspension.
- E. In criminal cases of an urgent nature, due to the need of pre-trial admission of evidence under article 316 of the Code of Criminal Procedure (the urgency is assessed by the court, examining the case).
- F. In criminal cases involving juveniles, where the precautionary measure of arrest or detention under article 15 of the Juvenile Criminal Justice Code has been applied to them.
- G. In any other criminal case where the defendant is in precautionary detention or is serving a sentence of imprisonment, if the defendant or his lawyer request a continuation of the trial.

As per article 4, during the term of the epidemic emergency, the participation in the trial of sentenced individuals, individuals under the precautionary measure of “imprisonment” and their lawyers, should be assured, when possible, through online video connection with the use of appropriate computer programs.

Normative Act no. 9 shall enter into force immediately.

Legal Act: Normative Act no.9, dated 25.03.2020





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- **Measure:** The Ministry of Finance and Economy is monitoring the market behaviour through its structures, aiming to avoid any possible abusive pricing. The toll-free number 0800 14 14 is available for this purpose, where anyone can report any abusive pricing cases.
Legal Act: (Notice of the Ministry of Finance and Economy, dated 14.03.2020).
- **Measure:** The Supervisory Council of the Bank of Albania decided on 14.03.2020 that a **temporary provision** is added to each regulation which facilitates banks and non-bank financial institutions, as well as savings and loan associations and their unions for the period March - May 2020, that in cases of insolvency of the borrowers, they shall not be subject to the application of the requirements of these Regulations that relate primarily to the classification and creation of provisioning funds.
- **Legal Act:** Decision of the Supervisory Council of Albania dated 14.03.2020.
- **Measure:** the Bank of Albania decided to reschedule loan instalments enter into force on 13 March 2020 and last until 31 May 2020:
 - During this period, those borrowers, individuals and businesses, whose financial situation is deteriorated from the current situation, may benefit from a delay of up to 3 months in paying the instalments of their loans received from the licensed financial institutions by the Bank of Albania, i.e. banks, non-bank financial institutions, and savings and loan associations.
 - The process only makes possible to reschedule the borrowers' obligations, but does not constitute a waiver of such obligations.
 - Borrowers should contact the financial institutions (bank, non-bank financial institutions, savings and loan association) they have a credit relationship with and make a request for the rescheduling of the loan instalments.
 - The financial institution (bank, non-bank financial institution, saving and loan associations), in cooperation with the borrower, will evaluate the request and, based on the specifics of the case, will provide the appropriate solution.
 - Borrowers whose solvency is not affected or impaired by this situation should normally continue to discharge their obligations with these institutions.
- **Legal Act:** Decision of the Supervisory Council of Albania dated 14.03.2020.
- **Measures:** The Prime Minister of the Republic of Albania and the Governor of the Bank of Albania have ordered the postponement of the repayment term of the loan instalments to the business entities and individuals until 31.05.2020. This measure applies to all borrowers who have experienced difficulties during this period as a result of COVID-19.
 - Borrowers (individuals or businesses) must communicate with lenders (banks, non-bank financial institutions or savings and loan associations), licensed by the Bank of Albania.
 - On their request, directed to the lenders, borrowers must argue their reasons and motives regarding their needs to postpone the repayment of instalments.
 - The above-mentioned lending institutions have the obligation to report on it within a period of 3 days from the receipt of the request.
 - The order has entered into force immediately and is in full force and effect.
 - The process makes possible to reschedule the borrowers' obligations, but does not constitute a waiver of such obligations.
 - Opening of the preliminary investigation procedure in the wholesale and retail market of paramedical materials.
 - Preliminary investigation shall cover the period from 1 January 2020 to 31 May

2020.

- The preliminary investigation report shall be submitted to the Competition Commission no later than 2 (two) months after the end of the investigation period.
- **Legal Act:** Decision of the Competition Commission no. 684, dated 18.03.2020 “On the opening of a preliminary investigation regarding the wholesale and retail market of paramedical materials”
- **Measure:** The Competition Commission has decided taking the following interim measures
 - A. Prohibition of the conduct of undertakings operating in the wholesale and retail network (importer, pharmaceutical warehouse and pharmacy) of paramedical materials, which directly or indirectly impose unfair trading prices or conditions.
 - B. In order to avoid abuse in the trading chain, forcing all enterprises operating in the import and wholesale market of paramedical materials to be transparent when deciding the market price of sanitizing materials, alcohol and masks.
 - C. Applying cost-oriented pricing and publishing it on official enterprise websites or other communication channels.
 The interim measure shall be effective for a period of time until the conclusion of the investigative procedure (According to Decision No. 684 dated 18.03.2020).

In case of non-enforcement of the decision on interim measures referred to in point (1) of this Decision, the undertakings found to be in breach shall be fined up to 10% of the annual turnover for a serious breach of competition pursuant to Article 74, point 1, letter b) of law no. 9121/2003.

Legal Act: Competition Commission's decision No. 685, dated 18.03.2020 “On the provisional measure for establishing competition in the wholesale and retail market of paramedical materials”,

- **Measure:** Increase in central government units guarantee to the benefit of third parties, by ALL 11 billion, which are intended to be allocated to the private sector in the form of sovereign guarantee, for companies that will face difficulties in paying their employees' salaries.
Legal Act: Normative Act no. 6, dated 21.03.2020 “On some additions and amendments to the law 88/2019 “On the state budget for year 2020’.
- **Measure:** Provision of financial assistance to self-employed persons and employees employed in business entities with annual income up to ALL 14 million that have interrupted their economic activity based on the orders of the Ministry for Health and Social Protection. The following categories shall benefit a monthly financial assistance amounting up to ALL 26,000 (approx. EUR 210):
 - Self-employed natural persons;
 - Unpaid family employees of a commercial natural person;
 - Individuals employed in commercial natural persons;
 - Individuals employed in legal entities.

In addition to the above, individuals, beneficiaries of economic aid and beneficiaries of unemployment income or individuals that have applied to obtain such benefits before the 10.03.2020 shall obtain an economic assistance of ALL 52,000 (approx.

EUR 420).

- **Legal Act:** Decision of the Council of Ministers no. 254, dated 27.03.2020 “On determination of procedures, documentation and the amount of financial assistance for employees employed in business entities with annual income up to ALL 14 million, payment of economic aid and unemployment benefit during the period of natural disaster, declared as consequence of COVID-19”.
- **Measure:** The Prime Minister, the Deputy Prime Minister and the Ministers, during the period of the epidemic caused by COVID-19 shall receive a net monthly salary of 50% of the current net monthly salary. Also, members of councils, boards or committees of state administration institutions, for the period from April 1, 2020 until the end of the epidemic caused by COVID-19, but for no more than three months, shall not receive the relevant monthly remuneration.
- **Legal Act:** Decision of Council of Ministers No. 267, dated 31.3.2020 “On temporary financial treatment of some Officials and employees of the State Administration, during the epidemic caused by COVID-19”
- **Measure:**
 - Approval of the state guarantee line, in the amount of 11,000,000,000 (eleven billion) ALL (approx. 87.000.000 EUR), in favor of the second level banks, which exercise their activity in the territory of the Republic of Albania, part of the guarantee scheme that will enable lending to cover the salaries of traders or companies, whose activity has been closed or affected by a reduction in turnover, as a result of decisions of the Council of Ministers and orders issued by the Ministry of Health and Social Protection, under management of the situation created by COVID-19.
 - After 60 (sixty) days from the date of signing the relevant agreements, if necessary, according to the report of the special inter-institutional structure, the Minister of Finance and Economy has the right to propose to the Council of Ministers the reallocation of the guarantee amount, from the lender who has not paid the amount of the guarantee in his favor to the lender who has exhausted it completely.
 This decision does not include traders or commercial companies, which before its approval are subject to the benefit of the salary subsidy scheme according to decision no. 254, dated 27.3.2020, of the Council of Ministers, “On determining the procedures, of documentation and the measure of receiving financial assistance for employees in business entities with annual income up to 14 million ALL, economic assistance and payment of income from unemployment during the period of natural disaster, declared as a result of COVID19”.
- The guarantee agreement shall be in accordance with the draft attached to the Council of Minister's Decision.
- **Legal Act:** Decision of the Council of Ministers no. 277, dated 06.04.2020.





Employment law and social protection measures

- **Measure:** Due to the closure of kindergartens and educational institutions, the Council of Ministers calls on all private employers to find opportunities to give their employees who have children in custody, paid leaves.
- **Legal Act:** (Decision of Council of Ministers no. 208, dated 10.03.2020).
- **Measure:** Obligation for private institutions to draft within 11.03.2020 a plan of measures to ensure the provision of priority services, prioritizing the category of service primarily through online service, teleworking and only when necessary to provide service through physical contact.
- **Legal Act:** (Order No. 156, of the Ministry of Health and Social Protection, dated 10.03.2020 Amended by Order 223 dated 01.04.2020 "To take special measures to prevent the spread of COVID-19 infection until the end of the epidemic situation caused by Covid-19").
- **Measure:** For all businesses and private employers that cannot close their activity in order to sustain the economic chain, they must take measures to establish a safety distance between employees of 1.5 meters and to provide employees with protective equipment in order to maintain their health.

- **Legal Act:** (Official notice of Ministry of Health and Social Protection dated 11.03.2020).
- **Measure:** For Call Center businesses, the obligation to reduce as much as possible the staff in the workplace and to act appropriately to guarantee the distances and protective hygiene conditions for each employee.
- **Legal Act:** (Official Notice of Ministry of Health and Social Protection dated 11.03.2020).
- **Other Measures on Social protection:**
 - Increase of the reserve fund from ALL 1.7 billion to ALL 9.2 billion, that shall be used by the Council of Ministers on the following:
 - i. ALL 6.5 billion as contingency for social package anti COVID-19;
 - ii. ALL 1 billion for other emergencies in the context of anti COVID-19 measures; and
 - iii. ALL 1.7 billion for unpredicted situations of the general governmental units;
 - Health insurance budget increased, among which an amount of ALL 2.5 billion will be used for current and capital expenditure as a fund for antiCOVID-19

measures.
- Additionally, through the Decision of Council of Ministers No. 240, dated 21.03.2020 "On an addition to fund in the state budget of the year 2020, approved for the Ministry of Health and Social Protection, on measures for the fulfilment of preliminary necessities as a result of COVID-19 outbreak", a fund of 46,105,800 ALL (forty six million and a hundred and five thousand and eight hundred) has been accorded to the Ministry of Health and Social Protection in the programme "Planning, management and administration" for the measures for the fulfilments of preliminary necessities as a result of COVID-19 outbreak, in the current expenses category.

- **Legal Act:** Normative Act no. 6, dated 21.03.2020 "On some additions and amendments to the law 88/2019 "On the state budget for year 2020"



Criminal law measures



Next Steps

- The Prime Minister has announced that within the next week the Parliament of Albania shall approve several criminal law measures;
- Lockdown restrictions could be slightly relaxed during the next week (opening of SME-s, excluding bars, restaurants, entertainment activities and gyms).

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- **Interruption of time limits in court proceedings**

In court proceedings (civil proceedings, non-contentious proceedings, land register and commercial register proceedings as well as execution proceedings), statutory and judicial time limits pending after 22 March 2020 are interrupted until the end of 30 April 2020. The time limits shall restart on 1 May 2020. When calculating a period determined by days, 1 May 2020 is not included. Periods determined by weeks, months and years end with the expiry of the day of the last week or month, which corresponds with 1 May 2020 by its designation or number. In addition, the period from 23 March 2020 until the end of 30 April 2020 shall not be included in the period in which an action or application is to be brought before a court or a declaration is to be made. This concerns in particular limitation periods.

- **Reduction of court operations**

For the period of the general measures to prevent the spread of COVID-19, consultations and oral hearings shall only be held under certain conditions (prevention of danger to life and limb, security and freedom, etc.). Urgently required consultations or oral hearings can also be held using suitable technical means of communication (e.g., video conference).

- **Suspension of deadlines in tax and fiscal penal law procedures**

As further facilitation for taxpayers in connection with the COVID-19-pandemic, the Austrian Parliament adopted a suspension for certain – explicitly defined – deadlines in tax as well as fiscal penal law procedures. This includes, in particular, deadlines in appeals procedures. Furthermore, the deadline for tax returns 2018, that have not yet been filed, will be extended until 31 August 2020.

- **Interruption of time limits in other administrative procedures**

In pending official proceedings of the administrative authorities to which the

administrative procedure acts (“AVG”, “VStG” and “VVG”) are applicable, all time limits whose event triggering the time limit falls after 22 March 2020, as well as time limits that have not yet expired by 22 March 2020, will be interrupted until 30 April 2020. The time limits shall restart on 1 May 2020. This does not apply to time limits in proceedings under the Epidemics Act. In certain cases (averting a danger to life, safety and freedom or to prevent a substantial and irreparable damage to a party, etc.) the authority may declare in the respective proceedings that a deadline will not be interrupted. At the same time, the authority must set a new reasonable deadline. The period from 22 March 2020 to the end of 30 April 2020 shall not be included in (i) the period in which an application initiating proceedings (Sec. 13 para. 8 AVG) is to be filed, (ii) decision periods with the exception of maximum periods laid down in the constitution and (iii) periods of limitation. Decision periods shall be extended by six weeks, but if they are less than six weeks, only to the extent of the respective decision period itself. The deadline for payment of a penalty shall be extended and shall be six weeks (i) in the case of anonymous orders (“Anonymverfügungen”) issued in the period from 22 March 2020 to 30 April 2020 and (ii) four weeks in the case of on-the-spot fines (“Organstrafverfügungen”) if the document is left or handed over in the period from 22 March 2020 to 30 April 2020. This provision will expire on 31 December 2020.

- **Changes in insolvency law**

In the event of over-indebtedness under insolvency law (“insolvenzrechtliche Überschuldung”) occurring between 1 March 2020 and 30 June 2020, the debtor is not obliged to file for insolvency. If the debtor is over-indebted at the end of 30 June 2020, he must apply for the opening of insolvency proceedings without culpable delay, but at the latest within 60 days after the end of 30 June 2020 or 120 days after the occurrence of over-indebtedness, whichever period ends later. The debtor’s

obligation to apply for the opening of insolvency proceedings in the case of illiquidity (“Zahlungsunfähigkeit”) remains unchanged (in case of illiquidity caused by the COVID-19-pandemic, the statutory period to file such an application is extended from 60 to 120 days pursuant to Sec. 69 of the Insolvency Code).

- **Measures regarding company law**

In order to prevent the spread of COVID-19, meetings of shareholders and members of corporate bodies of a corporation, a partnership, a cooperative, a private foundation, an association, a mutual insurance association, a small insurance association or a savings bank may be held and resolutions may be passed without the physical presence of the participants in accordance with a regulation to be issued. Contrary to the generally applicable rule, meetings or resolutions of stock corporations, limited liability companies and cooperatives may be held or passed within the first twelve months of the financial year of the company concerned. Insofar as periods or dates for certain meetings are stipulated in the articles of association, such meetings may also take place at a later date in 2020. Quarterly supervisory board meetings of stock corporations, limited liability companies and cooperatives may also take place after 30 April 2020. If, as a result of the COVID-19-pandemic, it is not possible for the legal representatives of a corporation, the management board of a cooperative or the management body of an association to prepare the accounting documents in the first five months of the financial year and to present them to the members of the supervisory board, this period may be exceeded by a maximum of four months. In addition, the annual financial statements must be submitted to the commercial register no later than twelve months after the balance sheet date, instead of the usual nine months. This rule applies to all companies whose last or next balance sheet date is between 30 September 2019 and 31 July 2020.

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Austria has committed, by a federal law, budget funds of up to EUR 38 billion for mitigating the economic consequences of the COVID-19-pandemic. These funds are intended to finance, inter alia, the following measures:

- **Hardship fund:**

The fund entails EUR 2 billion to support certain self-employed persons currently without revenues. It serves as a one-time subvention and does not need to be repaid.

- **Bridge financing:**

The government guarantees financing to entrepreneurs, which would be economically “healthy”, however do not possess any or enough liquidity due to the COVID-19 crisis. The financing is done by way of the government taking over a liability of up to 80% of debt of entrepreneurs, whereas the liability is capped at EUR 2.5 million per entrepreneur. Concerning business in the tourist industry, a reduced capping applies of EUR 0.5 million per entrepreneur.

- **Corona-Relief-Fund:**

Companies that have particularly been affected by bans on access, travel and/or

assembly restrictions, respectively, are confronted with a high scale loss of revenue or of which the business foundation is threatened, shall be supported by guarantees and direct subventions. A total amount of EUR 15 billion is at the fund’s disposal. The guarantee granted by the republic of Austria collateralizes 90% of operating loans with a limit of 3 months’ revenues or EUR 120 million. Applications are possible as of 8 April 2020 and have to be filed at the principal bank. Moreover, the government grants direct subventions to help covering companies’ fixed costs. Registration in this regard is possible as of 15 April 2020.

- **Deferral/Reduction of tax prepayments:**

In case companies experience liquidity problems caused by the COVID-19-pandemic, the government has simplified the approach to apply for a deferral and/or reduction of tax prepayments, which would be due in the next upcoming months. Taxpayers are able to apply for a deferral of payment until 30 September 2020 at the most. An already imposed late payment fine will be removed upon request. Application for a reduction of tax prepayments have to be filed by 31 October 2020.

- **Limitation of default interest:**

The default interest rate for all contractual relationships becoming due between 1 April 2020 and 30 June 2020 has been limited to 4% p.a.

- **Exemption from contractual penalty:**

Contracting parties are exempted from penalty if fulfilling the contractual obligations has been made impossible considering the economical limitations caused by the COVID-19-pandemic.

- **Additional aid at province level:**

At province level, there are additional financial aid measures like funding for interest payments for loans which were supported by the Republic of Austria by default guarantees.

The details of certain measures (e.g. application requirements, amounts granted) haven’t finally been determined yet, however, will be officially announced in the days and weeks to come.





Employment law and social protection measures

- **Working-time reduction model (“Corona-Kurzarbeit”)**

Under a new, more flexible, short-time work regime, companies are able to reduce the working hours down to 0% of the normal working hours, with the limitation that within a 3-months’ period of time, at least 10% of the normal working hours have to be actually carried out on average. Despite the reduction of working hours, employees still receive up to 90% of their net salary. Hereby, the employer pays the salary equivalent to the actual working hours, whereas the government pays the difference up to 90% (e.g., if the employer reduces the working hours of an employee down to 20%, the employer will have to cover such 20% and the government will pay the remaining up to 70%). Pursuant to the Second Act on COVID-19, the Public Labour Office (“Arbeitsmarktservice” – “AMS”) will now also refund the employer’s contributions to the social security provider. It is not a binding prerequisite anymore for employees to consume remaining vacation and overtime entitlements; instead, consumption of overtime and vacation entitlements may be regulated by company agreement. The Act also clarified that working-time reduction can also apply to apprentices and members of the executive body, if they are covered by the Social Security Act (“Allgemeines Sozialversicherungsgesetz” – “ASVG”). There are also slight changes regarding

the application procedure. Employers shall send the company agreement or individual agreement(s) (in companies without a works council) directly to the competent social partners, together with a statement regarding the economic necessity of the working-time reduction. After the social partners have signed the agreement(s), the employer has to fill in the new application form for working-time reduction and send all of the documents to the AMS. Moreover, the Third Act on COVID-19 has raised the fund for the working-time reduction measures to EUR 1 billion.

- **Businesses with entry-ban – consumption of vacation entitlements**

Art. 10 of the Second Act on COVID-19 concerns businesses affected by an entry-ban or operating restrictions based on the First Act on COVID-19. It provides that employees can be requested by their employer to consume remaining overtime entitlements, as well as vacation entitlements of past years. Overtime entitlements based on the conversion of monetary entitlements as stipulated in collective bargaining agreements are excluded, as well as vacation entitlements arising in the current year. An employee can be asked to consume the latter to the maximum amount of two weeks. Overall, an employee can be requested to consume vacation and overtime entitlements to a maximum extent of eight weeks.

- **Deferrals of an employer’s social security contributions**

Businesses affected by an entry-ban or operating restrictions based on the First Act on COVID-19 may defer contributions for the months of February, March and April 2020 without late payment interest fees. Other businesses may also apply for a deferral, if they can show that the contributions cannot be paid due to the COVID-19-pandemic, and the resulting threat to the company’s liquidity.

- **Further employment law amendments**

If it is in the public interest, public servants and contract staff can be requested to consume remaining overtime and vacation entitlements to a maximum extent of two weeks. Other changes include provisions on pre-retirement part-time-work (“Altersteilzeit”), the extension of mandates of employee representatives, and the special care leave (“Sonderbetreuungszeit”), which can now also be requested to care for relatives in need, as well as for disabled persons who have used personal assistance before, if such assistance cannot be ensured anymore due to COVID-19. Apart from this, also legal time-limits have been extended.



Criminal law measures

- **Adaptions in criminal proceedings and the penitentiary system**

The Federal Minister for Justice will be authorized to issue regulations adapting the Austrian Code of Criminal Procedure (“StPO”) and the Austrian Penitentiary System Act (“StVG”) for the duration of the measures to prevent the spread of COVID-19. In criminal proceedings, for example, the local jurisdictions may be adapted more easily, the appeal deadlines are extended (attention: the appeal deadline pursuant to Sec. 294 para. 2 StPO might not be included!) and the visitation rights may be limited to telephone contact only. Furthermore, detention hearings may be suspended and decisions with regard to the possible

continuation of pre-trial detention shall be taken in writing within the legal time limits. With regard to the penitentiary system, among other things, the persons infected with COVID-19 and any contact persons shall be considered unfit for detention and contact with the outside world shall be restricted (e.g. contact only by telephone). Also, the time limit for re-entering detention shall be interrupted.



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Bosnia and Herzegovina

Federation of Bosnia and Herzegovina

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General Measures

- **Movement of citizens**
 - Movement of persons under the age of 18 and over 65 is prohibited; exceptionally, persons older than 65 years are allowed to move from 8 AM to 12 AM from 6 April to 10 April 2020, and persons younger than 18 years are allowed to move in a vehicle
 - Movement of persons between 8 PM and 5 AM is prohibited except for drivers of trucks in domestic and international transport, who are required to possess a Certificate on Driver Engagement
 - Movement and restraint in the open air of more than one person at a distance of less than 1.5 meters is prohibited
- **Activities of business entities**
 - All public gatherings are canceled
 - Provision of following services is suspended:
 - services of cinemas, theaters, museums, concert halls, art galleries, public swimming pools and baths, sports and recreation centers, etc.
 - services in catering objects of all categories and in hookahs, cafes and bistros, clubs, discos, casinos, sports betting facilities, etc.
 - services in hairdressing and beauty salons and playrooms
 - public line and non-line traffic of passengers in road and rail traffic, except for registered taxi traffic,
 - Work in the retail sector, except for the explicitly listed types of shops, e.g. grocery stores, pharmacies, bakeries, etc.
 - The operation of open markets and premises around them, with the exception of open market premises with agro-food products
 - The work of private dental offices and private dental laboratories



Economic Measures

- **Deadlines for filing** tax returns and salary specifications have been **extended to 30 April 2020**
- All products in jurisdiction of the canton, city and municipality, prescribed within Article 9 of the Law on Price Control, as well as other essential groceries and basic hygiene supplies, **should not have a price higher than the price they had on 5 March 2020**
- Decisions of the Federal Banking Agency regulate that **banks and non-depository financial institutions** can approve to clients special measures: a moratorium, a grace period of up to 6 months, granting of an additional amount of exposure to overcome liquidity difficulties
- **Decreasing the lease amount** (i.e. rent) for 50%, for business premises managed by the Office for joint affairs of FBiH authorities and bodies; it is suggested that, if the pandemic would last longer, payment of rent should be completely suspended as of 1 April 2020 until the state of disaster ceases to exist
- **Decreasing health contributions** for employees who work abroad (i.e. seconded workers) for BAM 10, and decrease of other social security contributions for seconded workers per BAM 10
- On 3 April 2020, the Government of FBiH held its session and proposed the **Draft Law on Mitigation of Negative Economic Consequences**; the law is sent to parliament in emergency procedure; the following 10 measures are introduced by the law: subsidizing mandatory contributions; cessation of calculation and payment of default interest on public revenues; abolition of the obligation to pay corporate income tax advance payment; abolition of the obligation to pay personal income tax advance payment, from an independent business activity (i.e. self-employment); interruption of all administrative, litigation, non-contentious and enforcement proceedings during the lasting of state of an accident; suspension of calculation of default interest on late payments, in debtor-creditor relations; suspension of enforced of pecuniary claims; keeping the stability of individual payments; delayed application of regulations; establishment of a Guarantee Fund.
- The Insurance Supervision Agency of FBiH has issued an official notice that **insurance policy is valid even without the signature of the insurance contractor**, as regulated within the Obligations Act of FBiH

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- **Series of recommendations**

- The Government of FBiH has adopted a series of labor **recommendations**:
 - Implement **special protection measures** to prevent the adverse effects on employees' health, by shortening working hours, if possible due to work process requirement
 - Employers who employ a large number of employees should **reorganize their working hours**, if possible due to work process requirements; labor that is performed in one shift should be split in two shifts, to avoid the concentration of more workers in one place.
 - Provide employees with the instructions for **work from home**, if possible due to the nature of work, i.e. work process requirements
 - Allow employees to take **annual leave**, as well as to use leave according to the law, collective agreement or labor rulebook

- Allow employees, parents of children under 10 years, **absence from work** to one parent, in case both parents are employed
- **Cancel all business trips**, in the country and abroad, especially business trips of workers with diagnosed chronic diseases.
- Employers are obliged to, pursuant to labor-protection regulations, ensure regular and intensive implementation of **hygiene measures**
- **Cancel meetings** organized for a larger number of participants. Meetings which are necessary to be held, should be organized in as large area as possible, ensuring distance between participants (1 – 2 meters)
- The Federal Ministry of Health has published **Guidelines for Regulation of Temporary Disability for Work** based on which temporary disability for work is medically indicated also for insured individuals, subject to prevention measures from coronavirus spreading (**including e.g. home isolation, health surveillance, isolation, hospitalization, quarantine, etc.**).



Criminal law measures

- **Criminal Code of the Federation of BiH**

- **Transmission of Contagious Disease**

Whoever fails to comply with regulations or ordinances whereby a competent health care body orders medical examinations, disinfecting, quarantine or other measures for the suppression or prevention of a contagious disease with people, and where consequently a danger of the spreading of a contagious disease occurs, shall be punished by imprisonment for a term not exceeding one year.

- **Failure to Comply with Sanitary Regulations during an Epidemic**

Whoever at the time of an epidemic of a contagious disease fails to comply with ordinances and decisions passed on the basis of regulations of competent body

which regulations establish measures for the suppression or prevention of the epidemic, shall be punished by imprisonment for a term not exceeding one year.

- **Employing Persons Suffering from Contagious Disease**

Whoever, in a hospital, maternity hospital, boarding school, school, business enterprise or another legal entity, or with an individual as an entrepreneur, in a business activity in which foodstuffs are handled or that provides cleaning services or in a similar activity, in contravention of sanitary regulations employs or keeps employed a person suffering from a contagious disease, and where consequently a danger of transmission of a contagious disease occurs, shall be punished by **imprisonment for a term not exceeding one year.**

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- Establishment of a **special fund for stabilizing the economy**, with the aim to support business entities affected by spread of coronavirus





General Measures

- The **Decree-Law on time limits and procedure in court proceedings during a state of emergency and the Decree-Law on misdemeanor of causing panic and disorder** are adopted and published in the „Official Gazette of RS“, no. 32/20 as of 6 April 2020
- **Movement of citizens**
 - Movement of persons from the age of 65 and over is prohibited; as well as moving of all persons on public surfaces from 8 PM to 5 AM, except for domestic and foreign drivers who transport goods in road traffic, who hold the evidence on transport operations
 - Movement of all citizens outside of their residence address/temporary stay address from Saturday 12 AM to Sunday 6 PM is prohibited
 - Public transport of persons in road traffic on republic bus (routes up to 50 kilometers) is suspended
- **Activities of business entities**
 - Measures for business entities aiming to prevent the spread of virus disease “COVID-19” are stipulated within the Conclusion of the Republican Headquarters for Emergency Situations and they refer to prohibition of performing activities of numerous categories of business entities until 13 April 2020, and to time limitation of working hours of business entities; The Conclusion repeals the previous Conclusion as of 17 March 2020



Economic Measures

- The Decree on Price Control (“Official Gazette of the RS”, no. 30/20) which has entered into force on 2 April, regulates **margin limits for all goods and products specified in the Decree; the Decree** stipulates penalty provisions for retailers in the amount up to BAM 10,000 and repeals the previous Decree on Return of Prices to the Previous Level (“Official Gazette of the RS”, no. 25/20)
- Urgent payment of tax and social security contributions **refund**, for increase of salaries in 2019, has began on 16 March 2010
- **Deadline for filing** annual tax returns has been extended to 30 April 2020, pursuant to Decision as of 20 March 2020
- **Deferral of payment** of corporate income tax and all liabilities under the final account for 2019 is enabled until 30 June 2020, as well as payment in installments until the end of 2020; the Tax Authority of RS has issued an announcement on submitting the statement for deferred payment of tax liability
- **Lump-sum payment of tax** on the total income of small entrepreneurs with one or two employees is **decreased for 60%**
- Pursuant to Decision as of 20 March 2020, all borrowers from IRB-managed funds have been granted a **three-month repayment moratorium**, commencing as of 1 April 2020
- Pursuant to Decision as of 20 March 2020, **banks** can approve to clients special measures: a moratorium at least until the end of extraordinary situation, a grace period of up to 6 months, granting of an additional amount of exposure to overcome liquidity difficulties; similar decision has been adopted for **microcredit organizations**
- The Government of RS has announced that:
 - Funds raised the **Solidarity Fund** from voluntary payments of public sector employees should be used solely to assist employees in the real sector, affected by extraordinary measures
 - **The Government will pay taxes and social security contributions** to employees of entities directly affected by Government decisions (e.g. catering, retail, small entrepreneurs) under condition that their employers pay out net salary
 - It will actively work on establishing the **Fund for economy aid**, which should be operational in May
- The Ministry of Agriculture, Water Management and Forestry of RS has diverted **BAM 2.2 million** of current IFAD Project loan funds, to encourage agriculture production
- The Ministry of Finance, during the session of Republican Headquarters for Emergency Situations, held on 31 March 2020 announced that it will:
 - **Reconcile taxes and duties for March 2020**, for all employees of companies that have been prohibited to perform their business activities
 - **Secure a minimum wage with taxes and mandatory contributions** for April 2020

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Employment law and social protection measures

- No special measures or recommendations have been announced in regard to employment law and social protection yet
- Presidency of the Confederation of Trade Unions of RS has **submitted a request to the Ministry of Labor, War Veterans and Disabled Persons' Protection of RS**, to clarify and explain on their official website institutes stipulated within the Labor Law, applicable during the state of emergency



Criminal law measures

- **Criminal Code of Republika Srpska**
- **Transmission of Contagious Disease**
Whoever fails to abide by the regulations or ordinances whereby a competent body orders **medical examinations, disinfecting, quarantine** or some other measures for suppressing or preventing contagious diseases in people, and who by doing so causes a contagious disease to be transmitted, shall be punished by a **fine or imprisonment for a term not exceeding two years.**
- **Failure to Comply with Sanitary Regulations during an Epidemic**
Whoever, at the time of an epidemic of a contagious human disease, fails to abide by the regulations, ordinances and decisions which order measures for its suppression or prevention, shall be punished by a **fine or imprisonment for a term not exceeding two years.**
- **Failure to Apply Measures for Prevention of Contagious Disease**
Whoever, in a hospital, maternity hospital, boarding school, school, company or another organization or a store handling foodstuffs or providing cleaning services, in contravention of sanitary regulations, fails to apply hygienic measures or employs or keeps employed a person suffering from a contagious disease and who by doing so causes the contagious disease to be transmitted, shall be punished by a **fine or imprisonment for a term not exceeding one year.**



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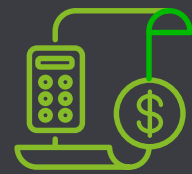
- The Government of RS is currently preparing following measures (yet to be announced):
 - **Subsidizing minimal gross salary for April 2020** for all business entities whose performance of business activities is prohibited, that have suspended their work due to objective reasons or perform work in decreased capacity and did not lay off the workforce;
 - **Decrease of non-tax fees;**
 - Supporting economy aid through the **Solidarity Fund**





General Measures

- **Movement of citizens**
 - The gathering and joint movement of three or more persons in public places is prohibited (Order of Brčko District Crisis Staff as of 22 March 2020)
 - Movement of persons within the area of Brčko district from 9 PM to 5 AM is prohibited (Order of Brčko District Crisis Staff as of 22 March 2020)
 - A special Order for drivers of vehicles in international transport has been adopted
- **Activities of business entities**
 - Measures for business entities aiming to prevent the spread of virus disease “COVID-19” are stipulated within the Order of Brčko District Crisis Staff; they refer to prohibition of performing activities of numerous categories of business entities, and to time limitation of working hours of business entities



Economic Measures

- On 18 March 2020, the Decision on Return of Prices to the Previous Level, i.e. to the level as of **5 March 2020**, has been adopted
- **Deadline for filing** tax returns have been extended
- The Government of Brcko District of BiH has adopted the following measures for remediation of economy:
 - All business entities whose performance of business activities has been prohibited, will be entitled to a refund of minimal gross salary (meaning net salary in the amount of BAM 520 plus taxes and social security contributions) for March 2020
 - All other business entities (which are not explicitly exempt, e.g. banks, public institutions, entities that laid off employment contract for at least one employee, etc.) will be entitled to a 30% subsidy on paid taxes and social security contributions for March 2020
- On 6 April 2020, the Department for Economic Development, Sport and Culture of the Government of Brcko District of BiH announced a Public Call, for allocation of funds for business entities whose business activities are limited due to pandemic

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Employment law and social protection measures

- No special measures or recommendations have been announced in regard to employment law and social protection yet



Criminal law measures

- **Criminal Code of Brcko District of BiH**
- **Transmission of Contagious Disease**
A person who fails to abide by regulations or orders by which the competent body of the health service prescribes check-ups, disinfection, isolation of a patient or some other measures for suppressing or preventing contagious diseases among people and thereby causes the transmitting of a contagious disease, shall be **sentenced to prison up to one year.**
- **Failure to Comply with Sanitary Regulations during an Epidemic**
A person who during the epidemic of any contagious disease fails to abide by orders or decisions issued on the basis of the competent body's regulations which establish the measures for suppression or prevention of epidemic, shall be **sentenced to prison up to one year.**
- **Hiring Persons Infected with Contagious Disease**
A person who hires or keeps a person infected with a contagious disease at work, contrary to the health care regulations, thus causing danger of transmitting the contagious disease in a hospital, maternity hospital, public center, school, business enterprise or other legal entity, craft and trade shops or a private business that deals with food products or which renders sanitary services or in a similar business **shall be sentenced to prison up to one year.**



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- Measures for April 2020 are yet to be announced

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General Measures

The COVID measures in Bulgaria are set out in the Measures and Actions during a State of Emergency Act. The act provides for various measures and actions in different areas during the time of the state of emergency and the fundamental ones are listed here. It comes into force with retroactive effect as of 13th March, 2020 with the exception of some provisions which will come into force on the date of the promulgation – 24 March 2020.

The general measures during the state of emergency are as follows:

- Notarial certifications are limited to only to urgent and non-delayable certifications, observing the health and hygiene requirements. The Notary Chamber ensures the availability of notaries on duty under a ratio of at least one notary per 50,000 inhabitants in the respective area. Full list of the notaries on duty in all judicial districts can be found here.
- The servicemen of the armed forces, jointly and/ or in coordination with other authorities, may participate in the implementation of anti-epidemic measures and restrictions under conditions and in order determined by an act of the Council of Ministers.
- The possibility of distance education is established. Currently all educational institutions are closed and the courses are carried through on-line.
- Traveling and training sessions on business purposes are suspended. The law regulates what happens to the unrealized trips due to the epidemic. The tour operator may offer a voucher, but still if the consumer does not agree, the paid amount shall be returned within one month of lifting of the emergency state.
- Parliament also abolished the judicial vacations in 2020. It further accepted that during a state of emergency, the court could hold on-line sessions. The minutes will be prepared and published immediately, and the minutes of the meeting will be kept until the deadline for amendment and completion of the minutes. Such meetings will also be held by the Competition Commission.

- Until the state of emergency is lifted, state and local authorities, councils, committees, commissions, including the management or control bodies of funds, accounts, and other non-legal entities, may hold distance meetings, ensuring direct and virtual participation and observing the requirements for a quorum and a personal vote. They may also take decisions in absentia. Minutes of the meeting shall be drawn up.

The Measures and Actions during a State of Emergency Act also provides for cease or extension of general statutory and administrative terms.

As of 13th March, 2020 until the lifting of the state of emergency, the below terms cease to run:

- Procedural time-limits for judicial, arbitral and enforcement proceedings, with the exception of the time-limits for cases listed in an appendix to the act (21 types of criminal, 7 types of civil and commercial and 16 types of administrative cases);
- Prescription periods and other periods provided for in the statutory acts, on expiry of which rights are terminated or established;
- Some periods regarding the identification of conflicts of interest and procedures for the seizure of illegally acquired property under the Law on Anti-Corruption and the Forfeiture of Illegally Acquired Property;
- The terms under the Law on the Judiciary with respect to filing of declaration of property and interests;

The Measures and Actions during a State of Emergency Act also extends by one month after the lifting of the state of emergency:

- The terms beyond those listed above, which expire during the state of emergency and are related to the exercise of rights or the fulfillment of obligations of individuals and private entities;

- The effect of administrative acts which is restricted by a time-limit and expires during the state of emergency;

Measures regarding the enforcement proceedings:

- Until lifting of the emergency state and in case of late payment by debtors under credit agreements /other forms of financing/ and leasing contracts, no interest and penalties for late payment shall be due. Additionally, the obligation cannot be declared early due, the contract cannot be terminated due to non-performance and no property can be seized. All announced public sales and entries into possession shall be suspended; after the state of emergency is lifted, they shall be rescheduled, and no new fees and expenses shall be due.
- No enforcement proceedings shall be initiated under the Tax and Social Security Procedure Code (TSSPC) unless such initiation is necessary for the protection of important state or public interests or in case the execution of the act may be seriously impeded, or if significant damage may result from the delay.
- The enforcement under TSSPC shall be suspended; after the suspension the public bailiff may not perform new enforcement actions, but may perform actions to secure the claim, as well as distribution of amounts received under the enforcement case; prior to the expiration of the term of the state emergency, the enforcement shall be resumed with an order of the public bailiff at the debtor's request for enforcement over: a) receivables and funds from banks; b) receivables from third parties; c) treasury values, including the content of safe deposits, as after the enforcement is completed, the enforcement proceedings shall be suspended. The terms for establishment, declaring, depositing, securing and collecting duties on customs duties, taxes, excise duties and social security contributions are not changed, except in the cases explicitly listed in the Measures and Actions during a State of Emergency Act.

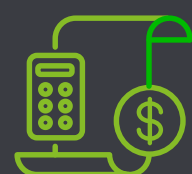
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Economic Measures

The main economic measures under the Actions during a State of Emergency Act include:

- The Public Procurement Act shall not be applied for certain supplies, related to the anti-epidemic measures. At the request of an assignee under public procurement, there is a possibility the performance deadline to be renegotiated, but not more than the term of the emergency state.
- Until the end of the state of emergency, the managing authorities of EU funds will have the right to unilaterally modify grant contracts – both to reduce and to increase the amount of agreed funds.
- During the state of emergency, but for no more than three months, the National Social Security Institute will pay 60% of employees' remunerations for January 2020 to employers whose businesses are critically affected by the epidemic measures and meet certain requirements determined in a decree of the Council of Ministers. The state will also pay the social insurance installments that are at the employer's

expense for the compensated 60% of the remuneration.

- Until the cancellation of the state of emergency, the minister of health shall be entitled to restrict the export from the territory of Bulgaria of certain categories of medicinal products. The first of these orders was already adopted – restricting the export of quinine-based products (due to their presumptive therapeutic effect against COVID-19)
- The time limits for the public procurement proceedings, concession procedures and the proceedings under: the European Structural and Investment Funds Management Act, Chapter Three of the State Property Act and Chapter Three of the Municipal Property Act, the Agricultural Producers Support Act, the Ownership and Use of Agricultural Land Act, the Forests Act, the Law on Implementation of the Common Organization of the Agricultural Markets of the European Union, the Veterinary Law, the Law on Spatial Planning and under the Law on Protection of Competition remain unchanged.

- The terms of the Financial Instruments Markets Act, the Public Offering of Securities Act, the Law on the Activities of Collective Investment Schemes and Other Collective Investment Enterprises, the Special Purpose Investment Companies Act, the Financial Supervision Commission Act, the Insurance Code and Part Two of the Social Security Code does not change, except in the cases of § 8 and § 44 – 47 of the Measures and Actions during a State of Emergency Act .
- Authorities, that have leased state or municipal property, may adopt decisions to reduce the rent or exempt from payment, in whole or in part, natural and legal persons who have limited or terminated their business activity as a result of the measures.
- The time limits regarding the Internal Rules for Control and Prevention of Money Laundering under the Law on Measures against Money Laundering shall cease to run until the state of emergency is lifted.





The Measures and Actions during a State of Emergency Act provides numerous measures with respect to protection of employees and socially vulnerable persons. During the state of emergency, but for no more than three months, the National Social Security Institute will pay 60% of employees' remunerations for January 2020 to insurers/ employers whose businesses are critically affected by the epidemic measures. The state will also pay the social insurance installments that are at the employer's expense for the compensated 60% of the remuneration.

The application process is open from 31.03.2020 and can be completed online. It takes place before the Employment Bureau and the funds are paid by the National Social Security Institute.

Basically there are three categories of employers who may benefit from the aid:

- Employers whose enterprise's work (the whole or a part of it) is suspended by virtue of governmental order;
- Employers whose enterprise's work (the whole, a part of it or for some of the employees) is suspended by virtue of an order issued by the employer;
- Employers who have introduced reduced working hours during the state of emergency.

An appendix to the Decree explicitly lists some activities for which compensation may be applied for. All other employers with economic activities that are not covered in the appendix may apply under the condition that they have declared a 20% decrease in sales revenue. Also the employers should meet some additional requirements. As per the Decree employers utilizing this support should pay the full salary and social insurance installments of the employees.

In order to prevent the spread of the disease to and protect the workers and the business, employers may undertake any of the following measures:

- Issue an order to assign work from home or telework to their workers and employees without their consent.
- Grant up to one-half of the paid annual leave without the consent of their employees or workers.
- Establish a part-time work for the full-time employees and workers for the whole or

part of the state of emergency period.

- In the event of a state of emergency, the employer may issue an order to suspend the work of the entire or part of the enterprise or of individual employees for the whole or part of the period until the state of emergency is lifted. When a state of emergency is declared and all or part of the enterprise's operations are suspended by an order of a state authority, the employer is obliged not to admit the employees or workers to their workplaces for the period determined in the order. In such cases, during the period when the work is suspended the employee or worker is entitled to their gross remuneration.
- When the employer or a state authority issues an order to suspend the work of the enterprise, a part of the enterprise or individual employees due to a declared state of emergency, the employer has the right to grant the paid annual leave to the employee without their consent.
- When a state of emergency is declared, the employer is obliged to allow the use of paid annual leave or unpaid leave at the request of certain categories of employees (a pregnant employee or worker, as well as an employee or worker in advanced stages of in vitro treatment; a mother or adoptive parent of a child up to 12 years of age or a disabled child regardless of their age; a worker or employee with permanently damaged working capacity 50 and over 50%, etc.).

Social security and social protection measures:

- Bulgarian citizens planning trips abroad must sign compulsory health insurance.
- The running of the statutory time limits for insured persons and pensioners in connection with the implementation of Part One, Chapter 4-8 of the Social Security Code is suspended.
- The enforcement proceedings for return of a child under the Civil Procedure Code also shall not be suspended.
- With respect to the enforcement proceedings under the TSSPC, non-securitized labor income is increased to the amount of the statutory minimum monthly remuneration.
- In the event of state of emergency, personal protective equipment, medical devices, medical and laboratory equipment – state property, may be temporary given for free to medical establishments (the hygienic materials and consumables are donated)

- The requirements for donations for protective equipment, disinfectants and alcohol for the benefit of the Interior Ministry are facilitated.
- Part of the statutory terms for pension insurance companies are extended (e.g. for the preparation of actuarial report).
- No distraints shall be imposed on the bank accounts of individuals and medical centers, salaries and pensions, no security measures shall be imposed on medical facilities and equipment, as well as no inventory shall be performed of movable property and real estate owned by individuals, except for liabilities for maintenance, for damages caused by delict and for remuneration claims from employment relations.
- The payment deadlines for the electricity supply of household customers are extended from 10 days to 20 days.
- During the operation of this law, the Customs Agency may provide free of charge confiscated and abandoned goods that can be used to protect the life and health of people, and serve medical establishments, kindergartens, schools, etc.
- Opportunities for providing funds under simplified rules and the possibility of shortening the time limits are foreseen. An opportunity for awarding grants directly to a candidate approved by a program monitoring committee after a reasoned proposal by the head of the relevant managing authority of a program with resolution in default is proposed.

Measures with respect to immigration:

- A foreigner who is a long-term resident and whose long-term residence permit expires during the state of emergency, may enter the territory of the country without a visa within 14 days after the state of emergency is lifted.
- The right of residence of a foreigner in Bulgaria will not be revoked if in cases of emergency the foreigner who has been granted a long-term or permanent residence permit has been absent from the EU territory in 12 consecutive months.
- The period of validity of the documents for residence of certain categories of foreigners in Bulgaria, which expire from 13 March 2020 to 31 October 2020, is extended by 6 months.

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- The time-limits under the Criminal Code and the Administrative Violations and Sanctions Act continue to run.

- Specific sanctions are provided for crimes related to the anti-epidemic measures



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- As of 9 April 2020, there is a total of 1.407 affected patients, 20 patients have deceased and 219 patients have been cured.
- Emergency powers impacting workplace attendance - closure of schools. According to the Prime Minister notice published on Friday 13 March 2020, classes will be suspended in all primary schools, high schools and faculties as well as in kindergartens. Classes will be organized through the TV channel and online. However, teaching personnel will come to schools and people who don't have anyone to take care for their children can bring them to school. This means that, in theory, classes' suspension shouldn't impact the people's work attendance but it is doubtful who would expose their children in these extraordinary circumstances.
- Emergency powers impacting workplace attendance - closure of non-food related public places
- The Croatian Civil Protection Headquarters adopted the decision limiting working hours of certain businesses and imposing public behavior restrictions:
 - Temporary limitation of working hours to maximum 5 p.m. for food retailers with compulsory abidance to the counter-epidemic measures declared by Croatian Institute for Public Health;
 - Temporary suspension for non-food related retailers and shopping centers and open markets (exceptions for certain open market stores' may apply);
 - Temporary suspension for all restaurants and cafes, except food producing and delivery companies as well as public kitchens, with compulsory abidance to the counter-epidemy measures declared by Croatian Institute for Public Health;
 - Temporary suspension for cinemas, theatres, museums, public libraries;
 - Temporary suspension for service-companies such as hair-dressers, cosmeticians, shavers and similar;
 - Temporary suspension for gyms, sport and fitness centres;
 - Temporary suspension for exhibitions and other fairs; viii. Temporary

- suspension for dance schools, child workshops and other workshops;
- viii. Temporary suspension for night clubs.

This restriction results in all the people employed within the above listed restricted objects will be restricted from their workplace attendance.

- For now, the borders are entirely closed for natural persons, except for e.g. diplomats, health-related staff and certain types of transportation.
- Persons coming from category 1 countries are obliged to undergo a 14-day health supervision in organized quarantines (foreigners) or home quarantines (Croatian citizens).
- Persons coming from category 2 countries are required to undergo a 14-day health supervision in home quarantine/self-isolation.
- Travelling within the Croatian border is prohibited except in certain cases for which special travelling permits have to be issued for the pre-defined work or health purposes.
- Other measures in agricultural, cultural, tourist, sea and transport sectors.
- The Croatian Bar Association initiated the adoption of the Act on Intervention Measures in the Area of Judicial and Administrative Proceedings. The most important measures proposed include: (i) suspension of the deadlines in judicial and administrative proceedings, (ii) different work modes of courts and other public authorities, and (iii) the suspension of monetary interests' periods in judicial and administrative proceedings
- Most of court hearings, with an exception of those urgent, have been postponed
- Due to the emergency situation regarding coronavirus, the Croatian Ministry of Tourism has adapted new rules for the registration in the eVisitor system (IT system tailor made for on-line tourists check ins) for the following categories of taxpayers: new users of holiday homes and residents of municipalities/towns receiving guest
- Payment of monument annuity has been suspended for the following two months

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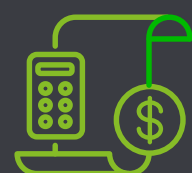
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- Granting interest free loans to municipalities, cities and counties, Croatian Health Insurance Fund and Croatian Pension Insurance Institute, up to the amount of personal income tax, surtax and contributions payments which has been deferred and/or payment in instalments was granted;
- Reprogramming of existing loan obligations with an introduction of a grace period in repayment of the loan principal. This measure will be available to all beneficiaries of HBOR loans, regardless of whether the loan is approved directly or through commercial banks;
- Granting new liquidity loans to economic operators for financing salaries and other basic operating expenses, in cooperation with commercial banks;
- Granting guarantees (insurance policies) to commercial banks of exporters

and to HBOR under the export guarantee fund with the aim of granting new loans for working capital - liquidity;

- Increasing the scope of the export guarantee fund by including the tourism sector with the aim of enabling the issuance of guarantees (insurance policies) for loans to banks and HBOR, for additional liquidity funds to exporters and the tourism sector;
- HBOR measure gives a three-month moratorium on all loan related obligations due after 29 FEB 2020. After the end of the moratorium, clients will be able to pay commitment that are due, interest free, in 12 equal monthly installments;
- HBOR will approve new liquidity loans to entrepreneurs in cooperation with

commercial banks. The loans will be approved at a favorable interest rate and the funds will be used to finance basic operating expenses (the OPEX);

- Provide for the possibility of introducing, through the Amendments to the Investment Promotion Act, the extension of deadlines for the implementation of investment projects and the introduction of an additional grace period of three years for preserving jobs;
- Intervention purchase of surpluses in livestock and crop production, fruit and vegetables, and other products from potentially endangered industrial and agricultural producers
- More favorable terms of ESIF Micro working capital loans of up to EUR 25,000 with faster processing, with a maximum interest rate of 0,5% - 0,75%



- % (depending on the development index);
- K. Increasing the rate of HAMAG-BICRO's guarantee from 65% to 80% of the loan principal;
- L. Moratorium on all installments of ESIF (EU) Micro and Small Loans by 31DEC2020;
- M. More favorable terms for ESIF Micro and Small Investment Loans, with a maximum interest rate of 0,5%;
- N. Moratorium on all installments of ESIF (EU) Micro and Small Loans by 31DEC2020;
- O. The possibility of mobilizing part of the budget as a contribution to sectoral intervention grants to entrepreneurs (national grant);
- P. New FI - Micro loan for rural development for working capital of up to EUR 25,000, with a maximum interest rate of 0,5%;
- Q. Loans for liquidity and working capital (salaries and working capital excluding liabilities towards financial institutions) with maturity of up to three years;
- R. Conducting reprogramming by credit institutions to designated clients in an expedited manner without reclassification to default;
- S. New FI - Micro loan for rural development for working capital of up to EUR 25,000, with a maximum interest rate of 0,5%;
- T. Micro and small loans for rural development. Interest rates lowered to 0.1% - 0.25%;
- U. A three-month moratorium on all loan related obligations due after 29FEB2020. After the end of the moratorium, clients will be able to pay commitment that are due, interest free, in 12 equal monthly installments;
- V. Prolongation of term of use, repayment periods and moratorium on repayment of loans / leases guaranteed by the guarantee programs of HAMMAG-BICRO;
- W. Micro and small loans for rural development. Interest rates lowered to 0.1% - 0.25%.

- Based on the decision of the Croatian Financial Services Supervisory Agency (HANFA), the insurance companies operating in Croatia, as well as the Raiffeisen Pension Insurance Company (MOD), are prohibited to use retained earnings for dividend payments all until 30 April 2021 (which date may be prolonged). The prohibition relates to retained earnings from 2019 and previous years. According to HANFA, such decision is aimed to straighten the liquidity of affected companies under the ongoing COVID-19 pandemic, and shall result in an amount of approx. HRK 4 billion staying in Croatia, on the affected companies' balance sheets;
- The Croatian National Bank has modified the means of its supervisory access to the business of credit institutions in order to make it easier for the banks to provide liquidity and thus support the maintenance of economic activity and the preservation of jobs
- In Official Gazette 43/2020 Regulations on deadlines for submission of financial reports and accounting documentation in special circumstances is published and the following deadlines are prescribed:
 - disclosure of an individual and consolidated non-financial report – within eight months from the balance sheet date,
 - submission to the Financial Agency for the public disclosure of:
 - individual annual financial reports with the accompanying audit report - within

- eight months from the last day of the financial year
- consolidated annual financial reports with the accompanying audit report - within ten months from the last day of the financial year
- submission of statement of inactivity – until 30 June of the current year
- submission of financial information for statistical and other purposes - until 30 June of the current year
- reporting of parent company obligation to consolidate financial reports - until 30 June of the current year
- above mentioned deadlines for public disclosure are applicable also to public disclosure of branch offices Permanent relief the entrepreneurs from payment of Financial Agency fee for the publication of the annual financial statements.

- Special measures proposed for agriculture and tourism sectors

• NEW MICRO LOAN FOR RURAL DEVELOPMENT FOR WORKING CAPITAL

- A new instrument for working capital for rural development with an interest rate of 0.5%
- Target group: Micro and small business entities, subject to the conditions prescribed by the EAFRD measures eligible for funding under this instrument
- Amount of loan: From 1,000 euros to 25,000 euros in HRK equivalent at the CNB middle exchange rate on the date of application
- Purpose of the loan: Working capital
- Minimum repayment period: 12 months
- Maximum repayment period: 3 years
- Interest rate: 0.5%
- Request processing fee: 0%
- Grace period: Up to 12 months if the repayment period is at least 2 years
- Collateral: Promissory note, other security instruments risk assessment

• COVID-19 LOAN FOR WORKING CAPITAL

- New program to provide additional liquidity to micro, small and medium-sized businesses affected by the COVID-19 pandemic. A prerequisite for entrepreneurs to be able to use this instrument is a 20% decline in revenue in the first quarter, or a forecast in the coming quarters. It is important to note that these funds will not be able to be used to refinance existing loan commitments or to pay off commitments made before 2020
- Target group: Micro, small and medium-sized small business entities
- Loan amount: Up to HRK 750,000.00
- Purpose of the loan: Working capital
- Maximum repayment period: Up to 5 years including grace period
- Interest rate: 0.25%
- Request processing fee: 0%
- Duration: Up to 6 months
- Grace period: Up to 12 months if the repayment period is at least 2 years
- Collateral: Promissory note

• - DEADLINES FOR SUBMISSION OF FINANCIAL REPORTS AND ACCOUNTING DOCUMENTATION IN SPECIAL CIRCUMSTANCES

- In Official Gazette 43/2020 Regulations on deadlines for submission of financial reports and accounting documentation in special circumstances is published and the following deadlines are prescribed:
 - disclosure of an individual and consolidated non-financial report – within eight months from the balance sheet date,
 - submission to the Financial Agency for the public disclosure of:

- individual annual financial reports with the accompanying audit report - within eight months from the last day of the financial year
- consolidated annual financial reports with the accompanying audit report - within ten months from the last day of the financial year
- submission of statement of inactivity – until 30 June of the current year
- submission of financial information for statistical and other purposes - until 30 June of the current year
- reporting of parent company obligation to consolidate financial reports - until 30 June of the current year
- above mentioned deadlines for public disclosure are applicable also to public disclosure of branch offices

• MICRO AND SMALL LOANS FOR RURAL DEVELOPMENT

- More favorable interest rates for micro and small loans for rural development
- Interest rates lowered from 0.5 - 1.0% to 0.1% - 0.25%





Employment law and social protection measures

- Aid for preserving jobs in coronavirus affected sectors;
- Interim measure of suspension of self-employment and employment grants with aim of securing additional funding for job retention in coronavirus affected sectors;
- Extension of duration of permanent season worker measure;
- Ensuring payment of minimum wages for persons with disabilities with aim of employment retention, and deferral of payment of financial compensation for all employers of the quota for employment of persons with disabilities;
- Deferral of payment of tourist membership fees for business entities and private renters;
- Working ban for hospitality facilities (café's, restaurants etc.);
- Amount of the aid related to Coronavirus epidemic from the Croatian Employment Agency for preservation of the employment is increased and amounts to HRK 4,000 for April and May 2020;
- Employers which benefit from the aid of the Croatian Employment Agency will be exempt from obligatory contributions related to these salaries;
- All taxpayers whose businesses are suspended or distressed will be completely or partially exempt from payment of public charges which are due during April, May and June 2020;
- Collective Bargaining Agreement for Tourism has been suspended and the employers are not obliged to comply with its provisions during the crisis.

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Criminal law measures

- According to the Croatian Criminal Act, who fails to comply with measures imposed for preventing spreading of a contagious disease (including COVID-19), may be sanctioned with imprisonment in duration of maximum two years (three years in cases the diseases is transferred to other person).

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- Government of the Republic of Croatia: <https://vlada.gov.hr/coronavirus-protectonmeasures/28950#recommendations>.
- Ministry of Foreign and European Affairs: <http://www.mvep.hr/en/info-servis/press-releases/coronavirus-control-strengtheningmeasures-for-croatian-and-foreignnationals-entering-the-republic-ofcroatia.32735.html>
- The Government also launched central Internet website covering all COVID-19 developments in Croatia that can be accessed through the following link: <https://www.koronavirus.hr/>





• State of Emergency

As of 12 April the Government declared state of emergency for 30 days. On 7 March The House of Deputies approved extension of the State of Emergency until 30 April.

• Restriction of Movement and Gatherings

- As of 19 March, all persons need to be equipped with a face mask or other covering of the nose and mouth while outside of their residence.
- Until the end of the state of emergency, the Government prohibited non-business related movement of people throughout the Czech Republic. This prohibition does not apply to travel in relation to work and business or other similar activity, travel by professionals ensuring safety, internal state order and crisis management, health protection, the provision of health or social care, including volunteering, individual spiritual care and services, public transport and other infrastructure, services to the population, including supply and distribution services, veterinary care, travel in relation to essential human needs, etc.
- Until the end of the state of emergency it is ordered to stay in publicly accessible places at maximum of two persons, except for household members, occupation, business or other similar activity, attendance at a funeral, and maintain a distance of at least two meters when contacting other persons.
- With effect from 7 April 0.00 hours until the end of the state of emergency, the prohibition on the free movement shall not apply to outdoor sports, parks, nature and other publicly accessible places subject to following protective measures (e.g. face masks, distance etc.)

• Boarder crossing Restrictions (continued)

- From 14 March until 24 April, with possible prolongation, internal borders were reintroduced with Germany and Austria. Land boarders with Slovakia (13 March) and Poland (15 March) were closed by the governments of respective countries.
- International air travel, rail travel, coach travel, boat travel and road travel for more than 9 persons is suspended.
- As of 16 March, until 12 April, the access to the Czech Republic forbidden for all foreign nationals, with the exception of foreign nationals with permanent residence or temporary residence of over 90 days and foreign nationals whose entry is in the interest of the Czech Republic.
- Foreign nationals with permanent residence or temporary residence of over 90 days may depart the country without right to return for the duration of the state of emergency.
- Each returnee to the Czech Republic has to undergo the mandatory 2 weeks quarantine.
- Czech citizens are forbidden from departing the country (with possibility of exceptions e.g. cross-border workers).
- As of 21 March, all cross-border workers must submit a proof of foreign employment as well as all relevant documentation when crossing the national border, with selected exceptions.
- When returning to the Czech Republic, cross-border workers will automatically have to submit to a fourteen-day quarantine.

– As of 14 April, travelling abroad for “essential activities” will be allowed. This will include business trips, assembly of a production facility, visit to a doctor or a relative. Each trip will be followed by 14 days of obligatory quarantine after arrival

• Retail

- From Saturday 14 March 2020 at 6:00 to 24 March 2020 at 6:00 all shops are closed except for shops selling foodstuffs, sanitary and drugstore goods, pharmacies and dispensaries of medical devices, heating materials and fuels, spectacles and contact lenses, computer and telecommunications technology, consumer electronics and household products, tobacco products, small household pets, pet food and other pet supplies, newspapers and magazines, laundry and dry cleaning services, and sales via the Internet and other remote means.
- As of 7 April hobbymarkets, hardware stores, building and bicycle retailers and bicycle services may be open.
- As of 18 March, all reexports of medicines and medicinal products registered for CZ market to the EU and the export of such outside the EU is forbidden.

• Education

- From 13 March, the personal presence of pupils in primary, secondary and tertiary professional education in schools and educational establishments and in collective forms of teaching and examination in higher education and at events organized by these schools is prohibited.

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• Czech National Bank

- As of 17 March, Czech National Bank (CNB) has reduced the two-week repo rate by 50 basis points to 1.75 %, the Lombard rate to 2.75 % and the discount rate to 0.75 %. From 18 March, delivery repos will be promulgated three times a week (Monday, Wednesday, Friday). CNB has revised the countercyclical capital buffer for exposures located in the Czech Republic to 1.75 %.
- To keep the employment rate, State will provide 100 billion CZK in direct support and 900 billion CZK in indirect in the form of guarantees.
- The government released an additional CZK 3.3 billion in favor of the rural development subsidy program.
- In favor of the Support and Guarantee Farm and Forestry Fund for the Postponement of Loans and Other Measures, the Government released an additional CZK 1 billion.

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Employment law and social protection measures

- **Mandatory service of students of tertiary professional schools**
The government imposed on full-time students of tertiary professional schools and universities in educational disciplines focused on social work and social pedagogy, social pedagogy, social and humanitarian work, social work, social legal work, charity and social activities or in any programme focusing on social work, social policy, social pedagogy, social care, social pathology, law or special education work the obligation to secure the provision of care in social services facilities.
- **Social protection**
 - The state will help self-employed persons, who are taking care of a child from 6

to 13 years of age and are not able to go to work due to the coronavirus, by 424 CZK per day.

- All self-employed, who have income only from their business, will be given a six-month holiday in the payment of health and social insurance. Holidays cover the amount of the minimum insurance premium, i.e. 4986 CZK.

- **Employment support programme (cost compensation)**
 - The government approved employment support programme with 2 directly applicable schemes (A,B) - compensation will be paid by Employment Office
 - A. In the event that employees are ordered to quarantine; workers cannot be allocated work due to government emergency measures

B. Employers where at least 30% of employees cannot work because of obstacles to work; employers that are under-sourced due to government measures and companies that are confronted with a reduction in demand for services or products as a result of a pandemic measure can apply for support

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Criminal law measures

- **Criminalisation of spread of COVID-19**
As of 13 March the SARS-CoV-2 coronavirus has been added to the list of contagious human diseases, contagious animal diseases, contagious plant diseases, and pest crops the deliberate spread of which is punishable crime.

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- **Support of Cash-flow**
 - The government and CNB propose to suspend repayments of loans to domestic commercial banks for six months.
 - The government proposed deferment of payment of lease for businesses and private persons whose income was affected by the pandemic and related governmental measures by 3 months.

- **Support for farming industry**
 - The government plans to support farmers, food producers and foresters affected by the pandemic by postponement of repayments for commercial loans provided by the Support and Guarantee Farm and Forestry Fund, provision of guaranteed support for operational financing, increase of national resources in the Rural Development Program, maximum use of European funding for mitigation.

- **Support for self-employed persons**
The government plans to provide compensation bonus in the amount of CZK 500 per day for each calendar day in a bonus period (period from March 12 2020 until April 30 2020) to self-employed person unable to perform their business activity in whole or in part as a result of state measures in connection to the pandemic.





General Measures

• State of emergency

Adoption of the sanitary crisis state of emergency that grants special powers to the Prime minister and the Health minister to take all necessary and proportioned measures to fight against the spread of the pandemic.

The same law grants the government the right to adopt a set of measures, mainly regarding economics and social issues, to adapt the law to the present conditions (legislation by way of ordinance).

• Restricted traffic and containment (social distancing measures)

On 16 March 2020, the President of the Republic decided to take measures to reduce contacts and travel to a strict minimum throughout the country as of Tuesday 17

March.

Containment (lock down) policy introduced from 17 March, till 15th April, subject to extension.

Gathering are prohibited and a minimum distance of 1 m should be observed when in contact with other persons.

Travel is only authorised on the basis of a certificate for :

To travel from home to work when teleworking is not possible

Shopping for basic necessities in authorized local shops

Going to a health care professional

To travel for childcare and to help vulnerable people on the strict condition that the

barrier gestures are respected.

Exercise only on an individual basis, around the home and without any gathering

• Border controls

On 17 March, the European Union decided to close Europe's external borders for thirty days. France is therefore prohibiting access to French territory to all foreign nationals from countries that are not members of the European Union, the Schengen area or the United Kingdom who have no imperative reason to travel to Europe and France.

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Economic Measures

• Corporate law

Following the publication of the state of emergency law n°2020-290 dated 23 March 2020, three ordinance were published on 25 March 2020:

- Ordinance n°2020-321 facilitates the deliberations of the shareholders and the corporate governance bodies and globally allows to have meetings to be held between 12 March 2020 and 31 July 2020 deliberate (i) by written consultation or (ii) by means of videoconference or telecommunication;
- Ordinance n°2020-318 extends by 3 month the deadlines for (i) the establishment of the entities' annual accounts ended between 31 December 2019 and 24 June 2020 and (ii) the approval of these annual accounts by the shareholders meetings (e.g. for companies closing their FY on 31 dec., the FY19 accounts will have to be approved before 30 Sept. 2020);
- Ordinance n°2020-306 extends the deadlines for any "act, recourse, legal claim, formality, registration, declaration, notification or publication" if those acts are legally required and must be completed between 12 March 2020 and 24 June 2020 (subject to extension) by an extra 2 months. This extension may impact the timeframes of reorganization (e.g. mergers, etc.). In principal, performance duties and time limits provided for in contracts are not affected, national law being applicable to specific circumstances (force majeure etc) will apply. However, contractual sanctions of non-performance from debtor (penalty clause, termination clause etc) are deemed ineffective within the state of emergency period, and will only enter into force after a period of one month following the end of the state of emergency period, if the obligation has not been performed by that time.

• Contract law

The French government adopted several measures to deal with the coronavirus crisis. Several orders have a direct impact on commercial agreements. Please find below the main measures:

- Order n°2020-306 dated 25 March 2020 freezes the effect of the penalty and termination clauses of the commercial agreements until 2 months after the end of the state of health emergency (currently, such state of health emergency ends on 24 May 2020 but this date may be modified);

- Order n°2020-315 dated 25 march 2020 provides that, in case of termination of travel contracts, the professional may propose a voucher and postpone the travel (a specific procedure is provided);
- Order n°2020-316 dated 25 March 2020 provides a suspension of the payment under the energy contracts (gas, electricity, water) entered into by small companies ("microentreprises") until the end of the state of health emergency (currently, such state of health emergency ends on 24 May 2020 but this date may be modified). The Order °2020-316 also provides a suspension of the payment of the rents (lease related to their premises) for the same professionals until 2 months after the end of the state of health emergency.

• Insolvency Law

• Order N°2020-341 of 27/03/2020 adapting the rules relating to the difficulties of enterprises and agricultural holdings to the health emergency

• Circular no. CIV/03/20 presenting articles 1, 2, 3 and 5 of 30 March 2020 of the Directorate of Civil Affairs and Seal

• Petition for bankruptcy (date of the insolvency situation)

- Until August 24th, 2020:
 - Principle: the insolvency situation is assessed taking into account the situation of the debtor on March 12th, 2020: this means that during the period from March 12th to August 24th, 2020, no French company can be considered as being in a state of cessation of payments (legally insolvent)
 - Exception: in the event of fraud, the court may set a later date of cessation of payments
 - It is not, however, prohibited for the bodies of the proceedings to request that it be set at an earlier date in accordance with the legal provisions

• Conciliation proceedings (amicable and confidential)

- Its legal duration (4 months + 1) shall be extended up to August 24th, 2020
- The automatic termination of the conciliator's mission in the absence of a request for the acknowledgment or the Court approval of the conciliation agreement within

the legal time limit is not applicable until August 24th, 2020

- The three-month waiting period which prohibits the opening of new conciliation proceedings does not apply

• Conciliation proceedings for agricultural or maritime businesses

- A deterioration of the situation after March 12th, 2020 cannot be taken into account by the President of the Court to refuse opening the conciliation.
- The date of March 12th, 2020 must be considered to determine whether the conciliation agreement reached was such as to put an end to the insolvency situation.

• Duration of reorganization and safeguard plans

• An automatic extension is planned until August 24th, 2020.

• **Until August 24th, 2020**, their duration may be extended for a period of 5 months (i.e. no later than January 24th, 2021) at the request of the Court appointed receiver in charge for the execution of the plan. An extension of up to 1 year may be granted at the request of the Public Prosecutor (i.e. no later than August 24th, 2021).

• **Until February 24th, 2021**, the Public Prosecutor or the Court appointed receiver in charge for the execution of the plan may request the Court to extend the duration of the current plan for a maximum of 1 year (i.e. no later than February 24th, 2022)

• These extensions will justify, if necessary, a rescheduling of the deadlines provided for in the plan due after the date of the decision or after March 12th, 2020.

Procedural deadlines and rules

• Until June 24th, 2020 :

- The period of 2 months within which the Court must rule on the continuation of the observation period shall not apply;
- The delivery of documents relating to the seizure of the court by the debtor may be done by any means;
- The debtor may include in these documents all pleas and claims even for oral proceedings;

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- The President of the Court may receive the observations of the applicant by any means within its fields of competence;
- Possibility of holding a court hearing without the presence of the debtor applying for the commencement of bankruptcy proceedings;
- Communication by all means between the Court Registry and the bodies of the proceedings.

Until August 24th, 2020, the time-limits imposed on the bodies of the proceedings may be extended for a period of 5 months by the President of the Court, acting on an request filed by the persons concerned.

Extension until January 24th, 2021:

- The durations relating to the observation period;
- The plan;
- The continuity of activity;
- The simplified judicial liquidation;
- The periods of coverage by the Wage National Fund (AGS) in the event of

- termination of the employment contract following
 - the opening of the judicial liquidation or the extension of the exceptional continuation of activity authorized within judicial liquidation proceedings (the initial period is 15 or 21 days),
 - the court approval of a transfer of assets plan (the initial period is 1 month),
 - the court approval of the reorganization plan or the safeguard plan;

• **Submission of claims for payment of wage claims to the AGS: faster handling**

- Statements of wage claims are transmitted as soon as possible by the court appointed creditors' representative to the AGS without having to wait for their approval by the bankruptcy judge or their submission to the employees' representative.

• **Order No. 2020-306 of 25 March 2020 on the extension of time limits during the period of health emergency and the adaptation of procedures during the same period**

- This order provides for the extension of the time limits which have expired or which

- expires between March 12th, 2020 and June 24th, 2020
- Acts prescribed by law or regulation and which had to be carried out within that period may be carried out until August 24th, 2020.
- A number of time limits relating to insolvency proceedings are therefore affected by this provision in particular:
 - The 2 months period (4 months for foreign creditors) for lodging a claim (receivable against the debtor)
 - The 3 month period for claiming ownership and return of assets

• **Order No. 2020-304 of 25 March 2020 adapting the rules applicable to courts of law ruling in non-criminal matters**

- The order allows hearings in bankruptcy proceedings to be held by a single judge
- The order allows all court hearings to be held by means of audiovisual communication and, where appropriate, by any electronic means of communication.
- It does not dispense with compliance with the obligations of consultation by these same means



Employment law and social protection measures

• **Part-time unemployment**

Legal recourse: Part-time unemployment is a compensation scheme companies may resort to under extraordinary circumstances (e.g. an epidemic) (Article R. 5122-1 of the French Labor Code), it being specified that part-time activity is a collective measure.

The purpose of the part-time unemployment scheme is either (i) to collectively reduce the number of working hours normally performed at the establishment to below the statutory working time or (ii) to temporarily close an establishment (or part of an establishment).

The implementation of a part-time unemployment scheme must be authorized by the French administration. Due to the current circumstances linked to the Covid-19, employers may implement a part-time unemployment system and submit a request for retroactive authorization to the administration within 30 days of implementation. The administration must reply to the request within 2 days as from the fulfillment of the request, it being specified that silence is taken to signal tacit acceptance.

The employees are entitled to a special allowance paid by their employer for any unworked hours, and the latter is reimbursed by the State. Any hours worked (in the case of reduced activity) must be paid at the normal rate.

Consequences for the contract of employment: The employment contract of the employees concerned is suspended during the unworked hours, but not terminated. Part-time unemployment is mandatory for the employees concerned (i.e. their consent is not required, even if they enjoy protected status as staff representatives or union delegates).

Employees' financial compensation: The amount of the compensatory allowance paid by the employer to the employees must correspond to a minimum of 70% of their previous gross monthly basic compensation calculated on the basis of the legal working time (i.e. 35 hours/week). This allowance may however be increased at the employer's discretion (e.g. up to 100 % of the previous gross monthly basic salary). In such a case, the part-time activity allowance paid to the employee constitutes an income substitution benefit.

As such, it is not subject to social security contributions; it is subject to the CSG and the CRDS at the rate of 6.70% after a 1.75% rebate. Lastly, the amount of the compensatory allowance is of a minimum of €8,03/ hours. The maximum number of hours that may be compensated is 1607.

Employer's financial compensation: To compensate for the payment of the allowance, the employer receives a lump-sum allocation financed jointly by the State and the Unedic (French Unemployment Insurance Fund). This lump-sum corresponds to 70% of up to 4.5 times the minimum legal wage in France ("SMIC").

Duration of the part-time unemployment system: The authorization granted by the French authorities is set at a maximum of 12 months renewable.

• **Medical Leave**

Beneficiaries: Employees placed on medical leave in the context of the Covid-19 epidemic, in particular (i) those who are subject to quarantine, eviction or home care measures and (ii) those who have children under the age of 16 who are themselves subject to such measures, and who are, for any of the foregoing reasons, unable to continue working (even in teleworking).

Conditions: For employees forced to look after their children, the medical leave declaration process has been simplified. The employer is responsible for filing a medical leave declaration on behalf of its employees on a dedicated web portal (declare.ameli.fr). This declaration serves as notice of leave and replaces the medical leave certificate issued by a healthcare professional. The leave is granted, without any waiting period or entitlement conditions, for a term of 1 to 21 days, renewable.

For all employees placed on medical leave, the waiting period is waived with respect to both the payment of daily social security benefits and any additional allowance paid by the employer (Decree no. 2020-73 of 31 January 2020, Decree no. 2020-193 of 4 March 2020, Decree no. 2020-227 of 9 March 2020, Ordinance no. 2020-322 of 25 March 2020).

In addition, with respect to any additional allowance paid by the employer, salary maintenance is no longer subject to providing justification for the medical leave within 48 hours, or to the principle of territoriality or seniority requirements (Ordinance no. 2020-322 of 25 March 2020).

Benefits: The daily social security benefits ("IJSS") amount to 50 % of the gross daily salary, it being specified that salary is taken into account up to 1.8 times the monthly minimum wage, i.e. €2,770.96 (gross) (based on the minimum wage as at 1 January 2020). For parents with at least 3 child dependents, the daily benefit is increased as of the 31st day of continuous medical leave. It then rises to 66.66 % of the daily gross basic salary. The local sickness insurance fund pays a maximum of 360 IJSS per period of 3 consecutive years.

Pursuant to French law, salary maintenance by the employer is possible up to 90 % of the gross monthly salary for the first 30 days of leave and, for the following 30 to 90 days of leave, the percentage of salary drops to 2/3 (i.e. 66.66 %).

Compensation periods are legally extended by ten days for every period of five full years of service, each of these periods being capped at 90 days.

It being specified, the applicable collective bargaining agreement may contain more favorable provisions (such as, e.g., full salary maintenance).

• **Teleworking**

Teleworking consists, theoretically, in regularly working a certain number of hours per week off of company premises and relying on information and communication technology (TIC).

In the private sector, teleworking is implemented by collective agreement or a policy

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developed by the employer after seeking the opinion of the Social and Economic Committee ("CSE") (if any). In the absence of a policy or a collective agreement, where the employee and employer agree to teleworking, they are required to formalize this agreement by any means.

However, in exceptional circumstances (in particular with the current Covid-19 epidemic), teleworking may be imposed without the employees' agreement (Labour Code, Article L.1222-11). For sake of prudence, it remains preferable that employees be informed of the implementation of teleworking by any means (e.g. by e-mail).

Even where it is temporary in nature such as the Covid-19, the implementation of teleworking may constitute a significant reorganization of working conditions requiring that the CSE be consulted (Labour Code, Article L 2312-8).

• **Will the employer be entitled to impose or reschedule days of paid leave/ compensatory rest ?**

According to Ordinance n°2020-323 of 25 March 2020, the following measures were set out:

- **Concerning paid leave:**
A company-wide or industry-wide agreement may determine the conditions under

which the employer is authorized to impose days of paid leave acquired or to change the dates of previously scheduled leave, within the limit of 6 working days and subject to prior notice of 1 clear day.

The agreement may authorize the employer to split up the days of leave without having to obtain the employee's consent.

- **Concerning compensatory rest days ("JRTT"):**

The employer may unilaterally impose or reschedule compensatory rest days (up to a maximum of 10), without having to enter into a company-wide or industry-wide agreement and subject to prior notice of 1 clear day.

• **Deferral of payroll tax**

The Urssaf has set up an exceptional system to help companies facing serious cashflow problems on account of the health crisis.

Employers whose payment deadline falls on 15 April at noon may defer all or part of the payment of the employee and employer contributions due at that time. The payment deadline for these contributions will be automatically deferred for up to 3 months while their terms of payment are agreed with the collection organizations.

Employers may adjust the payment of these contributions, i.e. either reduce them to 0,

or settle only a portion of the contributions due.

Where the employer pays its contributions outside of the DSN ("déclaration sociale nominative"), via bank transfer, it may either adjust the amount transferred or suspend the transfer entirely. Where the employer pays its contributions via the DSN, it may adjust its transfer SEPA payment on this DSN.

Employers that prefer to pay employee contributions may stagger the payment of their employer contributions in accordance with the normal procedure available on Urssaf.fr.

All requests for deferral carried out in accordance with the procedures in place will be automatically processed in a timely manner by the Urssaf services, which will get back to the employer to specify the terms of application.

A deferral or deadline extension is also possible for supplementary pension contributions. Employers are advised to contact their supplementary pension institution.

It is important to note that, in a press release dated 3 April 2020, Gérald Darmanin recalled that these exceptional measures are intended for the businesses and micro-enterprises that need them most. It is important that companies that are able to do so continue to contribute to financing national solidarity.



Criminal law measures

• **Proceeding**

Among others, an emergency bill n°2020-303 dated March 25, 2020 deals with the adaptation of the criminal rules and proceeding during this period. Provisions are applicable until the expiration of a period of one month from the date of termination of the state of health emergency declared in the conditions of article 4 of the law of March 23, 2020.

This order suspends the limitation periods for public action and execution of sentences from March 12, 2020. It eases the conditions for referral to courts and lightens their activity, by authorizing dematerialized hearings more broadly.

Rules of criminal procedure applicable to persons in police custody, provisionally detained or under house arrest are modified.

It allows a lawyer to assist a person under police custody using a means of telecommunications.

It extends the maximum periods for placement in pre-trial detention and house arrest during the investigation and for the hearing.

It lengthens the processing times for requests for the release of provisionally detained persons.

French Courts have been closed since March 16, 2020 except for the processing of "essential" disputes, in practice mostly in criminal and family law matters.

• **"New measures" and continuity**

Criminal fines were edited in case of violation of coronavirus confinement restrictions.

Some proceeding delays were maintained (ie recourses against decision of judges of liberties and detention having authorized investigation and seizure operations carried out for tax investigations purposes).



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• **Employment law and social protection**

Submit, if any, a request of part-time unemployment: <https://activitepartielle.emploi.gouv.fr>

• **Criminal law measures**

Coronavirus criminal litigation

Since the appearance of the first cases of Coronavirus, scams multiplied, despite administrative alerts and recommendations. Criminal investigations and hearings will probably increase on this ground.

End of the suspension of the limitation periods.

Probable increase of investigations and criminal litigations linked to the health emergency period (concealed work...)

Employment law and social protection

Two steps to implement teleworking:

- Consultation of the CSE ;
- Individual information of the employees by any means

Two steps to impose or reschedule days of paid leave/ compensatory rest:

- Individual information of the employees;
- Respect the priori notice of 1 clear day.

Submit, if any, to benefit from the exceptional system set up by the Urssaf: <https://www.urssaf.fr> and log into your personal account.

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1. Insolvency

[Summarized information, for details check our [website](#)].

- Under German law, management bodies of German companies are generally subject to an **obligation to file for insolvency**, which kicks in if and as soon as a reason for opening insolvency proceedings arises (inability to pay or over-indebtedness in the absence of a positive prognosis of continued existence) and must then be fulfilled immediately, at the latest within 3 weeks.
- A breach of this obligation can lead to criminal prosecution of the responsible members of the managing bodies and to personal **liability**
- The obligation to file for insolvency has been **suspended until September 30, 2020**
- This does not apply if the ground for insolvency are not **due to the consequences of the spread of the SARS-CoV-2 virus (COVID-19 Pandemic) or if there is no prospect of eliminating an existing insolvency.**
- If the debtor was not insolvent on 31 December 2019, it is **assumed** that the ground for insolvency have been induced by the effects of the COVID-19 Pandemic and there are prospects of eliminating an existing insolvency.
- The provisions on the suspension of the obligation to file for insolvency correspond to corresponding **consequential changes**. The regulations on the (in)-**admissibility of payments** in Section 64 German Limited Liability Companies Act, Section 92 paragraph (2) German Stock Corporation Act and comparable provisions of the German Commercial Code and German Cooperatives Act are **modified**, the same applies to the **return of loans granted and collateral provided** during the suspension period - these are no longer per se subordinate and are not to be considered immoral - and legal acts which have granted or enabled the other party to grant security or satisfaction - these are privileged and are **excluded from avoidance/ clawback (actio pauliana) provisions.**
- **Payments during the suspension period** which are made in the ordinary course of business, in particular those payments which serve to maintain or resume business operations or to implement a restructuring concept, will in future be deemed to be **compatible with the diligence of a prudent and conscientious business man** within the meaning of the relevant statutory provisions of the respective laws.
- In the case of **creditors' insolvency petitions** filed within 3 months of the date of the Law's entry into force, the opening of insolvency proceedings requires that the reason for opening the proceedings already existed on 1 March 2020. As things stand at present, this applies regardless of whether the reason for opening the insolvency proceedings is due to the COVID-19 Pandemic.
- The suspension of the obligation to file for insolvency is **initially limited until 30 September 2020**. However, the Federal Ministry of Justice is **authorised to extend** the period of applicability **until 31 March 2021**.
- The **privileged treatment of the repayment of loans and collateral** - including privileges under insolvency avoidance law - covers measures taken up **to 30 September 2023**; special privileges are granted for financing and

collateralization within the framework of government aid programs.

2. Several amendments to existing laws by means of the COVID 19 Pandemic Act

- A central component in the area of civil, corporate and insolvency law is the **"Act on Mitigation of the Consequences of the COVID 19 Pandemic in Civil, Insolvency and Criminal Procedure Law"** (hereinafter also referred to as the "COVID 19 Pandemic Act").
- Article 1 of the COVID 19 Pandemic Act contains the **law on the temporary suspension of the obligation to file for insolvency and to limit the liability of executive bodies in the event of insolvency caused by the COVID 19 Pandemic (COVInsAG)**. See above.
- Article 2 of the COVID 19 Pandemic Act contains the so-called **Law on Measures in Company, Association, Cooperative and Condominium Law to Combat the Effects of the Infection with the SARS CoV-2 Virus**. This law initially provides for regulations concerning general meetings of stock corporations, KGaA and SE and cooperatives in times of crisis. In addition, it extends the period provided for in Section 17 paragraph (2) sentence 4 of the German Reorganization Act from the current 8 months to 12 months. Further regulations concern general meetings of associations and regulations for condominium owners' associations.
- Art. 3 of the COVID-19 Pandemic Act contains amendments to the Introductory Law to the **Code of Criminal Procedure** - we have refrained from presenting them. The same applies to the further amendments to the Introductory Act to the Code of Criminal Procedure provided for in Article 4 of the COVID-19 Pandemic Act.
- Article 5 of the COVID-19 Pandemic Act **supplements Article 240 of the Introductory Act to the Civil Code with special provisions on the consequences of the Pandemic**. In particular, **consumers, but also micro-enterprises**, as well as tenants, are to be protected from the **legal consequences of financial problems in connection with the COVID-19 Pandemic**. Essential points can be roughly summarized as follows:
 - If a **consumer** is unable to meet his (payment) obligations from certain continuous obligations in the period April to June 2020 without endangering his livelihood, he is entitled to temporarily refuse to meet his (payment) obligations. A corresponding regulation is provided for **micro-enterprises**. Excluded are - among others - contracts of employment.
 - If a **tenant** is temporarily unable to meet his obligations to pay the rent in the period from April to June 2020, the tenancy cannot be terminated solely for this reason; however, he remains obliged to pay the rent and must subsequently pay off accrued rent debts. This regulation applies to all tenants, regardless of whether the rent is residential or commercial.
 - If a **consumer**, due to financial problems as a result of the COVID-19 Pandemic, is not in a position to meet due loan obligations under **consumer loan agreements** without limitation of his reasonable living costs, he is entitled to refuse the due payments without legal disadvantages. Unless the parties agree otherwise in individual cases, the loan will be virtually suspended as a result of such a deferral, all payments will be postponed by

(up to) 3 months without any disadvantage to the consumer. The lender may not terminate the loan during the deferral period.



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1. Short-shifts and short shift subsidies:

[Summarized information, for details check our [website](#)].

- The **government employment** agency generally substitutes 67% of lost pay (post tax) to employees with children, and 60% to others;
- The short-shift subsidy can be payable for **up to 12 months** - extension to 24 months possible but not implemented yet ;
- The government pays all **social security contributions** (including employers') related to these subsidies.
- **Acceleration and simplification of access** to short shift, i.e. reduced hours, as well as related subsidies
- Short shift must affect at least **10% of the employees** (previously: 30%) with a loss of 10% of their remuneration.
- Short shift subsidies now also apply to **temporary employees**
- Short shift subsidies can now also cover full **social security contributions**
- Wrongful applications and incorrect information given as part of the application process for short shift subsidies can lead to **sanctions**, including under criminal law
- Experience shows that **examinations** will be undertaken at a later stage

2. Other employment law related measures

- Amendments have been made to the Infection Protection Act.
- Employers can apply for compensation if employees were sent in quarantine.
- Employees who have to look after their children and are unable to work due to an official closure of a day care centre or school and experience a loss of remuneration will be entitled to compensation amounting to 67% of their monthly net income for a period of up to six weeks in accordance with Section 56 (1a) Infection Protection Act.

3. Tax initiatives:

General

- Simplification of process to apply for **relief from tax payments**;
- acceleration of **adjustments to tax prepayments**;
- tax enforcement actions deferred to 31 December 2020 if failure to pay linked to coronavirus
- **wrongful applications** and incorrect information given as part of the application process for short shift subsidies can lead to **sanctions**, including under criminal law
- experience shows that examinations will be undertaken at a later stage

Details

- Postponement of deadlines for tax payments:
Based on a decree of the Federal Ministry of Finance dated March 13, 2020 taxpayers have the option of applying to defer making (corporate) income tax payments without being charged interest. Taxpayers that are "directly and seriously affected" by COVID 19 may apply for deferral until 31 December 2020. There are no guidelines or definitions what "directly and seriously affected" means. The decree provides that

approval for these measures will be granted even if affected taxpayers cannot yet quantify the economic damage resulting from COVID 19. As the administration of the CIT is being done by the various states and not by the federal government the application steps and the required forms to apply for a payment deferral vary from state to state. Forms can be downloaded from the state's tax administration website.

For the municipal trade tax a joint decree of the state tax authorities dated March 13, 2020 provides for a simplified procedure to reduce trade tax prepayments. Such applications have to be submitted to the tax authorities. Applications to defer trade tax payments or to completely waive trade tax payments have to be submitted to the local trade authorities and not to the tax authorities (except for the state of Berlin, Hamburg and Bremen where such applications have to be filed with the tax authorities).

Similar measures exist for VAT, customs and energy tax. Social security contribution payments for the months March to May can be deferred until the end of June without triggering interest.

- Postponement of deadlines for tax return filings:

Certain states provide for an extension of the 2018 CIT tax return filing deadline (March 1, 2020) to May 31, 2020 and other tax filing deadlines like e.g. quarterly VAT returns upon request. Late filing penalties can be waived upon request. Tax offices are instructed to generously approve applications for filing extensions for taxpayers that are affected by COVID 19.

There is no general postponement of tax filing deadlines at a federal level.

- Adjustments to interest and/or penalties for late payments /filings

Deferral of tax payments that become due until 12/31/20 should generally not trigger interest during the deferral period. Late payment penalties for tax payments for the period 03/13/20 until 12/31/2020 are generally waived. All taxpayers that are "directly and seriously affected" by COVID 19 may apply for these measures.

- Other

Enforcement measures are generally suspended until 12/31/2020 for "directly and seriously" affected taxpayers without triggering late payment penalties.

4. Insolvency

- Under German law, management bodies of German companies are generally subject to an **obligation to file for insolvency**, which kicks in if and as soon as a reason for opening insolvency proceedings arises (inability to pay or over-indebtedness in the absence of a positive prognosis of continued existence) and must then be fulfilled immediately, at the latest within 3 weeks.
- A breach of this obligation can lead to criminal prosecution of the responsible members of the managing bodies and to personal **liability**
- The obligation to file for insolvency has been **suspended until September 30, 2020**
- This does not apply if the ground for insolvency are not due to the consequences of the spread of the SARS-CoV-2 virus (COVID-19 Pandemic) or if there is no prospect of eliminating an existing insolvency.
- If the debtor was not insolvent on 31 December 2019, it is **assumed** that the ground for insolvency have been induced by the effects of the COVID-19 Pandemic and there are prospects of eliminating an existing insolvency.
- The provisions on the suspension of the obligation to file for insolvency

correspond to corresponding **consequential changes**. The regulations on the (in)-**admissibility of payments** in Section 64 German Limited Liability Companies Act, Section 92 paragraph (2) German Stock Corporation Act and comparable provisions of the German Commercial Code and German Cooperatives Act are **modified**, the same applies to the **return of loans granted and collateral provided** during the suspension period - these are no longer per se subordinate and are not to be considered immoral - and legal acts which have granted or enabled the other party to grant security or satisfaction - these are privileged and are **excluded from avoidance/clawback (actio pauliana) provisions**.

- **Payments during the suspension period** which are made in the ordinary course of business, in particular those payments which serve to maintain or resume business operations or to implement a restructuring concept, will in future be deemed to be **compatible with the diligence of a prudent and conscientious business man** within the meaning of the relevant statutory provisions of the respective laws.
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consequences of the Pandemic. In particular, **consumers, but also micro-enterprises**, as well as tenants, are to be protected from the **legal consequences of financial problems in connection with the COVID-19 Pandemic**. Essential points can be roughly summarized as follows:

- If a **consumer** is unable to meet his (payment) obligations from certain continuous obligations in the period April to June 2020 without endangering his livelihood, he is entitled to temporarily refuse to meet his (payment) obligations. A corresponding regulation is provided for **micro-enterprises**. Excluded are - among others - contracts of employment.
- If a **tenant** is temporarily unable to meet his obligations to pay the rent in the period from April to June 2020, the tenancy cannot be terminated solely for this reason; however, he remains obliged to pay the rent and must subsequently pay off accrued rent debts. This regulation applies to all tenants, regardless of whether the rent is residential or commercial.
- If a **consumer**, due to financial problems as a result of the COVID-19 Pandemic, is not in a position to meet due loan obligations under **consumer loan agreements** without limitation of his reasonable living costs, he is entitled to refuse the due payments without legal disadvantages. Unless the parties agree otherwise in individual cases, the loan will be virtually suspended as a result of such a deferral, all payments will be postponed by (up to) 3 months without any disadvantage to the consumer. The lender may not terminate the loan during the deferral period.

6. "Protective shield" for businesses including:

- **Broader scope of and accelerated access to promotional loans for entities of all sizes** as well as liberal professions from the state-owned KfW Bank - "KfW Sonderprogramm"
- No separate risk assessment of KfW for loans up to Euro 3m per applicant
- Simplified risk assessment (Modified Fast Track) for loans up to €10m per applicant.
- Application will still need to be made through commercial banks who will run their own credit assessment procedures.
- Loans for small- and mid-sized entities can be equipped with **indemnity declared by KfW vis-à-vis the commercial bank of up to 90%**, loans for larger entities can be equipped with a corresponding indemnity of up to **80%**
- Newly introduced "**KfW Schnellkredit**" ("**KfW Fast Track Loan 2020**") for small and medium-sized enterprises: Loans amounting to a maximum of 3 monthly turnovers generated in 2019, but capped at EUR500k for businesses with 11 to 49 employees and €800k - for all entities with 51 to 249 employees. All loans can be equipped with a **indemnity declared by KfW vis-à-vis the commercial bank of 100%**. Specific features of the programme are the 100% indemnity of the house bank by the KfW and **the extensive waiving of a credit check**. Before disbursement, the commercial bank only checks the turnover and number of employees and that the company has made a profit in 2019. When submitting the application, the applying company must declare that it had "**orderly financial circumstances**" as at **31.12.2019**. The aim of these general conditions is to enable the enterprises to obtain loans **quickly**. At **3.0%**, **the interest rate is comparatively high** compared to the other promotional programmes, and the loan is repayable in ten years with a two-year grace period. The programme will **not be combinable with other programmes**.
- Guarantees covering 90% of the amount of Investment.
- Wrongful applications and incorrect information given as part of the application process can lead to **sanctions**, including under criminal law,
- Experience shows that **examinations** will be undertaken at a later stage.
- **Additional support and financial aid programs at the level of the Federal States** (in German: Bundesländer) - mostly earmarked for micro enterprises, self-employed as well as small and medium-sized entities – not reported here).

7. Bailout fund/ Economic Stabilization Fund

(Wirtschaftsstabilisierungsfonds):

- Bailout fund has been implemented by way of the Act on the Establishment of a Non-Legally Capable Special Fund „**Economic Stabilization Fund – WSF**”.
- The WSF is endowed with **600 billion euros** which are provided for the following measures:
- 400bn euros guarantees for refinancing measures of companies.
- 100bn euros with which debt Instruments and liabilities of companies can be taken over.
- Additional 100bn euros will be provided for special loans from the state-owned KfW Bank.
- In accordance with Section 16 of the Act, the **purpose** of the Economic Stabilization Fund is **to stabilize companies in the real economy by overcoming liquidity bottlenecks and by creating the framework conditions for strengthening the capital base** of companies whose existence would have a **significant impact** on the economy, technological sovereignty, security of supply, critical infrastructures or the labor market.
- **Companies in the financial sector** and credit institutions or bridge institutions are **not** considered to be companies in the real economy.
- Eligible companies must have **fulfilled at least 2 of the 3 following criteria** by 31 December 2019: (i) balance sheet total of more than EUR 43,000,000, (ii) turnover of more than EUR 50,000,000, (iii) more than 249 employees on an annual average.
- The **Federal Ministry of Finance** in agreement with the **Federal Ministry of Economics and Energy** will decide on the stabilization measures to be taken by the Economic Stabilization Fund upon application of the enterprise.
- **Stabilization measures** consist, among other things, of the **assumption of guarantees and participation in recapitalization measures**, which in turn comprise the acquisition of subordinated debt, hybrid bonds, profit participation rights, silent participations, convertible bonds, the acquisition of shares in companies and the assumption of other components of the equity of these companies.
- The **prerequisites and conditions** for stabilization measures essentially consist of the fact that **additional financing options are not available to the companies**.
- In addition, the stabilization measures must provide **clear and independent prospects for continued operations after the Pandemic** has been overcome. Companies applying for a stabilization measure may **not** have met the EU definition of "companies in difficulty" as of 31 December 2019; they must guarantee a sound and prudent business policy.
- The **further details** regarding the management of the special assets and the corresponding framework conditions are to be specified flexibly in an accompanying **statutory ordinance** issued by the Federal Ministry of Finance in agreement with the Federal Ministry of Economics and Energy.

8. Small entities and self employed persons:

- Small companies and solo self-employed persons such as artists and carers can apply for non-repayable direct grants of up to EUR 9000 respectively Euro 15,000 over three months.
- Wrongful applications and incorrect information given as part of the application process can lead to **sanctions**, including under criminal law
- Experience shows that **examinations** will be undertaken at a later stage - state owned banks of individual Federal States have already announced that they have seen wrongful applications and will undertake thorough **examinations**.

9. Social security contributions

- Companies can apply for a postponement/deferral of their obligation to make

payment of their social security contributions several prerequisites, etc. apply

10. COVID-19 Hospital Relief Act (Covid19-Krankenhausentlastungsgesetz)

- Enacted. Act comprises a **number of measures to guarantee the funding of hospitals and ensure their liquidity**. For non-essential surgery and treatment that has been postponed, hospitals are to receive financial compensation from the liquidity reserve of the health fund. This will be re-financed from the national budget. Until the end of September, hospitals will receive a lump sum payment of 560 euros a day for every bed they keep free. For every additional intensive care bed that hospitals put in place, they will receive a bonus of 50,000 euros. Hospitals will receive an additional payment of 50 euros per patient to cover the additional costs, especially of personal protective gear. This provision will apply for a limited period. It can be extended or raised as necessary. The provisional nursing fee will be raised by about 38 euros to 185 euros a day.
- The legislation also contains **provisions for out-patient care. Doctors working in practices** can expect to receive compensatory payments if they suffer loss of earnings as a result of the COVID-19 pandemic. At the same time, additional costs incurred as a result of treating COVID-19 patients are to be offset. The financing of extraordinary measures, such as setting up "outpatient clinics for patients with fever" is also to be ensured.
- The legislation also contains provisions to **ensure nursing care** and reduce the risk of infection to those in need of care and to all those working in nursing. The strain on nursing facilities and nursing staff is also to be reduced. The additional financial costs incurred by the pandemic or any loss of income is to be reimbursed through the long-term nursing care insurance. Bureaucratic requirements and the obligation to produce an expert report will be waived for a time. Nursing care insurance schemes will be granted more leeway to help them avoid gaps arising in nursing care coverage for people receiving care at home.

11. Guidance for auditors

- Institut der Wirtschaftsprüfer (IDW): Guidance for auditors (in English) on consequences for business, going concern, changing audit opinion after reporting period.
- Institut der Wirtschaftsprüfer (IDW): Guidance for auditors (in English) on consequences for valuations

12. Guidance by German FSI Regulator BaFin

- In his own words, the Germany's supervisory authority BaFin "takes the current risk situation very seriously. BaFin is working together with the European Central Bank and the European Supervisory Authorities to monitor the coronavirus situation"
- BaFin has issued an FAQ documents under the title Supervisory and regulatory measures [in reaction to covid-19] (FAQ). Due to the special situation surrounding COVID-19 (the novel coronavirus), The FAQ document summarizes BaFin's responses to numerous queries from associations and institutions that it has received, many of which allude to the same topics. Pursuant to BaFin, "where applicable, these explanations, which are provided by BaFin's Banking Supervision Sector, apply mutatis mutandis to securities trading banks and financial services institutions." The FAQ document can be found here.





Employment law and social protection measures

1. Short-shifts and short shift subsidies :

[Summarized information, for details check our [website](#)].

- The **government employment** agency generally substitutes 67% of lost pay (post tax) to employees with children, and 60% to others;
- The short-shift subsidy can be payable for **up to 12 months** - extension to 24 months possible but not implemented yet ;
- The government pays all **social security contributions** (including employer's) related to these subsidies.

- **Acceleration and simplification of access** to short shift, i.e. reduced hours, as well as related subsidies.
- Short shift must affect at least **10% of the employees** (previously: 30%) with a loss of 10% of their remuneration.
- Short shift subsidies now also apply to **temporary employees**
- Short shift subsidies can now also cover full **social security contributions**
- Wrongful applications and incorrect information given as part of the application process for short shift subsidies can lead to **sanctions**, including under criminal law.
- Experience shows that **examinations** will be undertaken at a later stage.

2. Other employment law related measures

- Amendments have been made to the Infection Protection Act.
- Employers can apply for compensation if employees were sent in quarantine.
- Employees who have to look after their children and are unable to work due to an official closure of a day care centre or school and experience a loss of remuneration will be entitled to compensation amounting to 67% of their monthly net income for a period of up to six weeks in accordance with Section 56 (1a) Infection Protection Act.



Criminal law measures

1. Several amendments to existing laws by means of the COVID 19 Pandemic Act

[Summarized information, for details check our [website](#)].

- Art. 3 of the COVID-19 Pandemic Act contains amendments to the Introductory Law to the **Code of Criminal Procedure** - we have refrained from presenting them. The same applies to the further amendments to the Introductory Act to the Code of Criminal Procedure provided for in Article 4 of the COVID-19 Pandemic Act.



Next Steps

[Summarized information, for details check our [website](#)].

- **Extension of term during which short time work subsidy is payable expected to be extended to 24 months.**
- **Further details related to WSF expected to be regulated by ordinance any time soon.**
- Further details with respect to availability and terms and conditions of **KfW Fast Track Loan** expected to be announced soon.
- Think tanks and individual politicians have initiated a debate about the **ramp-**

up; not entirely clear when and in what form the ramp-up will actually start. For example see study [Making the Fight against the Coronavirus Pandemic Sustainable](#) issued by the ifo Institut – Leibniz-Institut für Wirtschaftsforschung an der Universität München e.V.

- Federal Government has announced that it is **contemplating to help businesses in the travel industry by implementing a coupon/voucher solution** enabling businesses to not return payments received but issue vouchers instead
- The Federal Cabinet has decided on **assistance for students and academics**. For academics in the qualification phase leading up to a doctoral degree and in the immediate period thereafter, the maximum length of

a limited-term contract will be extended, by the length of time for which the pandemic results in restrictions being imposed on the operating of universities and academic facilities. Students who are recipients of student loans will be entitled to work during the coronavirus pandemic to supplement their income. This will not be deducted from the assistance available to them under the BAföG student loan scheme.

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General Measures

- The government is entitled to adopt new rules by decrees under the period of the state of emergency in the interest of people's health, legal certainty and the stability of the economy.
- Exemption from the obligation of taking foreign language examination, applying to all students who will have successfully completed their higher education studies by 31 August 2020.
- Municipality councils cannot be dissolved until the end of the state of emergency.
- No state/local election or referendum can be proceed until the end of the state of emergency.
- Universities, primary and secondary educational institutions are closed and the education is continued online.
- Cultural institutions (theatres, museums, cinemas) are closed.
- Only people above the age of 65 can enter into grocery stores and pharmacies from 9:00 to 12:00 in the morning.
- The borders are closed for all passenger transport, only Hungarian citizens can enter the country.
- Partial lockdown is applied. Citizens are only allowed to leave their homes and places of residence for the purpose of going to work or other essential activities. Municipalities are allowed to implement stricter measures in this regard."

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Economic Measures

- Sectors most affected by the virus and industries with extensive traditions in Hungary can expect extra funding. Accordingly, the construction industry, transport, logistics, tourism, the creative industry, the health industry and the food industry will have access to development grants and tax cuts, in addition to the availability of preferential loans and capital programmes.
- Wider scope for tax payment facilities (e.g. instalment and deferred payment)
- Shorter deadline for VAT refunds: reducing the time limit in the case of normal taxpayers from 75 days to 30 days, while in the case of reliable taxpayers from 30 days to 20 days.
- From July 2020 the social contribution tax is reduced by 2 per cent.
- The deadline for the submission of tax returns and financial statements is postponed to 30 September 2020.
- The health industry will receive significant support in order that the products of Hungarian pharmaceutical companies and medical manufacturers appear in Hungarian health care in a higher percentage. Both university and corporate research institutes will receive funding; an Agency for Health Industry Innovation is being set up.
- In the interest of protecting employers, credit guarantee and capital programmes have been announced to boost corporate liquidity. These grants could protect Hungarian-owned businesses not only from economic fallbacks, but equally from foreign buy-outs. Corporate credit facilities offered at preferential interest rates amount to almost HUF 2,000 billion in total, with state guarantees to the value of HUF 500 billion.
- Tenders with an allocation of hundreds of billions of forints will be released for companies retaining their work force for the purposes of technological developments, environmental protection and energy efficiency projects.
- In order to support tourism, the government is suspending the tourism tax up to the end of the year.
- Moratorium on evictions
- Suspension of enforcement procedures
- Suspension of tax enforcement procedures
- Extension of the entitlement for several maternity benefits until the end of the extraordinary situation
- Moratorium on loan payments until year-end for companies and individuals as well.
- Short-term loans of enterprises extended until July 30Cap on the interest of future consumer loans (taken after 18 March)
- Waiver of employers' social security liabilities in sectors particularly affected: tourism, hospitality, entertainment, sports and cultural services, taxi service, hairdressers, dentists, outpatient care, event organizers; potential reduction of employee's social security liabilities (full waiver in certain cases)
- Restriction on the cancellation of property rental agreements and on the increase of rental fees in the above mentioned sectors until 30 June 2020..

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- For the duration of the suspension of work, the state undertakes to pay 70 per cent of wages for a period of 3 months; however, the government would like employees to do useful jobs in the interest of their employers also during this period.
- 40 per cent wage support available for 3 months in relation to the employees working in the research and development area.
- The social insurance of workers sent on unpaid leave will not be terminated.
- The documents of sick leave can also be submitted online.
- As a response to company shutdowns, online training will be organized for workers. The state undertakes to cover 95 per cent of training fees, while job-

seekers are entitled to interest-free adult training student loans.

- University students will be able to apply for a one-time, any-purpose, interest-free student loan in the amount of HUF 500,000.
- Instead of the end of the school year, this year's eligibility for family allowance will be adjusted to the end of the state of emergency.
- The rules and deadlines relating to pensions and pension-like benefits change favourably.
- More flexible scheduling of working time: the employer can change the schedule even within 96 hours before the start work time.
- The employer can unilaterally order home office or telecommuting.

- The employer can check the state of health of the employee.
- Flexible forms for the conclusion of employment agreements may be applied.
- Court procedures are mostly carried out without court hearings (the deadlines are not frozen, the court should mainly make its final decision out of court trials).
- Paypass limit is increased to HUF 15,000.

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Criminal law measures

- Criminal measures can be applied up to 5 years jail terms for spreading misinformation that may hinder or defeat the success of the defense.

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- Status is rapidly changing and new measures are implemented continuously.





General Measures

On 27 March 2020 the President of Ireland signed into law the Emergency Measures in the Public Interest (Covid-19) Act 2020. The changes are time limited and will remain in operation until 9 November 2020, though the Oireachtas may by order extend this.

The Act provides that the Minister for Health has the power to introduce any measure he thinks necessary to prevent, limit, minimise or slow the spread of COVID-19. The Act does not itself introduce any restrictive or protective measures: it gives the Minister power to do so should the need arise. The Minister is not restricted in the type of measure he may introduce, but the Act sets out a non-exhaustive list of measures that may be covered by Regulations.

Under the act the Minister has powers to make regulations that:

- Restrict travel to and from Ireland
- Restrict travel within Ireland to stop people moving to and from affected areas
- Stop gatherings of people from taking place, and to make organisers of these gatherings put safeguards in place to prevent the virus from spreading
- Make businesses (such as shops) put safeguards in place to protect their staff and customers
- Close premises, including schools

Detention and isolation

- A chief medical officer may order a person who is a probable source to be detained and isolated in a specified place. A detention or isolation order can only be made where the person concerned cannot be effectively isolated or refuses to.
- The person can be detained and isolated in a hospital or other place for as long as the medical officer believes is necessary.
- The Act provides for certain safeguards, including a requirement that the medical officer ensure that any person detained is medically examined within 14 days of the detention.
- The definition of a person who is a "potential source of infection" is very broad

Enforcement

- The Act gives the Gardaí broad powers to ensure compliance with any regulations made. The Minister has signed regulations increasing to give Gardaí the power to enforce restrictions
- It is an offence (punishable by a fine of up to €2,500 and/or 6 months in prison) to contravene any regulation, or to obstruct, interfere or impede a person in the exercise of their powers under a regulation, or to fail or refuse to give information that is required or to give information that is false or misleading in

purported compliance with a regulation.

Residential Tenancies

- The act set out a 3 month "Emergency Period" with respect to residential tenancies during which there will no evictions
- If termination served prior to the emergency period and termination date falls within the emergency period – a new termination date will be required
- Prohibition on rent increases
- If termination notice was issued as a result of a breach of a lease and has been referred to the Residential Tenancies Board, the termination date will not be revised in the absence of an appeal
- If a tenant fails to pay rent, the Landlord must not serve a termination notice until a period of 28 days has elapsed.

Other measures:

- There will be a disregard of time limits/ specified periods in respect of planning and development legislation.
- Paper prescriptions are no longer required and the electronic transfer of prescriptions between doctors and pharmacists is permitted.
- The validity of prescriptions is extended from six to nine months
- The registration process for healthcare professionals has been simplified



Economic Measures

- From Monday 6th April the Companies Registration Office ("CRO") will be accepting any post delivered through An Post or using the Office's DX number.
- Delivery of documents by hand or courier is not possible at this time as the CRO offices remain closed.
- Limited services to the public including company incorporations and receipt of charges are currently being offered.
- Documentation can continue to be filed online.
- All post received will be date stamped on receipt and stored for processing when the Office re-opens.
- The Registrar of Companies has decided that all annual returns due to be filed by any Company now and up to 30th June 2020 will be deemed to have been filed on time if all elements of the annual return are completed and filed by that date. The situation will be kept under review and the date of 30th of June may be extended depending on the situation as it develops.
- The Registrar has requested companies to continue to file as normal during this period if in a position to do so. Annual returns will not be processed but stored until the CRO re-opens.
- A new interim process to allow for the filing of Summary Approval Procedures

(SAPs) has been introduced to replace the normal posting of these documents that require wet signatures.

- The new process will allow for these signed manual documents and associated G1 to be scanned and emailed into the CRO using a dedicated email address: saps@dbei.gov.ie
- The only documents that will be accepted into this email address are Summary Approval Procedure (SAP) declarations for SAP 203, 204, 205 and 206s and the associated Special Resolution (G1P or GM1) for that declaration, if it has not already been filed with the CRO.
- For those clients that we provide a registered office address facility to or a branch address to we will be processing any correspondence we receive for them every Wednesday. In the event that they are expecting urgent post they can get in touch with their Deloitte contact and we will endeavour to have it sent asap.
- Our dedicated website is a useful tool to enable client conversations: <https://www2.deloitte.com/ie/covid-19.html>

General Measures

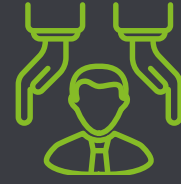
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Employment law and social protection measures

The 2020 Act introduces a Temporary Wage Subsidy Scheme and makes amendments to legislation relating to lay-off and short time.

• Short Time Work Support

This support is available to employees who have been temporarily placed on a shorter working week. The payment is made in respect of the days not worked. This support scheme is based on the number of social contributions the employee has made to date. Employees must work 3 days or less to qualify. If the employee does not qualify for this then they can apply for the Unemployment support payment.

• Unemployment Support Payment Scheme

The Covid 19 Pandemic Unemployment Support Payment is available any employee who is laid off temporarily and/or where employer is unable to continue paying their wages. The flat rate is €350 per week for the duration of the pandemic. It is available to all employees and the self-employed. This payment support is available for 12 weeks and must be applied for.

• Income Support Scheme

There is a Covid 19 Wage Subsidy scheme available to employers who continue to pay their employees during the current pandemic. Employers will be entitled to a refund up to 70% of the employee's net wage, up to a maximum of €410 per week.

To qualify for the scheme, employers must:

01. be able to demonstrate, to the satisfaction of Revenue, a minimum of a 25% decline in turnover

02. be unable to pay normal wages and normal outgoings fully
03. retain their employees on the payroll and
04. the employee must have been on the payroll as of 29 February 2020.

• Redundancy

Normally, once you have been laid off or put on short time hours for 4 weeks or more or for 6 out of the past 13 weeks you can claim redundancy from your employer. Such normal claims are not in place during the emergency period. Under the act you cannot claim redundancy during this period if you were laid off or put on short-time work as a result of the pandemic.

• Illness Benefit

There is an enhanced illness benefit or supplementary welfare allowances for persons who are either required to self-isolate or who have been diagnosed with COVID-19

• Re-enlistment

The 2020 act sets out a support in respect of the re-enlistment of former members of the defence forces.

• Essential Services

All public offices are closed including the Probate Office, the Property Registration Authority, Immigration Office and Probation Offices. Only essential services can continue:

- Agriculture and Fishing

- Manufacturing
- Repair and installation of Machinery and Equipment for essential services
- Electricity, Gas and Water
- Construction if deemed essential
- Wholesale and Retail Trade necessary for the sale of food, beverages, fuel, medicines, medical products and devices and essential household products; takeaways and food delivery services
- Transport Storage and Communication
- Accommodation and Food Services providing essential accommodation (including homeless, direct provision and related services)
- Information and Communications
- Financial and legal activities
- Professional, Scientific and Technical activities necessary to support essential services
- Rental and Leasing Activities necessary to support the provision of essential services
- Administrative and Support Services where necessary to support other essential services:
- Public Administration and Defence
- Human health and social work activities
- Community/Voluntary Services

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Criminal law measures

- The number of Gardaí has been maximised.
- The Coroners court has adjourned all inquests and hearings.
- Physical visits to prisons are no longer allowed
- Prisoners being considered for early release or increased remission rates on sentences

Courts:

• Supreme Court and Court of Appeal

01. Appeals that are listed for hearing will all be adjourned unless the matter is urgent.
02. All adjournment applications will be dealt with by email
03. Parties are not required to attend the delivery of judgements which will be delivered by a single judge.
04. Where possible, case management issues will be dealt with remotely unless there is a necessity for a hearing to take place.

• High Court

01. No new cases or trials will begin even if they do not involve oral testimony from witnesses.
02. All Non Jury, Judicial Review, Chancery, Commercial and Family Law cases will be adjourned generally with liberty to re-enter.
03. Judges will be available throughout the remainder of the term to hear urgent applications. Ongoing jury trials will continue to conclusion
04. No new Jury trial will commence for the remainder of this term.
05. Custody Sentencing cases to be dealt with as usual or by video link depending on the application.
06. Non-custody cases to be mentioned as usual and remanded to appear on date after 10th June 2020.
07. A Judge will be available to sit on each Circuit to hear urgent applications.
08. District Court Appeals to be remanded after 10th June 2020. A Judge sitting to hear urgent applications will remand/adjourn the district court appeals list to a date

09. Family Law lists will be adjourned to a date after 20th April 2020. Parties to be advised of the adjourned dates by the Circuit Court offices.
10. Practitioners or parties do not need to attend the Family Circuit Court unless notified by order of the Court.
11. A Judge will be available to sit on each Circuit to hear urgent applications. Urgent applications to be submitted to the relevant Circuit Court Office.

• District Court

01. Parties with non-urgent cases are no longer required to attend court.
02. The District Court will continue to hear urgent matters only in all District Court Districts throughout the country.
03. Urgent matters are criminal law – excluding cases where the accused is on bail or not in custody, family law – protection/interim barring orders, childcare law – exceptional/urgent care orders.



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General Measures

- **Restriction of movements for natural persons**
Movements allowed only if motivated by proven working needs, situations of necessity or transfers for health reasons.
- **Quarantine measures for positive to Covid-19**
For these persons it is absolutely prohibited leaving their home or domicile
- **Suspension of events and other activities**
E.g.: cinemas, theatres, pubs, dance schools, amusement arcades, betting and

bingo halls, discos; religious events; gyms, sports centers, swimming centers, wellness centers, spa centers, cultural centers, social centers, leisure centers.

- **Suspension of retail trade activities, catering activities and activities related to personal services**
Aside from activities specifically identified, are suspended, for instance, activities of bars, pubs, restaurants, ice-cream shops, pastry shops, hairdressers, barbers, beauticians, regardless of their location.

- **Complete suspension of all industrial and commercial production activities**

Only specific activities, expressly included in a list, public utility services and essential services as well as their supply chain may continue to work. Activities related to production, transport, marketing and delivery of pharmaceuticals, health technology, surgical medical devices, agricultural and food products, as well as all activities necessary to face the emergency are always permitted.

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Economic Measures

- **Suspensions of loans for SME**
Italian based SME affected by the consequences of Covid-19 are entitled to obtain the suspension until 30 September 2020 of the reimbursement of bank loans outstanding as at 17 March 2020 and in bonis. Moreover, Italian bank are not entitled to revoke credit facilities until 30 September 2020.
- **State aid for production of medical devices**
€50 million aid scheme to support the production and supply of medical devices
The support will not exceed €800,000.
- **Extension of the term to approve the financial statements**
The new term is 180 days after the end of the financial year.
- **Possibility to hold shareholders' meeting remotely.**

lower than 1.5bn Euro;
– 80% of the loan, for companies with more than 5,000 employees and a turnover between 1.5 and 5bn Euro;
– 70% for companies with a turnover above 5bn euro.

The amount of the guaranteed loan shall not exceed 25% of the turnover achieved in 2019 or 200% the employment costs borne in 2019.
The loans will be subject to a number of conditions, inter alia:
– the company and the other Italian companies of the same group shall not distribute dividends during 2020;
– the funds shall be used to continue and develop productive activities located in Italy;

- **Public guarantees for export credit**
The Government provides for a co-insurance system with public company SACE in order to improve the export credit for strategic export activities of Italian companies.

- **Reduction of the corporate capital for losses**
With reference to financial years closed until 31 December 2020, companies will not be obliged to reduce the corporate capital in case of losses that affect the nominal corporate capital.

- **Shareholders' loans**
The reimbursement of new shareholders' loans granted until 31 December 2020 will not be subordinated to the reimbursement of other creditors, in derogation of the normal regulation on shareholders' loans.

- **Debt restructuring proceedings**
Extension of the terms to file the court with a final restructuring proposal or to fulfill the obligations under a restructuring proceeding already finished.

- **Suspension of the creditors' right to file insolvency petitions**
The suspension applies from 9 March 2020 to 30 June 2020.

- **Golden Power**
Increase of Government's powers relating to the approval of foreign investments in Italian companies operating in strategic sectors. Inter alia, the Government could prohibit transactions that imply a change of control over such companies or approve such transaction subject to certain conditions.

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Employment law and social protection measures

- **Smart working**

The emergency law introduces significant simplifications on the activation of smart working (applicable to the whole national territory). In particular smart working can be activated without (as ordinary request instead) an individual agreement and/or a company regulation. The information obligations relating to health and safety related to smart working can be fulfilled by means of a simple standard information notice (a template of which is available on the INAIL website) to be sent via e-mail to the involved employees.

- **Dismissals: suspension of terms**

As from March 17th, 2020, the collective or individual dismissal procedure for economic reasons are precluded, for the following 60 days. During the same period the pending procedures started after 23 February 2020 are suspended (no dismissal for objective reasons can be issued).

- **Allowance for professionals, autonomous workers and seasonal tourism workers**

The emergency law introduced the right to an indemnity, for the month of March 2020 (as of today), equal to 600 Euro, excluded from the income computation for tax and social security purposes, in favour of several professionals, autonomous workers and self employees. The same indemnity has been granted also to professionals enrolled to other private insurance fund (e.g. Cassa Forense for lawyers).

- **Bonus for working at employer premises**

For March the employees who performed working activity not in smart working are entitled to a bonus equal to Euro 100, excluded from the income computation for tax

and social security purposes, to be calculated on the basis of the actual days of work not in smart working.

- **Temporary Suspension of employment**

To cope with the Covid-19 emergency (an with possible closure or reduction of the business) employers are allowed, at certain conditions, to suspend the employment relationships in place with their workforce, not bearing the relevant costs, through three types of “shock absorbers”.

In particular, such legal means to suspend employment relationships ordinarily exist, but they have been extended and simplified in the emergency context.

The applicable “shock absorbers” within the three can be identified on the basis of mainly two in:

- number of employees;
- sector of activity.

In short, these tools imply that the compensation of suspended employees is not paid anymore by the employer. The employees involved, instead, for the working time not performed due to the suspension receive an economic indemnity by the Social Security Authorities (in a range around Euro 1.000 gross for full time employees).

The procedures slightly differ from one business sector to another and depending on the relevant geographical area, but in general (specific rules can be

applicable to specific cases):

- the request of “shock absorber” implies a consultation process with Trade Unions (even via conference call);
- It implies also to submit the request online on the proper payroll platform; An application has to be filed;
- The suspension can last up to 9 weeks, in a period up to August 31st;
- Executives are excluded.

- **Leaves and indemnities for employees, workers enrolled to “gestione separata” and autonomous workers**

For the year 2020 and with effect from March 5th, due to the closure of schools, the emergency law recognizes the possibility for parents that are employees, to enjoy a continuous or fractioned period of leave (e.g. not exceeding 15 days, to assist children not older than 12 years, with the right to an allowance equal to 50% of ordinary salary). This leave is also granted to workers enrolled with the “gestione separata” and autonomous workers (who will be respectively entitled to an indemnity, for each indemnifiable day, equal to 50% of 1/365 of income equal to 50% of the conventional salary annually established by law).

- As an alternative to the above, the same beneficiary employees may opt for the payment of a bonus for the purchase of baby sitting services up to an overall and maximum limit of Euro 600, which is also granted to self-employed workers not registered with INPS.



Criminal law measures

- **Quarantine measures for positive to Covid-19**

Failure to comply with quarantine by those positive at Covid-19 entails criminal penalties: imprisonment from 3 to 18 months and payment of a fine from €500 to €5,000, with no possibility of oblation. In addition, violating the quarantine and leaving the house spreading the disease can lead to reporting serious crimes (epidemic, murder, injury), punished with severe penalties, which can go up to life imprisonment.

- **Restriction of movements for natural persons**

For those who violate the measures to contain the epidemic, an administrative penalty in cash (from 400 to 3,000 euros) is foreseen. If the violation occurs through the use of a vehicle, the penalties can be up to 4,000 euros. In the event of recidivism, the financial penalties are doubled (i.e. from 800 to 6000 euros or 8,000 euros if committed through the use of a vehicle)

- **Suspension of retail trade activities, catering activities, activities related to personal services, industrial and commercial production activities**

In addition to the above, in the event of violation of the containment measures provided for public exercises, sports, leisure or entertainment activities, business or professional and commercial activities, the immediate suspension of the activity may be imposed for up to 30 days.



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Final approval (with possible integrations/amendments) of the provisions enforced since now by Government as Law Decrees which, according to Italian law, require confirmation from the Parliament within 60 days.

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1. On 05.04.2020 the Government of Republic of Kosova with Decision No.01/22 has extended the deadlines of the following Decisions until further notice :

- Decisions **No.01/07** (amended and supplemented with Decision 01/16 dated 26th March 2020) regarding the suspension of education process for both private and public institutions; the suspension of air traffic and ground transportation from places with high or medium risk; mandatory check ups from medical teams; mandatory self quarantine of the citizens of Kosova; the suspension of nightclub activities, restaurant activities, gyms and pools; the suspension of international transportation (bus, minibus or similar) toward locations with high risk. Regarding the air transport, medical and military air transport is not affected from the suspension of the air transport.
- Decision **No.01/09** dated 13th of March 2020 regarding the restriction of movement in municipalities of Klinë and Viti; the suspension of inter-urban transport in the Republic of Kosova as well as the suspension of organized international transport; the closure of borders with the exception of the movement of Kosovar citizens, also with orders to self quarantine for 14 days; the suspension of all air traffic in and out of Prishtina Airport, with the exception of military flights and medical emergencies; the suspension of nightclub activities, restaurant activities, shopping malls (excluding here pharmacies and food markets); suspension of cultural and sports activities; closure of animal markets and automobile markets; reduction of staff with excluding essential staff in every public institution except for the medical sector and the security sector; private companies are obligated to facilitate (as much as possible) work from home

guidelines for their employees ;

- Decision **No.01/10** dated 14 March 2020, the restriction regarding entering and exiting from the Municipality of Malishevë.
- Decision No.01/11, dated 15.03.2020 regarding the Proclamation of Public Health Emergency as requested by the Ministry of Health, where it is obligated to abide by the Plan of National Reaction.
- Decision No.01/15, dated 23.03.2020 (amended and supplemented with Decision No.02/17 dated 27.03.2020) is to be held in force until 12.04.2020. This Decision stipulates the following:
 - The restriction of the free movement of citizens; enabling the function and free movement of economic operators in order to ensure the function of the supply chain; restriction of gatherings of people, which cannot be more than two at the same time, and at a distance of more than two meters from each other; restrictions on gatherings in all private and public locations, with the exception when activities necessary for the prevention of the spread of the COVID-19 pandemic;
 - Citizens are not allowed to convene or frequent the open squares in the cities of Kosova, unless authorized by the competent authorities, or are habitants of the city;
 - The free movement of economic operators classified as important in accordance with NACE codes from the Ministry of Economy, Employment, Trade, Industry, Entrepreneurship and Strategic Investments allows these operators to continue their work in this emergency period of COVID-19.

Additionally the transportation of goods/services in order to ensure the supply chain is also allowed to operate regularly. For more information which economic activities are allowed to operate and move freely during the during hours of restriction movement based on Ministry of Economy, Employment, Trade, Industry and Strategic Investments Decision No. 01/05 can be found in this link: <https://mti.rks-gov.net/Page.aspx?id=1,3,894>

- The amount of people walking on the road together cannot be more than 2 persons, who have to be at least two (2) meters distance from each other
- Pharmacies are allowed to operate while being regulated by the Ministry of Health, Kosovo Agency for Products and Medical Equipment as well as the Chamber of Kosovo Pharmacists

In addition to the extensions of the above mentioned decisions, Decision No.01/22, stipulates the right of the Ministry of Health to recommend to the government: to keep a certain decision in force; the amendment or supplementation of decisions; or the repeal of a particular decision.

2. With Decision No. 01/24, dated 08.04.2020 the Minister of Health is authorized to approve decisions with the goal being the containment and fight against COVID-19 in accordance with provisions in Law No.02/L-109 for the Prevention and Fight Against Infectious Diseases.

The Minister, after receiving recommendations from appropriate units, and in consultation with the Municipalities will decide on the curfew hours in accordance with the decision approved by the government.

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The Ministry of Finance and Transfer is monitoring the market behaviour through its structures, aiming to avoid any possible abusive pricing. The toll-free number **0800 80 800** and **038 222 165** .

The Minister of Finance and Transfers based on the Law on Tax on Immovable Property, the Minister of Finance and Transfers has issued decision for extending the term for issuance of invoices for immovable property tax. Namely payment of first installment for year 2020. This decision applies also to business organizations in capacity of titleholders of the immovable property.

Measures undertaken by the Central Bank of Kosova:

The Central Bank of Kosova(hereafter :CBK) has undertaken the following measures:

For business organizations and individuals who, due to the situation created in the country and the decline of their income levels, will be allowed suspension of payment of loan instalments from 16 March 2020 to 30 April 2020 and depending on situation, this suspension could be last even longer. Suspensions of payment of loan installments will be decided on a case-by-case basis for the purpose of helping the banking sector and its clients to overcome the current situation;

In cases of suspension of payment of loan installments, CBK has undertaken all the necessary legal measures to prevent the loans to be classifying, to require no additional provisions and not to be classified as non-performing loans in the Credit Registry.

The abovementioned measures will be applicable for specific borrower, under following conditions:

If borrower faced financial difficulties as a result of decreases in their personal or business income, afterwards the bank must be contacted with a request to suspend loan installment payments. In case of bank approval, penalty rates will not apply during this period.

Kosovan Competition Authority declared that it has engaged its inspectors to initiate the potential inquiry procedures for abuse of prices in the market.

On **23/03/2020**, the Ministry of Economy, Employment, Trade, Industry, Entrepreneurship and Strategic Investments, approved **Order No. 01/05** on the performance of economic activities during the public health emergency that is applicable for all economic operators.

This order has the following measures:



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Bars, pubs, cafeterias, public kitchens, kebab shops, restaurants, and other beverage and food service activities, are prohibited to serve walk-in clients, furthermore, these operators must demobilize the tables and chairs used to serve clients within their premises, and close their doors to visiting clients.

Shopping malls (that operate in open and closed environments, including here bazars) are to be closed, excluding here pharmacies (medical and agricultural) and grocery shops in these shopping malls.

Retail trade of textile and other similar products is to be closed, the sale of metal any similar activity as well. Also the libraries are to be closed to. The selling points of these products in larger markets will have to be demobilized.

Based on this Order, the Ministry of Trade has closed several types of business activities are prohibited to be conducted as part of the measures for prevention of the COVID – 19.

On **17/03/2020**, the Ministry of Finance and Transfers has rendered the Decision for purpose of implementing the Decisions approved by the Government of Kosovo regarding the public health emergency to postpone up to 20 April 2020, the declarations of taxes and requests for reimbursement that are related to the enforcement of tax legislation based on following laws:

Law Nr.03/L-222 on Tax Administration and Procedures, as amended;

Law No.05/L-028 on Personal Income Tax;

Law Nr.06/L-105 on Corporate Income Tax;

Law No.05/L-037 on Value Added Tax;

This decision is applicable for all taxpayers, natural and legal persons (employees, corporates, business organizations, Non-Governmental Organizations, and similar), not including the public sector.

The Tax Administration of Kosova is obliged to enforce this Decision.

On **18 March 2020**, the Ministry of Finance and Transfers through **Decision No. 25/2020** has postponed up to 30 June 2020, declaration and submission of:

The declarations for previous financial year with Kosovo Council for Financial Reporting (“KCFR”) for passive business organizations which they did not conduct business activities and did not register any data on assets and liabilities in the accounting books, based on Article 18, paragraph of the Law No.96/L-32 “On Accounting, Financial Reporting and Auditing.

The submission of annual financial statements and consolidated annual financial statements with KCRF, management report, consolidated audited financial statements by the business organizations as it is provided in Article 18, paragraph 1.1, of Law No. 06/L-32 on “Accounting, Financial Reporting and Auditing”.

1. On 08.04.2020 the Government of the Republic of Kosova has approved the Initiative of the Ministry of Finance and Transfers to negotiate for the international package in order to ensure public financing regarding the situation created by COVID-19, with the following international financial bodies:

- i. International Bank for Reconstruction and Development as well as other members of the World Bank;
- ii. European Bank for Reconstruction and Development;
- iii. International Monetary Fund;
- iv. Islamic Bank for Development;
- v. Official agencies for financial support of exports;
- vi. Official bilateral institutions of foreign institutions or European Union;
- vii. European Bank for Investments;

The limit regarding these negotiations is 250.000.000.00 with maturity up to 15 years, and an interest rate not higher than 3%.

These limitations do not apply to financial agreements (grants).

2. Municipalities have been notified of the sanctions that are to be provided in cases where the current curfew is not complied with by citizens, where for a physical person the sanction may vary from 1000-2000€, whereas for economic operators from 3000-8000€.

On **30/03/2020**, the Government of Kosovo through the **Decision No. 01/19** has enacted Emergency Fiscal package with purpose of provision financial support for the business organizations, employees and individuals that are facing financial difficulties due to the public health emergency as consequence of Covid – 19. The Fiscal Emergency Package consists in amount of 179,6 Millions EUR, which envisages following measures:

Financial support for business organisation under financial distress due to the downfall of their business activity that resulted from the public health emergency situation, as follows:

Covering of expenditures for the monthly salaries in the amount of one hundred seventy (€170) Euros for April and May, a measure amounting to forty-one million (€41,000,000.00) Euros;

Rent subsidy up to fifty percent (50%) of the rent value for small and medium enterprises for April and May, a measure amounting to twelve million (€12,000,000.00) Euros; and

Provision of interest-free loans to publicly-owned enterprises facing financial difficulties due to the public health emergency situation, aiming to ensure their temporary liquidity, with maturity period until 31.12.2020, amounting up to twenty million (€20,000,000.00) Eur

Provision of financial liquidity for:

Micro-enterprises and the self-employed through certain programs of the Kosovo Credit Guarantee Fund, in the amount of ten thousand (€10,000) Euros for a period of 24 months, amounting up to fifteen million (€15,000,000.00) Euros; and

Business Organizations/Companies authorized to provide basic services (similar to those of Publicly-Owned Enterprises) on return by 31.12.2020, within the value specified in 1.4 of this Decision.

Increase of budget for grants and subsidies to the Ministry of Agriculture, Forestry and Rural Development in order to increase agricultural production, amounting to five million (€5,000,000.00) Euros;

The Ministry of Finance and Transfer has rendered the decision for operational plan for implementation of the Emergency Fiscal Package.



Employment law and social protection measures

One parent is allowed to be free from employment except employees employed in the health and security sector. This decision applies for both private and public sector. (Government Decision no.01/07, dated 11/03/2020)

Private sector is ordered to organize their work in that way in which most of the activities from their employees to be conducted from home. This decision is not applicable for essential services such as pharmacies and groceries (Government Decision No.01/09)

In order to continue to conduct allowed business activities, the business organizations must undertake following measures for their employees: (i) personal equipments for prevention of COVID – 19 as guided by the Public Health Institution and (ii) to keep social distancing for their employees; and (iii) their clients.

The business organizations that are allowed to operate even during the hours of restriction of movement imposed by the Government Decision No. 01/15, dated 23/03/2020 must equip their employees with verification form issued by the Kosovo Tax Administration which is available in this link:

Based on Government of Kosovo **Decision No. 01/19**, the Fiscal Emergency Package envisages following employment and social protection measures:

Financial support for business organisation under financial distress due to the downfall of their business activity that resulted from the public health emergency situation, as follows:

Covering of expenditures for the monthly salaries in the amount of one hundred seventy (€170) Euros for April and May, a measure amounting to forty-one million (€41,000,000.00) Euros;

Covering of the value of pension contributions with regard to the measures foreseen under this Decision for April and May, amounting to eight million (€8,000,000.00) Euros;

Provision of a salary top-up in the amount of three hundred (€300) Euros for field workers and those exposed directly to the risk of infection in their work (not the entire staff of the institution): medical staff (doctors and nurses), members of Kosovo Police, officials (guardians) of the Correctional Services, officials (fire-fighters) of the Emergency Management Agency, KSF (soldiers)

personnel, employees working at the Quarantine – Student Centre in Prishtina, officials (inspectors) of the Labour Inspectorate, officials (inspectors) of the Tax Administration of Kosovo, officials of the Kosovo Customs, officials (inspectors) of the Market Inspectorate, officials (inspectors) of respective municipal inspectorates, officials (inspectors) of Labour Medicine, for April and May, amounting up to fifteen million (€15,000,000.00) Euros.

Additional payment in the amount of one hundred (€100) Euros to employees of grocery stores, bakeries and pharmacies for April and May, amounting up to three million (€3,000,000.00) Euros.

Payment of monthly assistance in the amount of one hundred and thirty (€130) Euros to citizens who lose their jobs due to the public health emergency situation, for April, May and June, amounting up to four million (€4,000,000.00) Euros;

Financial support to business organizations registering employees with at least one (1) year employment contract during the period of public health emergency situation, with one hundred and thirty (€130) Euros for the following two months after registration, amounting up to six million (€6,000,000.00) Euros; and



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The Minister, after receiving recommendations from appropriate units, and in consultation with the Municipalities will decide on the curfew hours in accordance with the decision approved by the government.

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- Government extended Quarantine at least until 27th of April.
- The activities of shops, commercial and/or entertainment centers (other than food, veterinary, pharmacy and opticians), as well as the activities of markets other than food, are prohibited. This prohibition does not apply to online trading and the goods that are delivered to customer.
- Operation of bars, restaurants, cafes (with the exception of take-away), SPAs, beauty salons, gyms are prohibited.
- Municipalities are given the rights to prohibit hotels' operations.
- All the air and sea transportation of passengers to and from Lithuania is prohibited unless the carrier has special authorization.
- More info and updates: <https://www2.deloitte.com/lt/en/pages/legal/articles/covid-19-crisis--guidelines-and-restrictions.html>

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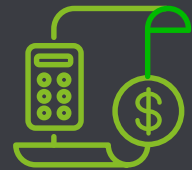
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Economic Measures

- Tax credits by deferring or setting out the fees on an agreed schedule without interest are being granted;
- Recovery actions for tax debts are suspended on the basis of reasonability criteria;
- Taxpayers are exempted from fines;
- Personal income tax payment and health insurance tax payment are postponed for self-employed persons;
- State guarantee up to 80% for extension of loans' maturity terms, amendments in the payments schedule, payment deferral for restructuring of loans that happens after 16th of March;
- 100% compensation of interest (up to 7% per annum) arising due to payment deferral (up to 6 months) under loan or financial leasing agreement;
- Preferential loans will be available for most affected businesses to maintain their liquidity in cases when:
 - Companies have a clean credit history
 - Turnover has dropped more than 60%
- Recommendation to municipalities to relieve commercial taxpayers of real estate and land taxes;
- Measures to boost economy:
 - Accelerate investment programmes (EUR 1.2 billion) by accelerating payments and increasing the funding intensity (EU funds and the State Investment Programme);
 - Reallocating EU investment funds in the fields of health, employment and business (EU funds). This measure is estimated to be EUR 250 million.
 - Accelerate the use of State budget appropriations for current expenditure (state budget);
 - Allow the use of all funds from the climate change programme and the road maintenance and development programme and accelerate the renovation programme of multi-storey houses (public budgets, EU funds, other public funds). This measure is estimated to be EUR 250 million.
 - COVID-19 mitigation fund was established where legal and natural persons can donate funds;
- The Bank of Lithuania was recommended to take regulatory measures for credit institutions in order to achieve the bank's lending potential of EUR 2 billion.
- More info and updates: <https://www2.deloitte.com/lt/en/pages/legal/articles/covid-19-crisis--measures-for-business.html>

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Employment law and social protection measures

- The State shall contribute, jointly and severally to three months, to the employers' efforts to preserve jobs by covering partial downtime or downtime in proportion to workers. The worker must be guaranteed at least a minimum monthly salary. The share of public funds is 70% but no more than EUR 910.5 and 90% but no more than EUR 607 for employers operating in sectors which operations are prohibited during quarantine. Applications opened on 5th of April.
- Employers that receive funding are obligated to keep at least 50% of jobs for at

least 3 months after quarantine ends.

- Sickness benefits for carers and persons with disabilities are available when establishing a restrictive regime for the spread of infections in educational establishments or social care and employment centers.
- Self-employed persons who do not have tax debts prior to the declaration of quarantine shall receive a fixed amount of EUR 257 plus amount of health

insurance fee per month. Applications opened on 5th of April.

- Period of suspension of the payment of mortgage deposits (other than interest) is extended from 3 to 6 months, with the provision of a State guarantee.
- More info (and updates): <https://www2.deloitte.com/lt/en/pages/legal/articles/covid-19-crisis--employment-law-in-lithuania.html>

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Criminal law measures

- Fines for spreading virus, inobservance of quarantine regime, breach of occupational health safety have been increased in the Code of Administrative Offenses.

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- 10 April: SMEs can apply for loans to pay bills to suppliers with whom companies have been unable to account due to suspended activities;
- 14 April: SMEs that have difficulties with coronavirus will be able to apply for loans to maintain liquidity Funding will be provided within one day.
- 15 April: the COVID fund will become operational for medium and large

enterprises in temporary difficulties. The emerging fund will help to ensure the liquidity, access to finance and enable businesses to recover more quickly.

- 16 April: portfolio guarantees on much more favorable terms. The government plan for measures stimulate the economy and mitigate the effects of COVID-19 has more than doubled the fund for state guarantees.





Restrictions on working in offices:

- Everyone should work from home except for business critical functions;
- Only gatherings for business critical operations: less than 100 people and 1,5 meter social distancing observed;
- Schools to be closed until at least 28 April (exams cancelled);
- All bars, restaurants, coffee shops, sports clubs are closed until 28 April.

General - internal:

- Everyone should stay at home; travel only for critical matters (care, groceries, etc).
- Only two people are allowed on the street and 1,5 meter distance observed (more allowed if from same household and/or kids)
- Public transport is running a "summer service"

General - international:

- Restrictions for Dutch citizens to travel to all other countries outside Europe;
- The country has closed its borders to non-Schengen people.
- The Netherlands border is closed for everyone traveling from a high risk area)

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Government support:

- The Dutch government have implemented a temporary salary compensation program (called 'NOW') for employees for reduced businesses up to 90% of salary costs. All private companies are eligible, but have to prove they have a significant reduction in expected business of at least 20%. The compensation depends on the drop in turnover:
 - if 100% drop, the allowance amounts to 90% of the employer's salary roll;
 - if 50% drop, the allowance amounts to 45% of the employer's salary roll;
 - if 25% drop, the allowance amounts to 22.5% of the employer's salary roll.
- For self-employed employees (ZZP) and 0-hour based contracts, a minimum 3-month allowance can be claimed. Small business can get a EUR 4,000 allowance directly.
- All tax payments can be postponed by three months. Open for all companies.
- Dutch banks are currently in discussions to provide 6 months' relief for interest and redemption payments (across all existing financing). Awaiting further details on the mechanics of this.





Employment law and social protection measures

Employment Law

- Specific requirements have been included in the NOW-program. Amongst others:
 - Employers applying for the NOW-subsidy are penalized when applying for employee redundancy based on economic grounds during the duration of the compensation progra. If employers do so anyway, 150% of the wages of the employees for whom applications for redundancy have been submitted will be deducted from the subsidy to be received;
 - The subsidy also applies regarding employees for which the employers do not have a continued payment of wages obligation (e.g. a zero-hours contract).
 - If the wages include employees who are insured in the Netherlands for social security purposes, the subsidy can be applied for. Hence, this may include seconded workers/expats who are insured in the Netherlands for social

security purposes. The subsidy does not apply to seconded workers/expats who continue to be insured for social security purposes in their country of origin (through an A1 Statement/Certificate or Coverage).

- Employers have the obligation to inform the works council or PVT and - in the absence thereof - the employees about their NOW applications.

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The Polish law introduces i.a. the following major solutions:

Entering Polish territory:

- There are full checks on all external borders and international flights and trains are suspended;
- Foreigners are not allowed to enter Polish territory, however the following categories of foreign nationals will be still allowed to enter Polish territory despite entry ban:
 - Foreigners being spouses or children of Polish nationals,
 - Holders of Card of Pole (Karta Polaka),
 - Diplomats and members of the diplomat and consular service including their family members,
 - Foreigners holding right for temporary or permanent stay in Poland (valid residency card must be in place),
 - Foreigners who are authorized to work in Poland under same rules as Polish nationals,
 - Foreign employees holding right to work in Poland which can be documented by work permit, seasonal work permit or statement on intension to hire foreigner (oświadczenie o powierzeniu pracy),
 - Other foreigners whose entry into Poland is justified for valid reasons – to be decided by the Border Guards,
 - Drivers (if on duty) of means of transport aimed at transportation of passengers or goods.

Quarantine

The latest Government Regulation dated on 31st March introduced more restrictive conditions for quarantine:

- 14 days quarantine is obligatory not only for all individuals crossing Polish border to place of residence but also for all persons living together with this individual (this obligation does not apply to some persons performing professional activities such as drivers/ship crew/cabin crew);
- An individual is obliged to provide the Border Guard with an information about their telephone number and address of their residence the quarantine;
- It is also required to provide State Sanitary Inspection number with the information about the names and social security numbers of the persons living together with an individual.

Commuting restrictions

The latest Government Regulation dated on 31 March 2020 extended restrictions in commuting:

- It is generally forbidden to commute except e.g. in order to go to work, satisfy the necessary day-to-day needs, performing voluntary and unpaid services to counteract the effects of COVID-19;
- It is obliged to keep distance of 2m between pedestrians (this restriction does not apply to situations when it is necessary to take care of a child under 13 years old or the disabled people is necessary);
- Non-adults (individuals under 18 years old) are not allowed to move without their parents/guardians/other adults' companion till 11 April 2020 - an extension can

be expected;

- There are limitations in means of public transport (limited number of passengers per one vehicle);
- Public gatherings are generally prohibited (with some exceptions);
- City bikes are banned from using;
- All parks, boulevards, promenades, boardwalks, botanical gardens, beaches and other commons are closed till 11 April 2020 - an extension can be expected.

Education:

- Activities at schools, kindergartens, nurseries and at higher education institutions are suspended till 26 April 2020.
- Online teaching is introduced in case of both schools and universities.

Good and services:

- There is a ban on export/transfer of some medical equipment (e.g. respirators);
- An obligation to report an intention to export/transfer some medical equipment is imposed (e.g. surgical masks, latex gloves);
- Restaurants, cafes and bars may continue to sell food but orders may be only taken out or delivered;
- Gyms, swimming pools, dance clubs, fitness clubs, museums, libraries and cinemas are closed;
- All hotels are closed with few exceptions (which concern mainly places where quarantine is held);
- Restrictions on the operation of shopping centers (only limited types of shops may be opened, such as: grocery stores, pharmacies, chemist's stores, laundrettes, bank and financial service);
- Performing rehabilitation services are generally suspended;
- There are restrictions concerning religious activities: till 11 April 2020 only 5 people can take part in these activities and as of 12 April 2020 this limit is increased to 50 people;
- Sale of building materials in trade objects over 2k m2 in which mostly these goods are sold is forbidden on Saturdays and Sundays from 1 April 2020 until 11 April 2020 - an extension can be expected;
- Introduction of additional restrictions in trade till 11 April 2020 - an extension can be expected:
 - limit of 3 persons per one cash desks/market stand is imposed;
 - between 10:00-12:00 AM only persons over 65 years old are allowed to stay in retail/service facilities;
 - it is obligatory to provide sanitizers and disposable gloves in retail/service facilities;
- In post office limit of 2 people per one operating station is imposed;
- Remote work is generally recommended, however, in the places where it is not possible, it is required to provide the employees with sanitizers and disposable

gloves and the distance between work stands needs to equal at least 1.5m;

- Close-down of tattoo and piercing studios, beauty salons and hairdressers.

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The Polish law introduces i.a. the following major solutions:

Financial incentives

- Entitlement for Local Authority to grant to a self-employed person not employing any employees, co-financing of part of costs of business activity in case of drop of economic turnover due to COVID-19;
- Possible one-off loan covering ongoing costs of business activity of a microentrepreneur - under certain conditions it may be canceled;
- Entitlement for self-employed persons and persons engaged based on civil-law agreements to obtain a one-off "stand-by benefit" in the amount of 80% of the minimum wage for 2020 under certain conditions;
- Non-application of prolongation fee (reduced interests) to certain authorities' decisions;
- Entitlement for the authorities to suspend administrative execution of cash receivables.

Deadline postponements

- Entitlement for the Government to postpone deadlines for submission of financial statements and other selected information, declarations, reports, applications, referred;
- Postponement of the deadline for annual payment of perpetual usufruct right for 2020.
- Prolongation of deadline for notification that the payment was made to other bank account than announced on the so-called Whitelist;

- Changes in majority of the deadlines resulting from administrative law - deadlines do not start and are suspended if started;
- Changes in procedural and judicial deadlines in majority of the proceedings (i. a.: court proceedings, administrative proceedings, tax proceedings, customs controls, enforcement proceedings) - deadlines do not start and are suspended if started;
- Prolongation of the deadlines for issuance of individual ruling (up to six months with the possibility to further postponement);
- Postponement of deadline for implementing Employee Capital Plan (PPK) for medium entrepreneurs.

Other measures

- Non-application of Law on Public Tenders to i.a. certain orders for services necessary for counteracting COVID-19;
- Suspension of the ban on trade on Sundays for selected activities;
- Entitlement for the respective ministers to set maximum prices or maximum wholesale and retail margins used in the sale of goods or services of significant importance for health protection or human safety or household maintenance costs;
- Determination (limitations in) of calculation of the amount of non-interest costs in consumer loan;
- Possibility to limit verification activities concerning goods subject to excise duty, based on authorities decision;
- No rent is paid by the tenants in trade objects of space over 2k m2 during the

ban on commercial activities in these objects (expiration of mutual obligations of the parties of the lease, tenancy or similar contracts);

- Entitlement for banks to change conditions / deadlines of credit repayment with respect to credit / cash loan granted to microentrepreneur, small or medium entrepreneur, under certain conditions;
- Remote seating/participation/voting in Management/Advisory Board Meetings.

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The Polish law introduces i.a. the following major solutions:

- Additional care payments for caregivers (e.g. parents) for no longer than 14 days if the facility such as school/kindergarten is closed;
- Suspension of application of provisions concerning obligatory periodic medical examinations,
- Possibility for an entrepreneurs to obtain (under certain conditions) benefits for protection of workplaces, covering co-financing of wages of employees being at economic standby or with shortened work time;
- Entitlement for local authority to grant to an entrepreneur co-financing of part

of wage costs of employees (and social security contributions) in case of drop of economic turnover due to COVID-19;

- Possibility for entrepreneurs to decrease agreed work time and consequently related wages while these wages may be co-financed from the State Fund (certain limitations and conditions apply);





Criminal law measures

The Polish law introduces i.a. the following solutions:

- Changes in deadlines in criminal proceedings, including this based on Polish Penal Fiscal Code - deadlines do not start and are suspended if started;
- Potential suspension of imprisonment under some conditions;
- Non compliance with certain public tenders rules, if due to COVID situation, shall

not be treated as a crime.



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A legislative procedure is currently ongoing for the purpose of amending some of the provisions established so far, in particular in respect of solutions addressed to small, medium and large enterprises to be provided in participation of Polish Development Fund. The wording of the proposed provisions is not yet finally determined, but can be expected to be finalized in the coming days.

General updates are published on government's website concerning COVID-19:
<https://www.gov.pl/web/koronawirus>

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Introductory Reference:

- Since the outbreak of COVID-19, several legal measures have been adopted in Portugal by the relevant authorities aiming, (i) at preventing, containing, mitigating and treating the epidemiological infection by COVID-19 and, (ii) at supporting and protecting citizens, businesses, employees, employers and the economy as a whole.

Mobility and transport restrictions:

- mandatory isolation for (i) COVID-19 or SARS-Cov2 identified patients as well as for (ii) citizens in relation to whom an health authority or health professionals has demanded active surveillance and being monitored;
- duty of protection in the particular case of citizens older than 70 years old, immunocompromised patients and those with a chronic disease who, according to the guidelines of the health authority, should be considered at risk, establishing few exceptional situations that allow their circulation on the public road;
- general duty of home collection for citizens in general; very restricted movement restrictions rules;
- homeworking is mandatory whenever the relevant working functions enable so;
- reintroduction of border control rules;
- prohibition of road traffic at internal land borders, with the exception of international goods transport, the transport of cross-border workers and the circulation of emergency and relief vehicles and emergency service urgency;
- railway circulation is suspended, except for the transportation of goods;
- suspension of river transport between Portugal and Spain;
- ban on the landing of cruises passengers and crew in national ports;
- interdiction of air traffic to and from Portugal on flights to and from countries outside the EU, with few exceptions;
- suspension of all flights from/to Italy and from/to Spain, with certain exceptions (v.g. freight transport, humanitarian flights, armed forced flights, etc.).

Restrictions on the performance of economic activities or others:

- mandatory closure of several establishments, locations and facilities, such as discos, bars, dance or party halls, parks for children, places for leisure sports, auditoriums, cinemas, theaters, concert halls, museums, monuments, palaces and archaeological or similar sites, libraries, bullfighting squares, art galleries, exhibition halls, congress pavilions, multipurpose rooms, conference rooms, multipurpose pavilions, gymnasiums and gyms, spas, stadiums, nautical events and exhibitions, casinos, gambling establishments, game rooms, restaurants, coffee shops and tea houses (with exceptions – v.g. takeaway is allowed), bars, vending machines;
- mandatory suspension of retail trade activities (with exceptions – v.g. sale of essential goods is allowed or take away and home delivery);
- mandatory suspension of service activities in establishments open to the public (with exceptions – v.g. provision of essential services is allowed);
- prohibition of religious celebrations involving the agglomeration of people;
- mandatory suspension of face-to-face teaching and non-teaching activities;
- mandatory suspension of dentistry and stomatology activities, with the exception of situations that prove to be urgent.
- No charges to beneficiaries of the National Health Service (SNS) who have been referred by SNS or a primary health care within the scope of diagnosis and treatment of the COVID-19 disease that need to test or to be provided with medical assistance or to execute complementary acts prescribed within the scope of this disease.
- Further to the suspension of teaching and training activities and the impact for employees of essential services that need to be rendered, nurseries and institutions in the area of disability shall be identified by each group of schools area to operate in order to promote the care of children or other dependents of health professionals, security and rescue forces and services, voluntary fire-fighters, and the armed forces, employees in essential public services, in management and

maintenance of essential infrastructures or services, whenever the mobilization to those activities prevent them to provide assistance to their children or dependents.

- Documents formalities/validity: the Public Authorities accept, for all legal purposes, the display of documents subject to renewal whose validity period expires from the date of entry into force of this decree-law or in the 15 days immediately before or after;

- the citizen's card, extracts and certificates issued by the registration and civil identification services, driving license, as well as documents and visas related to the stay in national territory, whose validity ends from the date of entry into force of this decree- law are accepted, under the same terms, until 30-06-2020;

- scanned copies and copies of acts and contracts shall have the same proof value of the correspondent originals, unless the counterparty or the person to whom they are presented to, does not dismiss the original.

- signed scanned copies of acts and contracts does not affect the validity of those documents, whether by handwriting or by qualified electronic signature, not even if different and mixed forms of signature is used in the same act or contract.

- Judicial procedures: enforcement of the judicial vacation regime to the procedural acts that must be performed within the scope of the processes and procedures, pending in the judicial, administrative and tax courts, Constitutional Court, Court of Auditors and other jurisdictions, arbitral courts and Justice of the peace, alternative dispute resolution entities and tax enforcement bodies; Limitation and prescription periods regarding to all types of processes and proceedings are also suspended; legal processes with priority nature are admitted exceptions to the suspension of deadlines rule;

- Legal deadlines and Judicial proceedings: the suspension of all proceeding and procedural deadlines until the termination of the COVID exceptional situation (includes Judicial Courts, Administrative and Tax Courts, Constitutional Court, Court of Auditors and other jurisdictional bodies, Arbitral Tribunals, Public Prosecutors, Judgments of Peace, alternative litigation resolution entities and tax enforcement bodies).

- The suspension, in particular: (i) of the term for submitting the debtor to insolvency; (ii) any acts to be carried out in the executive process, with the exception of those that cause serious damage to the subsistence of the applicant or whose failure to do so causes irreparable damage, with the particularity that the determination of the damage depends of a previous court decision and (iii) eviction actions, special eviction procedures and processes for the delivery of leased property, when the tenant, by virtue of the final judicial decision to be handed down, may be placed in a situation of fragility due to lack of own residence or other imperative social reason.

- The rule of suspension of legal deadlines is not applicable: (i) when there are conditions to continue the processes and practice non-urgent presential and non-presential acts, through computerised platforms that make it possible to perform electronically or through distance communication methods, namely teleconferencing, video calling or other equivalent; and (ii) when a final sentence is rendered in cases in which the court and other entities consider that it is not necessary to carry out new procedures.

- The legal deadlines, acts or proceedings of urgent processes are not suspended when it is not possible to ensure, nor is it adequate: (i) their realization through appropriate means of distance communication, namely teleconference, video call or other equivalent and (ii) the performance of proceedings in the processes that involve life, physical integrity, mental health, freedom or immediate subsistence of the intervening parties, provided that does not imply the presence of a greater number of people than the ones foreseen in the recommendations of the health authorities and in accordance with the guidelines established by the competent senior councils.

- The peculiarities of the urgent procedures are extended to the deadlines for the practice of: (i) administrative, sanctioning and disciplinary procedures

and (ii) administrative and tax procedures regarding the practice of acts by private individuals, with the restriction of acts of interposition of judicial appeal, administrative appeal, hierarchical appeal, or other procedures of the same nature, as well as the proceeding or procedural acts subsequent to those.

- The deadlines related to the practice of acts performed exclusively by electronic means, within the scope of the National Institute of Industrial Property are also not suspended.

- Exceptional and temporary regime applicable to public procurement: suspension of the pre-contractual litigation deadlines and the suspension of administrative deadlines related to public procurement procedures, and also that the procedural deadlines foreseen in the Public Contracts Code that were legally suspended on March 19th, will resume counting on April 7th, 2020.

- **Relevant legislation:** The website of the Portuguese Official Gazette includes a specific updated section with all new legislation approved related to the epidemiological infection by COVID-19: <https://dre.pt/legislacao-covid-19>
 - Decree of the President of the Republic no. 14-A/2020, of 18 March - Declares the state of emergency, sustained on public calamity;
 - Presidential Decree no. 17-A/2020, of 02 April, from the President of the Republic of Portugal – Renews the state of emergency order throughout all national territory, for additional 15 days, based on the public calamity caused by the pandemic of the new coronavirus;
 - Parliament Resolution no. 22-A/2020, of 02 April, from the Parliament – Authorizes the renewal of the state of emergency order due to the public calamity caused by the new coronavirus pandemic
 - Decree no. 2-A/2020, of 20 March- Executes the state of emergency, declared by decree no. 14-A/2020, of 18 March;
 - Order no. 3186-D/2020, of 10 March - Suspends flights from or to Italy;
 - Order no. 3298-C/2020, of 13 March- Forbids landing and land licenses for passengers and crew members of cruise ships in national ports;
 - Order no. 3301-A/2020, of 15 March - Suspends any dentistry and stomatology activity, except for proven urgent and not-postponable situations;
 - Order no. 3301-B/2020, of 15 March - Extraordinary and temporary measures regarding the suspension of driving instruction and on-site training of professional certification in order to mitigate the COVID-19 pandemic;
 - Resolution of the Council of Ministers no. 10-B/2020, of 16 March - Restores as an extraordinary and temporary measure the control of persons at the boards within the scope of the new coronavirus SARS-CoV-2 and COVID-19 disease epidemiological situation;
 - Order no. 3427-A/2020, of 18 March - Forbids the air traffic to and from Portugal of all flights to and from European Union third countries, with some exceptions;
 - Order no. 3659-B/2020, of 24 March - Extension of the suspension of flights from and to Italy;
 - Law no. 1-A/2020, of 26 March - Establishes extraordinary and temporary measures to deal with the epidemiological situation caused by coronavirus SARS-CoV-2 and by the disease COVID-19;
 - Resolution from the Government Council no. 90/2020, of 01 April - Approves set of measures for the Regional Educational System within the scope of COVID-19 pandemic;
 - Decree no. 2-B/2020, of 02 April, from the Parliament – It rules the declaration of renewal of the state of emergency, establishing the measures restricting the right of movement and economic freedoms in force during the public calamity caused by the new coronavirus pandemic;
 - Law no. 4-A/2020, of 06 April, from the Parliament – Foresees the amendment and complement of the exceptional and temporary legal measures applicable to the legal deadlines and proceedings, protection of tenants and public procurement,

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proceeding to the first amendment to Law no. 1-A / 2020, of 19 March and the second amendment to Decree Law no. 10-A / 2020, of 13 March, which established exceptional and temporary measures regarding the epidemiological situation of the new coronavirus - COVID 19;

- Decree-Law no. 12-A/2020, of 06 April, from the Minister Council Presidency – Rules

exceptional and temporary measures regarding the COVID-19 disease pandemic,

- Order Ministry no. 4338-A/2020, 08 April - During the period from 09 to 13 April, the rule of reducing the maximum number of passengers per transport to 1/3 of the maximum number of seats available to ensure the appropriate distance between transport users, shall not be applicable to (i) flights specifically intended

to repatriate citizens or (ii) commercial flights of air carriers, used also to repatriate citizens or which justifiably serve that purpose. During that period, commercial passenger flights from and to national airports are not allowed, without prejudice to emergency landings, humanitarian flights or repatriation. This does not include flights carrying health equipment and medicines.



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- Support the sustainability of the Economy and businesses:
 - creation of a €200 million credit line to support companies' treasury;
 - measures to accelerate payments to companies by the Public Administration;
 - payment of incentives within 30 days;
 - deferral for a period of 12 months of installments falling due until 30-09-2020 related to repayable subsidies granted under the incentive systems of the National Strategic Reference Framework or Portugal 2020 without interest charges or other penalties for the beneficiary companies;
 - eligibility for reimbursement of expenses proven to be borne by the beneficiaries in initiatives or actions canceled or postponed for reasons related to COVID-19, foreseen in projects approved by Portugal 2020 or other operational programs, namely in the areas of internationalization and professional training, as well as by the National Vine and Wine Institute under the measure to support the promotion of wines in third countries;
 - creation of a €60 million credit line for micro-enterprises in the tourism sector;
 - IEFP training scholarship;
 - temporary regime of exemption from the payment of social security contributions during the lay off period by employers;
 - extraordinary financial incentive to ensure the regular normalization phase of the activity (up to a Minimum Wage per worker);
 - **Credits:** exceptional measures to protect the credits of families, companies, private institutions of social solidarity and other social economy entities, including:
 - prohibition of total or partial revocation of contracted credit lines or granted loans;
 - extension of contracted credits with payment of capital at the end of the contract;
 - suspension of the payment of principal, rents and interest due in respect of credits with reimbursement in installments of principal or other pecuniary obligations together with the automatic extension of the respective contractual;
 - payment plan for the installments of principal, rent, interest, commissions and other charges;
 - the possibility of the State and other legal persons governed by public law issuing personal guarantees, within the maximum limits provided for in the State Budget Law;
 - **Payments card:** exceptional and temporary measures to promote the acceptance of payments by card, including:
 - suspension of the collection of the fixed component of any commission for a card payment transaction carried out at automatic payment terminals;
 - prohibition of increases in the variable components of fees due for the use of automatic payment terminals in card payment transactions;
 - prohibition of the creation of new fixed or variable commissions related to the acceptance of card payment transactions carried out in automatic payment terminals;
 - additionally, the beneficiaries of card payments that provide automatic payment terminals cannot refuse or limit the acceptance of cards for payment of any goods or services, regardless of the value of the transaction.
 - **Corporate obligations:** the deadline legally established to hold the Annual General Meetings to approve the accounts extended until 30-06-2020; the certificates issued by the registry services, including the commercial extracts/certificates issued

- by the Commercial Register Office that would expire in March 2020 will be accepted under the same terms until 30-06-2020;
- **Lease agreements:** exceptional and transitional regime regarding deadlines and proceedings, and a set of extraordinary rules for the protection of lessees;
- temporary and exceptional legal measures to promote flexibility of payment of rents due under residential lease agreements and non-residential lease agreements.
- The referred exceptional legal measures applies to the following non-residential lease agreements: retail trade activities and services provisions that are mandatorily closed or have their activities suspended by legal or administrative orders and to restaurants and similar establishments that currently reduce their activity to take away/home delivery.
- Regarding the residential lease agreements, the Housing and Urban Rehabilitation Institute, I. P. (IHRU, I. P.), may grant an interest free loan to support the partial payment of the rent, and at no time may the household's remaining available income be lower than the index of social support (IAS). It may be requested by:
 - Tenants who cumulatively verified that (i) the income of their household suffers a drop of more than 20% in relation to the previous month or the same period of the previous year and (ii) whose effort rate, corresponding to the percentage of the household's income intended for the payment of the rent, is equal to or higher than 35%;
 - Guarantors of students who do not earn any income, who are unable to pay the rent of the dwellings that constitute their permanent residence even whenever results from the need to attend to an educational establishment located more than 50 km of their household's permanent residence;
 - Residential landlords who suffer, in their household's income, a drop of more than 20% caused by the non-payment of the rents due by the tenants who did not resort to the above mentioned loan and the absence of the due rents caused the available income of the remaining household falling below IAS;
 - The residential tenants are deemed to inform landlords up to five days prior to the due date of the first rent in which they intend to benefit from this regime unless rents due on April 1st, 2020, to which the applicable deadline is 20 days from 07 April. The law does not foresee such obligation to non-residential leases.
 - Any rents due during the state of emergency period and even the first month after, may be payed by tenants within 12 months from the last month following the state of emergency period by means of monthly instalments, that could not be lower than one twelfth of the total amount due, to be paid simultaneously with the rents that become due after said period.
 - The absence of payment of the referred rents cannot constitute grounds for the lease agreements' termination nor to demand vacation of real estate.
 - Public entities that operate real estate will be entitle during the state of emergency period: (i) to reduce rents whenever tenants evidence an income drop of more than 20% in relation to the income of the previous month or the same period of the previous year, and that drop causes s an effort rate of more than 35% in relation to the rent, or (ii) to allow the rent's payment exemption to the tenants that evidence not having received any income after March 1st, 2020, or (iii) to establish moratoriums to their tenants.
 - Exceptional and temporary regime applicable to the protection of tenants: As of 14 March the residential and non-residential lease agreements, or their respective renewals, do not cease due to expiration, unless the tenant does not object to

the termination. The six-month period foreseen for the return of a leased building based on other cases of expiration other than the one motivated by the end of the period stipulated by the parties or the law, namely, by the death of the tenant, loss of leased thing, verification of the subordinate condition, is suspended if the term expires during the period of time in which the extraordinary measures are in force.

- Suspension of the production of the effects of opposition to the renewal, at the initiative of the landlord, of residential and non-residential lease agreements to ensure that those agreements remain in effect for up to 60 (sixty) days after the end of the COVID measures.

- **Relevant legislation:**
 - Order no. 2875-A/2020, of 03 March - Adopts measure to safeguard the social protection of beneficiaries who are temporarily prevented from performing their professional activity by order of the health authority, due to the risk of infection by COVID-19;
 - Resolution of the Council of Ministers no. 11-A/2020, of 23 March - Extends the postponement of due payments under the National Strategic Reference Framework or Portugal 2020 to all companies, due to the new Coronavirus – COVID-19 epidemiological situation;
 - Order no. 4/2020, of 18 March published in 25 March - Establishes a financial support line, in order to address the cash requirements of tourist micro-companies whose activity is strongly affected by the economic effects arising from the COVID-19 outbreak and settles the relevant financing conditions;
 - Decree-Law no. 10-F/2020, of 26 March - Establishes extraordinary and temporary regime regarding the compliance with tax obligations and social contributions, within the scope of the COVID-19 pandemic;
 - Decree-Law no. 10-G/2020, of 26 March - Establishes extraordinary and temporary measures to protect employment, within the scope of the COVID-19 pandemic;
 - Decree-Law no. 10-H/2020, of 26 March - Establishes extraordinary and temporary measures to encourage the acceptance of cad-based payments, within the scope of the COVID-19 pandemic;
 - Decree-Law no. 10-I/2020, of 26 March - Establishes extraordinary and temporary measures as a reaction to the COVID-19 pandemic in the cultural and artistic sector, specially with regard to non-performed shows;
 - Decree-Law no. 10-J/2020, of 26 March - Establishes extraordinary measures to protect the credits of families, companies, private institutions of social solidarity and other entities of the social economy, as well as a special regime of personal guarantees by the State, within the scope of the COVID-19 pandemic;
 - Decree-Law no. 10-K/2020, of 26 March - Establishes an extraordinary and temporary regime of justified absences to provide family support or to work as a volunteer firefighter with employment agreement with a private or social sector employer, within COVID-19 pandemic;
 - Decree-Law no. 10-L/2020, of 26 March - Amends the general rules for implementation of operational and development programs financed by the European funds, in order to anticipate payment applications;
 - Order no. 104/2020 – XXII of the Secretary of State for Fiscal Affairs, of 9 March - Extends the deadlines for voluntary compliance with tax obligations;
 - Order no. 129/2020 – XXII of the Secretary of State for Fiscal Affairs, of 27 March - Establishes guidelines for the periodic VAT declarations for the month of February;



– Order no. 4031/2020, of 02 April, from the Ministry of Economy - It allows, during the state of emergency, the operation of establishments for maintenance and repair of cycles, as well as for the sale of its parts and accessories;

– Law no. 4-C/2020, of 06 April, from the Parliament – Exceptional regime for situations of default in the payment of rent due under the terms of residential and non-residential urban lease contracts, within the scope of the COVID-19 pandemic.

It establishes the application of temporary and exceptional measures, in order to promote flexibility of payment of rents due under residential and non-residential lease agreements.



Employment law and social protection measures

• Employment:

- simplified lay off: extraordinary support for the maintenance of employment contracts in a company in a business crisis situation, in the amount of 2/3 of the remuneration, ensuring that Social Security secures payment of 70% of that amount, the remainder being borne by the employer;
- IIEFP training scholarship;
- temporary regime of exemption from the payment of social security contributions during the lay off period by employers;
- extraordinary financial incentive to ensure the normalization phase of the activity (up to a Minimum Wage per worker).
- Measures to support the social protection of workers and their families:
- financial support for employees who have to stay at home to accompany their children (up to 12 years old), in the amount of 66% of the basic remuneration (33% paid by the employer, 33% paid by Social Security), with the minimum limit of € 635.00 and with the maximum limit of € 1,905.00. The support does not include the school vacation period. In case of children attending early childhood or disability/ chronic illness social support equipment, support is granted until April 13;
- financial support to domestic workers, corresponds to two thirds of the remuneration registered in the month of January 2020, with the minimum limit of € 635.00 and with the maximum limit of € 1,905.00: one third being paid by the Social Security and one third being paid by the employer.
- support for professional training, in the amount of 50% of the worker's remuneration up to the limit of the National Minimum Wage, plus the cost of training, for the situations of workers not employed in productive activities for considerable periods;

- guarantee of social protection for trainees and trainers in the course of training actions, and for beneficiaries engaged in active employment policies who are prevented from attending training actions;
- prophylactic isolation (for 14 days) being compared as a normal illness for the purposes of social protection measures. With this change, workers who are decreed, by the health authority, of need for prophylactic isolation will have ensured the payment of 100% of the reference remuneration during the respective period.
- Absences from work are considered to be justified during the periods of established school interruptions;
- Measures to support self-employed workers:
- extraordinary support for self-employed workers affected by reducing levels of economic activity and social security contributions deferrals. The financial support is for one month, monthly extendable up to a maximum of six months, corresponding to: (i) The remuneration recorded as a contributory tax base, with the maximum limit of € 438,81, whenever the amount of remuneration recorded as a contributory base is lower than € 658.22; (ii) Two thirds of the remuneration value recorded as a contributory tax base, with the maximum limit of € 635.00 in situations where the value of the remuneration recorded is higher than or equal to € 658.22.
- The support previously mentioned is also granted to the managing partners of companies, as well as to members of statutory bodies of foundations, associations or cooperatives with functions equivalent to the afore mentioned, without employees, who are exclusively covered by social security regimes and who, in the previous year, had their invoicing communicated through the E-fatura of less than € 60.000,00.

- suspension of the remuneration limits legally foreseen in the General Labor Law on Public Functions for overtime or supplementary work for appointed employees. The suspension is extended to all bodies, agencies, services and other entities of the Authority for Working Conditions, private institutions of social solidarity, non-profit associations, cooperatives and other entities of the social economy that carry on essential activities in the social and health area, namely, health services, residential or foster structures or home support services for vulnerable people, elderly and with disabilities.

• Relevant legislation:

- Order no. 2875-A/2020, of 03 March - Adopts measure to safeguard the social protection of beneficiaries who are temporarily prevented from performing their professional activity by order of the health authority, due to the risk of infection by COVID-19;
- Decree-Law no. 10-A/2020, of 13 March - Establishes exceptional and temporary measures, related to the epidemiological situation of the new Coronavirus - COVID 19;
- Decree-Law no. 10-G/2020, of 26 March - Establishes extraordinary and temporary measures to protect employment, within the scope of the COVID-19 pandemic;
- Decree-Law no. 10-K/2020, of 26 March - Establishes an extraordinary and temporary regime of justified absences to provide family support or to work as a volunteer firefighter with employment agreement with a private or social sector employer, within the scope of COVID-19 pandemic;
- Decree Law no. 12-A/2020, of 06 April - Added the third amendment to Decree Law no. 10-A/2020, of March 13, which establishes exceptional temporary legal measures in response to COVID-19 pandemic.

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Violation of mandatory confinement embodies the practice of the crime of disobedience which is foreseen in the Penal Code, under the terms of which, who will lack obedience due to an order or legitimate warrants, regularly communicated by the authority or official competent, is punished.



Next Steps

- Initially ordered for two weeks started on 18-03-2020 by the President of the Republic, the State of Emergency based on the verification of a public calamity situation was renewed on 02-02-2020 extended until 17-04-2020.
- New rules are expected regarding namely education (exams deadlines and school calendar updated, online and tv classroom sessions) and prisons safe measures including temporary release of prisoners.





General Measures

- Limited movement (various exceptions apply to the restrictions - e.g. buying food, medical or professional purposes etc.)
- People over the age of 65 can travel only between 11AM and 1PM. Exceptions: travelling for agricultural activities or for professional purposes
- Every person who enters in the country shall be placed in isolation at domicile or, as the case may be, quarantine.
- Limited flights from COVID-19 countries and internal flights – including road transportation.
- Limited interaction with public authorities / national courts / postal office
- Promoting of the online interaction with the authorities / online payments
- Meetings (groups) of more than 3 people are forbidden.
- Commercial centers are closed (excluding economic operators working in the field of public health, pharmacy, food)

Through Military Ordinance no. 6, multiple quarantine measures concerning Suceava county were established, such as: traffic restrictions to this area; no train tickets are issued for access in this area. Also, the access to the international

airport “Stefan cel Mare” Suceava is allowed only for flights performed by state aircraft, freight and mail flights, humanitarian or providing emergency medical services, as well as non-commercial technical landings. The measures were extended to the city of Tandarei (Military Ordinance no 7)

Preventive isolation measures are established at the workplace or in specially dedicated areas in which no outside persons have access, for the personnel who perform essential functions to ensure the production, transport and distribution of electricity and gas etc.

According to the Military Ordinance no. 4/30.03.2020, during the state of emergency the prices for electricity and heat, natural gas, water supply, sanitation and fuel cannot be increased above the level practiced at the date of the issuance of this military ordinance. The price can only be reduced according to the principle of supply and demand

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01. the penalties stipulated for delays in the execution of obligations arising from the contracts concluded with the public authorities by SMEs that have totally or partially interrupted their activity and that hold the emergency situation certificate, are not due for the duration of the state of emergency.
02. Companies whose activity was affected under the context of pandemic SARS-CoV-2 and which are legally entitled according with the legal provisions issued under the context of state of emergency, might ask the issuance of the Emergency Situation Certificate (ESC). There are two types of certificates: (i) TYPE 1 certificate (the blue one) – is issued to companies whose activity was affected by total or partial interruption of activity, following decisions issued by the authorities and (ii) TYPE 2 certificate (the yellow one) – is issued to companies whose activity was affected through a decrease of at least 25% of the cash collections recorded in March 2020 compared with the average of the cash collections recorded in January and February 2020. The company justifies the fulfillment of the conditions through an affidavit. A company might request only one certificate. The certificate states, based on the affidavit, the reduction of revenues or receipts by at least 25% in March 2020 compared to the average of January and February 2020 or the partial or total interruption of the activity

as a result of the decisions issued by the competent public authorities during the decreed state of emergency.

01. For SMEs, the Romanian State will provide guarantees covering up to 80% of the principal amounts borrowed in the form of one or more credit (s) for the realization of investments or credit lines for working capital granted by credit institutions. The maximum cumulative value of the financing granted to an SME is to be capped at RON 10 million, and there is also a sub-ceiling for the credit lines for working capital of RON 5 million (but cannot exceed the average of the expenses related to the working capital of the last two fiscal years) and finally, RON 10 million for investment loans
02. For micro-enterprises (companies which, among others, employ up to ten employees and obtain a net turnover below EUR 2 million) the state guarantees granted for working capital credit lines can be up to 90% if the principal amounts borrowed is up to RON 500,000 (but cannot exceed the average of the expenses related to the working capital of the last two fiscal years)
03. For small businesses (companies which, among others, employ up to fifty employees and obtain a net turnover below EUR 10 million), the state

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guarantees granted for working capital credit lines can be up to 90% if the principal amounts borrowed is up to RON 1,000,000 (but cannot exceed the average of the expenses related to the working capital of the last two fiscal years)

In all the scenarios 1-3 above, the credit interest is fully subsidized by the Romanian State for an initial period up to March 31, 2021 (which may be extended) and the administration fees are borne by the state

- deferred payment for utility services - electricity, natural gas, water, telephone and internet services, as well as deferred payment of the rent for the registered office and secondary offices for the SMEs that have totally or partially interrupted their activity based on measures imposed by the authorities and that hold the emergency situation certificate. For any other ongoing agreements then the ones mentioned above, the SMEs might invoke the force majeure only after their endeavor, proven by documents transmitted between parties in any way, including electronic ones, to negotiate the agreements, in order to amend the agreements according with the new conditions generate by the state of urgency.
- It is presumed to constitute a case of force majeure the absolutely unforeseeable, invincible and unpredictable circumstance referred to in art. 1351 para. (2) of the Civil Code, which results from an action of the authorities in the application of the measures imposed by the prevention and control of the pandemic, which affected the activity of the SMEs, an impact attested by the emergency situation certificate. The presumption may be overturned by the interested party by any means of evidence. The unpredictability is related to the time of conclusion of the affected agreement. The measures taken by the authorities in accordance with the Decree that established the state of emergency will not be deemed unpredictable.

Suspension, upon request, of due loan payment obligations . Beneficiaries - individuals, authorized individuals and individual enterprises, family enterprises, professionals carrying out their activity based on special laws, regardless of the form in which such professions are exercised and legal entities (except for credit institutions), whose incomes have been directly or indirectly affected by the serious situation generated by the COVID-19 pandemic, in accordance with the rules for applying the GEO.

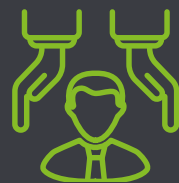
- Object - loans granted by credit institutions and non-banking financial institutions, as well as leasing contracts (although there are discussions regarding the applicability of the GEO in the case of leasing contracts). The period for which the suspension can be requested: from 1 to 9 months but no more than 31.12.2020; the maximum credit period can be extended with the suspension period. Conditions - the loan agreement has been concluded prior to the issuance of the ordinance; the agreement did not reach maturity by 30 March 2020; no payment defaults were registered on such loan as of 16 March 2020, i.e. the date when the state of emergency was declared in Romania (alternatively, the Debtor is allowed to make the overdue payments prior to making the moratorium request), the Creditor did not accelerate the loan before the date of March 30th, 2020; and.
- In addition, legal persons must (i) hold the emergency situation certificate for the total or partial interruption of the activity as a result of the decisions of the authorities or for the reduction of income by a minimum of 25% in March compared to January-February 2020 and (ii) not be insolvent at the date of requesting the suspension of the credit repayment. Implementation - the debtors must send to the creditor until, at the latest, 45 days after entry into force of the GEO, a request (either in writing or orally - by telephone) indicating the period for which the suspension is requested.

- The request will be analyzed and approved by the creditor according to the approved methodological norms, and within 30 days from the receipt of the request the creditor notifies to the debtor the contractual clauses modified for the implementation of the ordinance. The accrued interest due by the borrowers will be added to the loan balance at the end of the suspension period and thereafter be subject to interest. The increased loan balance will be paid in installments until the new maturity of the loan, after the suspension period.
- By exception, for the mortgage loans granted to individuals the interest related to the period of suspension is calculated according to the provisions of the credit agreement and represents a distinct and independent receivable in relation to the other obligations arising from the loan agreement. For this receivable the interest rate is 0% and its payment by the debtor will be made in 60 equal monthly installments, starting with the month immediately following the end of the suspension period. The Romanian state through the MPF shall guarantee the payment for 100% of the interest corresponding to the suspension period for the mortgage loans contracted by individuals. F.N.G.C.I.M.M. will be mandated to issue letters of guarantee to creditors. After payment of the value of the execution of the MFP guarantee, FNGCMM shall draw up a debt title which identifies the payment obligations of the individuals benefiting from the facility provided in par. (1). The debt title becomes an enforcement title according to the law. The receivables arising from the payment of the granted state guarantees, respectively the amounts paid to the creditors based on the letters of guarantee, are assimilated to budgetary receivables, they constitute income to the state budget, they give rise to accessories according to the Fiscal Code and they are recovered from the debtors by the competent fiscal bodies of NAFA.

MEASURES IN RELATION TO THE FINANCIAL SUPERVISION AUTHORITY (FSA Norm 21/2020 and FSA Regulation 3/2020):

- the extension of several deadlines for the transmission in 2020 of periodic reports provided by the applicable legal provisions, as well as the possibility of extending the deadline for completing the documentation sent to the FSA. Beneficiaries: insurance and reinsurance companies based in Romania, insurance and / or reinsurance brokerage companies, the Insurance Guarantee Fund, credit institutions and investment firms insofar as they request the approval of the FSA for carrying out the distribution activity as principal intermediaries.
- starting with 01.04.2020, all fees, taxes, quotas and contributions due to the Financial Supervisory Authority, provided by the Regulation of the FSA no. 16/2014 regarding the revenues of the FSA are reduced by 25%. Beneficiaries: authorized entities, regulated and / or supervised by FSA.





• Measure 1:

It was decided that all employees who have children up to 12 years of age / 18 years (in case of disabled children), are entitled to paid days off (in case it is not possible for them to telework) during the time schools are closed, due to exceptional situations, decided by the competent authorities.

In this case, only one parent is entitled to days off (the other parent has to fill a declaration attesting that he does not benefit from days off).

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The employer is under the obligation to approve the employees' request and pay him an indemnity amounting to 75% of the remuneration he would have been entitled to per working day, but not more than the amount corresponding to 75% of the daily amount of the gross medium wage used for the substantiation of the social insurance budget.

By way of exception, in certain sectors (such as energy, operational units from nuclear sectors, continuous flow units, health and social assistance, telecommunications, radio, public television, rail transport, public transportation and cleaning of cities, supply to population of gas, water, electricity), the time off is granted only with the employers' approval – to ensure that there are not major disruptions.

The amounts are deducted from the Fund for guaranteeing the salary debts – these amounts will be paid back to the Fund for guaranteeing the salary debts by the state budget, until the end of the fiscal year (no additional costs from the employers' side, in the end).

During the state of emergency, it was decided the above measures do not apply in the national defense sector, to employees working in prisons, public health care units and other sectors to be decided under ministerial order.

• Measure 2:

Under the Presidential Decree for establishing the state of emergency it was expressly provided that telework/work from home can be implemented through the employers' (unilateral) decision. Therefore, during the state of emergency the employers are unilaterally entitled to impose employees to work from home/telework. Nevertheless, it is recommendable to have in place a policy regarding telework setting the general rules to be followed/applicable during the work from home/teleworks.

• Measure 3

Employees are entitled to benefit from medical leave/quarantine leave. In principle, the amount of the indemnity during medical leave/quarantine leave is borne by the state insurance budget - with the exception off the indemnity in case of medical leave for the first 5 days of incapacity, which is borne by the employers.

• Measure 4

During the state of emergency, the viability of collective labor agreements is prolonged.

• Measure 5

Labor inspections are suspended, with the exception of those aiming at verifying the observance of measures imposed by the National Committee for Emergency Special Situations, or those related to the commission of dangerous acts and work accidents.

OTHER INFORMATION

-the allowance due for the period of suspension of the employment agreement according to art. 52 of the Labor Code, during the state of emergency (technical unemployment), is covered from the unemployment insurance budget, in the amount of 75% of the base salary but no more than 75% of the average gross salary in the country (for 2020 this is 5429 lei).

– The beneficiaries of the facility are the employees of employers who temporarily reduce or interrupt the activity in whole or in part due to the effects of the pandemic, during the state of emergency, according to an affidavit of the employer. The template of the affidavit will be approved by order of the Ministry of Labor. If the budget of the employer destined for the payment of personnel expenses allows, the allowance paid from the State Budget can be supplemented up to a minimum of 75% of the base salary for the position of the employee, according to art. 53 a. 1 Labor Code. If an employee has more than one employment contract and at least one is full-time and active, they do not benefit from the provisions of the ordinance and if an employee has more than one employment contract and all are suspended, he benefits from the rights that are more advantageous to him.

– The facility is granted at the express request of the employer, electronically filed, accompanied by the affidavit, and the amounts will be paid by the state to the employer within 15 days from the submission of the documents. The employer is obliged to pay the allowance to the employee in maximum 3 working days from its receipt. For the allowance granted, the employer calculates, withholds and pays tax, social insurance and health contributions from the allowance received from the state budget. The term for declaration and payment is the 25th of the month following the one in which the payment is made from the unemployment insurance budget. Other professionals, persons who have concluded agreements according to Law 1/2005 and people who obtain income exclusively from copyright, that interrupt their activity totally or partially activity due to the effects of the epidemic, benefit from a monthly allowance of 75% of the average gross salary in the country for 2020. Athletes whose contracts have been suspended on the initiative of the sports structure as a result of the Covid-19 effects, receive a compensation of 75% of the cash rights related to their athletic performance, but not more than 75% of the average gross salary. Additionally, the sports structure may negotiate the granting of an additional compensatory allowance.

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Violation of the restrictive (general) measures will result in fines, while the violation of quarantine/auto-isolation measures will result in either fines or jail time (depending on the outcome - whether the individual has infected other people).



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State of Emergency

- The President of Serbia, President of the National Parliament and Prime Minister have proclaimed State of Emergency on 15 March 2020 due to Coronavirus outbreak. During this time (up to 90 days), the Government may introduce measures limiting some human rights.

Public Institutions (general)

- All public institutions are closed for public with some exceptions.

Judicial Institutions

- Ministry of Justice issued recommendation that all personnel work from home if it is possible. For proceedings that are not urgent it was recommended to delay it.

Post Offices

- They are still open with shorten working hours.

Movement

- At the moment free movement in Serbia is allowed only on working days between 5 A.M. and 5 P.M. while people older than 65 years of age (70 in rural areas) are not allowed to leave their homes at all.

- Ministry of Internal Affairs may limit any other movement based on the government Decree on Measures during the State of Emergency.

Public gatherings

- Prohibited for more than 5 persons.

Borders

- As of 20 March borders are completely closed for indefinite period with exceptions upon approval of the Government / Ministry.
- Serbian citizens and foreigners with residence permit are to be quarantined for 14 to 28 days depending on specific situation, decided on the spot by border police.

Airport(s)

- As of 19 March, all commercial flights are banned on Belgrade International Airport. Only flights with special approval of the Government are allowed.

Schools and Universities

- All schools and universities are closed, while elementary school lessons are broadcasted on national television.

Business

- Catering and accommodation facilities with inner serving space are closed for public (delivery is allowed).
- Shopping malls and shops in which the entrance is from the inside are closed.

Export Bans

- 30 days ban on exporting medicaments from the Republic of Serbia was introduced on 17 March 2020.
- In order to prevent shortages, a 30 days ban on exporting basic life products was introduced on March 14th (wheat flour, sugar, oil, hygiene products etc.).

Capping Prices

- Wholesale and retail essential food and safety equipment prices are capped to the level as of March 5, 2020 (for 30 days).

Statutory Deadlines

- Both court and administrative proceedings deadlines are frozen. However, not all aspects were covered (e.g. statute of limitation). Details yet to be analyzed.

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Loans Repayment Moratorium

- On March 17th the National Bank of Serbia has adopted decision on suspension in the repayment of debtor liabilities (for those debtors that opt for it). Namely, during the state of emergency, banks and leasing agencies will not compute interest on due and unpaid receivables, no enforced collection proceedings will be initiated and no other legal actions will be taken against clients in arrears. In addition, banks and leasing agencies will not be able to refund any expenses arising due to the aforementioned decisions from clients.

Reference Interest Rate

- National Bank of Serbia has reduced the reference interest rate to 1,75%.

Payment services costs

- Costs for payments service in respect to donations related to Covid19 will not be charged.

Initiative for projects financing

- The Innovation Fund of the Republic of Serbia has announced a public call for innovative projects that will help in the control of the effects of the COVID-19 pandemic.
- The initiative is intended for micro, small and medium companies, which already have developed prototypes, products, services and technologies that might be scaled in the short period of time and become available for utilization and that provide solutions for shortcomings and problems related to health and well-being of population, caused by pandemic and state of emergency.
- Financed projects may last up to 30 days, with the possibility of extension, in case of specific circumstances.
- Maximum amount of financing is RSD 6 million per project, whereas Innovative Fund's co-financing could cover up to 85% of total project costs, while remaining 15% should be provided by user, from its own resources.
- Applications submitted earlier will have priority in evaluation procedure.

Digital platform for services opened during the state of emergency

- [Digital Solidarity](#) platform has been established, in order to facilitate overall functioning during the state of emergency. Companies that intend to participate are required to provide information about service name, category (remote work, remote learning etc.), logotype (of platform or company), name of company which is the owner of service, access link, period in which service can be used free of charge, short description of service. Information should be provided on the address kancelarija@ite.gov.rs, with nenad.paunovic@gov.rs in cc.

Decree on Administrative Deadlines

- This Decree will impact various aspects of the tax procedure, primarily in the area of tax administrative procedures.
- Essentially, most tax administrative deadlines are frozen. However, not all aspects are covered (primarily the impact on the reporting and payment of taxes). Details yet to be analyzed.





Employment law and social protection measures

Decree on Employment Matters

- During the state of emergency, the employer is obliged to enable employees to dislocate from its premises, i.e. to allow remote work (teleworking and work from home), at all posts where such organization of work activities is possible. Employer whose nature of activity is such that it is not possible to organize remote work, is due to organize its business with the conditions of emergency, namely:
 - to arrange shift work, if possible and without requiring additional resources, so that as least as possible number of employees work simultaneously in one room,
 - enable all business meetings to be held electronically or by other appropriate means (video link, video call, etc.),
 - postpone official travel in the country and abroad, in accordance with the decision of the competent authority on the ban, i.e. temporary restriction of movement.

- In order to ensure the protection and health of employees and customers, the employer is obliged to provide all general, special and extraordinary measures related to the hygienic safety of facilities and persons in accordance with the Law on Protection of Population from Infectious Diseases.
- For employees who are in direct contact with clients or share a work space with several persons, it is necessary to provide safety equipment in accordance with special regulations.

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Criminal Offence

- Whoever, during an epidemic of a dangerous contagious disease, does not act in accordance with regulations, decisions or orders which determine measures for its suppression or prevention, shall be imprisoned up to three years.
- Based on a decree, during the state of emergency, in the criminal proceedings, the (presiding) judge may decide that the defendant's participation in the main trial shall be ensured through the technical means of transmitting sound and image (e.g. via skype).



Next Steps

The Government has announced a wide-reaching state aid package on March 31. The state aid package includes various tax and financial measures.

Implementing legislation with specifics is expected to be adopted soon.

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General Measures

- Exceptional status extended to general public during Easter (8-13 April) meaning restrictions regarding general movement of citizens;
- Obligatory quarantine in state facility for all persons entering Slovakia until they are tested for COVID-19, subsequent 14-day home quarantine required;
- Shutdown of majority of shops with exception of specified types (including notarial or attorney services/offices); even these must be closed on Sundays in order to allow sanitation and staff rest;
- Strict hygienic measures to be applied in opened shops, e.g. limited number of persons present in the shop, obligation to wear protective face mask, etc.;
- Shutdown of taxi services (with the exception of grocery deliveries) and limited operations of public transportation services;
- Restrictions in cross-border movement (entry into Slovakia is restricted with the exception of repatriation of citizens);
- Prohibition on organizing public events until further notice;
- Shutdown of schools, universities, cinemas, limitation of activity of government

agencies/bodies etc.;

- Obligatory 14-days quarantine for any person coming to Slovakia from other country;
- Declaration of „exceptional status“ for all medical facilities and social services providers;
- Closure of day-care facilities for pensioners;
- Adoption of bill allowing state authorities to use localisation data from mobile operators in order to monitor quarantines;
- Obligation to wear a protective face mask in public (i.e. anywhere except home);
- Body temperature measurement is obligatory when entering hospitals or factories, recommended also for supermarkets;
- People are asked to keep a distance of 2 meters while standing in any line/queue in public (only recommendation, not obligation);
- Special opening hours (9:00 – 12:00) for people older than 65 years have been

introduced);

- Designation of some hospitals for treating COVID-19 patients only;
- Drive-through testing stations in front of hospitals;
- Recommendations for elderly not to use public transport and not to leave home unless absolutely necessary;
- People older than 65 years will be informed about important measures through text messages;
- Each Ministry shall identify the measures needed to secure postponement of relevant legal deadlines;
- Ban on export of selected drugs and protective materials from the country;
- Ban on sale of FFP2/FFP3 protective face masks to general public;
- Talks with health insurance companies to guarantee income for GP doctors in order to prevent closure of their practices.

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- Suspension on execution of lien/pledge, guarantee or public auction until 30 April 2020;
- Option to vote and participate per rollam in general meeting of company even without relevant internal regulation;
- Suspension of legal deadlines for exercising rights from contracts or other relevant legal deadlines, which must be exercised in court from 12 March 2020 to 30 April 2020;
- Optional postponement of payments of the loan instalments without the negative effect for debtor recorded in loan registry for natural persons, entrepreneurs and small/medium enterprises for up to 9 months;
- Declared intention to allow drawing of the funds from European structural and investments funds to cover COVID-19 related costs/expenses;
- Declared intention to not impose the penalty for breach of selected obligations toward the state authorities;
- Option to apply for financial aid covering 80% of salaries paid to employees in

cases of obligatory closed shops/premises (up to EUR 200k/month or EUR 800k total);

- Option to apply for financial aid covering 20-80% of salaries paid to employees in cases of operating shops/premises, but with decrease in sales/turnover (up to EUR 800k total);
- Option to apply for indirect financial aid for small and medium enterprises – state may provide guarantee for bank loans or payment for bank loans' interests (up to EUR 200k);
- Wireless payments increased to EUR 50;
- Further economic measures are to be expected, especially for large enterprises.





Employment law and social protection measures

- Recommendation to use home office;
- Amendment to Labour Code allowing both ordering or requesting home office;
- Possibility of applying for social insurance instruments, such as sick leave or treatment of family member (e.g. for parents);
- Possibility of ordering vacation by employer and modification in-advance period of required notice;
- All measures related to employment law are governed by Labor Code (or employment contract) with specific amendment to it due to the COVID-19;
- Postponement of mandatory health checks required for certain professions;
- Modification of conditions for social benefit while treating a family member and for sick leave benefit, mainly claim for such social benefits are paid by the Social Insurance from the first day of situation (previously paid by the employer for first part of the period);
- Possibility to apply for sick leave benefit while being in quarantine;
- Social welfare support for self-employed persons;
- Possibility for employers to apply for financial aid covering parts of salaries in order to preserve jobs (as mentioned in economic measures);
- Postponement of some of Health and Safety at work obligations, such as notifications/information to employees;
- Postponement of social insurance payments of selected categories of employers until 31 July 2020.

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Ongoing re-evaluations of measures taken on daily/weekly basis, introduction of further measures is to be expected.





General Measures

- Closure of all educational institutions;
- Stopping of public transport,;
- Partial closure of state borders (restrictions were implemented),
- Closure of restaurants, bars and other shops (grocery, pharmacy, gasoline, bank, postal and e-commerce services are excluded);
- Self-isolation of the population, work from home, etc.;
- The Slovenian Government has adopted a Regulation, which provides for a ban on gathering people in public places (residents will only be allowed to go to grocery shops, pharmacies, gas stations and go to work). With regard to the

grocery shops, it should be noted that according to the Regulation, priority is given for purchases and entry into grocery shops for vulnerable groups of people, including disabled people, pensioners and pregnant women (between 8AM and 10AM);

- Provisional Measures Act has been adopted in relation to judicial, administrative and other public law cases to control the spread of the contagious disease SARS-CoV-2 (COVID-19). Pursuant to the provisions of this Act, no deadline shall expire in the period from the entry into force of the Act until 1.7.2020 (or earlier if the reasons for the measures taken cease): – court deadlines for exercising the rights of parties in court proceedings (whereby urgent court cases are excluded, unless otherwise decided by the President of the Supreme Court of the Republic

- of Slovenia);
 - court deadlines for lodging constitutional appeals;
 - court deadlines in administrative and other public-law matters that do not have the character of an administrative matter, for the performance of procedural actions of the parties, the fulfillment of their material obligations, and the court deadlines for such performance of procedural actions of administrative and other bodies;– court deadlines in misdemeanor cases;
- As for Public Sector Contracts, the contractual penalties for delay are not applicable during the duration of the epidemic and the contractually agreed deadlines are extended for the duration of the epidemic.

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- The Slovenian Export and Development Bank (SID Bank) is preparing financial products to mitigate the financial consequences of the spread of coronavirus. Together with the Ministry of Economic Development and Technology, SID Bank will, as of April 2020, offer financial products in the total amount of EUR 800 million to large companies in order to successfully cope with the coronavirus crisis. These funds will primarily address corporate liquidity problems, including liquidity in the supply of services and products, problems due to reduced demand, production downtime, supply chain problems and investment problems, including in the form of collateral and refinancing of loans taken from banks;
- SID Bank will also adjust the assessment of the treatment of existing clients facing the consequences of coronavirus (e.g. financial commitments, insurance, moratoriums, demonstration of eligibility of financing purposes, etc.);
- In addition, SID Bank will modify or supplement some of the already existing financial products in the market in order to help manage liquidity crises in the tourism sector (which will also extend to the hospitality sector);
- At the same time, SID Bank is preparing the introduction of portfolio guarantees under European Cohesion Policy Funds that can be used by participating banks and savings banks to finance SMEs' investment and day-to-day operations.

Companies will thus be able to improve their access to financing sources, even with more favorable borrowing conditions;

- A proposal of an Intervention Act to defer payment of tax liabilities to reduce the liquidity of companies is also being prepared. The detailed measures will be known in the following days;
- The Ministry of Economic Development and Technology and the Slovenian Enterprise Fund are currently designing measures to address micro, small and medium-sized enterprises with a total indicative amount of EUR 115 million. The money will be available for a variety of purposes, from new quick liquidity loans by the Slovenian Enterprise Fund, aimed at eliminating the liquidity crashes of SMEs, sole proprietorships and cooperatives due to the coronavirus and existing guarantees for bank credit protection, prioritized for new investments and by adjusting also for financing reverse funds to manage the effects of coronavirus;
- In order to mitigate the effects of the epidemic, the Parliament adopted an Emergency Measures Deferral Act. The Act stipulates that banks (including foreign branches) and savings banks shall grant a deferral of credit for 12 months to all borrowers who apply for and qualify. According to the Act, the following are considered as borrowers: companies based in Slovenia, cooperatives, sole proprietors, self-employed persons and agricultural holders.

- The Parliament also adopted an Act on Interventional Measures in the Public Finance Area, which determines:
 - the basis for extending tax returns deadlines and submitting annual reports (the new deadline is extended from 31 March 2020 to 31 May 2020);
 - provisions on deferral or installment payment of tax liabilities. In accordance with the Act it will be possible to defer tax for up to two years, or to pay tax in a maximum of 24 monthly installments over a period of 24 months, due to the loss of ability to generate revenue as a result of the COVID-19;
 - that no interest shall be charged for the deferred amount of tax or unpaid taxes (including default interest) during the period of validity of this Act.
- The proposal of the Act, adopted by the Government as of 29. March 2020, stipulates that a deferral of the borrower's obligations will be possible (subject to conditions).

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- The existing legislation already provides some relief for employers (e.g. infected workers are entitled to temporary absence from work with paid sick leave charged to the Health Insurance Institute of Slovenia from the first day of absence);
- The Parliament also adopted an Act on the intervention measure of partial reimbursement of salary compensation, which aims to contribute to job retention for companies in the industries most affected by the SARS-CoV-2 virus outbreak;
- The Act regulates the partial reimbursement in the amount of 40% of salaries paid to employees who are temporarily unable to perform work due to the effects of the virus (if the employer fulfills the conditions laid down in the Act). Furthermore, the Act also regulates the reimbursement of salaries to employees who cannot work because due to the quarantine;
- On 29 March 2020, the Government approved the proposal of the Intervention Act to curb the covid-19 epidemic and mitigate its consequences for citizens and the economy. The Act provides:
 - Employees on temporary lay-offs and employees who are absent for reasons of force majeure are entitled to a salary compensation of 80 percent of the salary base. However, salary compensation may not be lower than the minimum salary and no higher than the average salary in the Republic of Slovenia. The paid compensation will be reimbursed by the Republic of Slovenia (if the employer meets the legal requirements) in the amount of the paid compensation, reduced by social security contributions of the insured person;
 - For employees in employment relationship who continue to work and receive salary during the application of intervention measures as per the proposal of Intervention Act, the proposal of Intervention Act provides exemption from payment of pension and disability insurance contributions and additional payment of so-called crisis allowance (in the amount of EUR 200 per month);
- Additionally, the Act provides for exemption from contributions for self-employed persons and farmers (if the legal requirements are met);
- The proposal of the Act provide for one-time solidarity allowance for seniors (who receive less than EUR 700 per month). The allowance will range from EUR 300 to EUR 130;
- Furthermore, the proposal of the Act provides for a one-time solidarity allowance for other vulnerable groups of persons.

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Criminal law measures

- No deadline for criminal proceedings shall expire until 1.7.2020;
- Urgent matters are being processed as planned but the public is being generally excluded;
- Special regime in prisons apply – loosening of measures.

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- It is expected that the Slovenian Government will adopt a new additional set of anti-crisis measures, amounting to around EUR 3 billion.





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- The main measures of Government and emergency powers that impact on attendance at the workplace are the following:
 - self-isolation at home,
 - closure of all learning centres including kindergartens, schools and universities,
 - closure of all shops and other business that are not related to primary needs (supermarkets, pharmacy, oil stations and banks).
- As part of the self-isolation guidance, commute to work is permitted, however, home base work is highly recommended.
- Private transport companies are obliged to reduce volumes at least 50% of its normal capacity. Private commute by car will be permitted following self-isolation guidance scenarios permitted.
- Public transport capacity will be reduced by 50%, except for transports used for commute to work in main cities which will keep higher frequency to avoid agglomerations.
- Movement of people has been restricted. Movement has only been allowed for the performance of certain activities (such as the acquisition of food, assistance to health centres, etc.).
- Temporary requisitions of all kinds of necessary goods may be carried out by the Government, as well as establishing personal obligations.
- On-site educational activity has been suspended.
- Commercial activities, cultural facilities, recreational establishments, hotel and restaurant activities and other additional activities have been suspended.
- Attendance to places of worship and civil and religious ceremonies has been limited.
- Measures to strengthen the national health system have been established (i.e. disposal by the Government of militar and private hospitals).
- Measures to ensure the provision of goods and services (necessary for the protection of public health and food supply) have been established.
- Measures to ensure effectiveness in the following sectors have been established:
 - Transport.
 - Guarantee the supply of electrical energy, petroleum products and natural gas.
 - Ensure the provision of essential services.
 - Obligation to publish notices or communications from the competent authorities.
- With some exceptions, periods of limitation and expiration of any actions and rights and terms and deadlines foreseen in procedural laws have been suspended during the alarm estate.
- Administrative terms have been suspended and the time limits for the processing of procedures by public sector entities have been interrupted.
- A penalty system has been established in relation to non-compliance with the authorities' orders.

Royal Decree Law 8/2020, of 17 march:

- Measures to protect employees, families and the most vulnerable groups:
 - Care has been guaranteed for the elderly, the disabled or anyone in a dependency situation.
 - The supply of electricity, natural gas and water has been guaranteed.

- The maintenance of electronic and telephone communications has been guaranteed.
- The price of liquefied petroleum gas (butane) has been settled.
- Mortgage payments delays have been allowed with respect to the main residence of the most vulnerable borrowers (unemployed borrowers, entrepreneurs or some professionals).
- The deadlines related to products purchased online or in person have been interrupted.
- Measures to support productive stability:
 - The deadline to expire for entries, annotations and marginal notes subject to cancellation has been suspended.
 - The deadlines to request a declaration of bankruptcy have been extended.
 - Measures related to certain public contracts have been established (in case of unfeasibility and extension of deadlines) as well as a specific procedure related to the suspension of public sector contracts.
 - Simplification of agreements with Public Administrations related to COVID-19 has been established.
 - The suspension of the regime of liberalization of certain foreign direct investments in Spain affecting public order, public security and public health has been regulated.
- Extraordinary measures have been set out for legal persons governed by private law:
 - Governing bodies, delegated commissions and other compulsory or voluntary meetings may be held by videoconference or in writing.
 - The deadline to formulate annual accounts has been suspended.
 - The possibility of amendment or revocation of the call of the Shareholders' Ordinary General Meeting of Companies which had been published before the alarm state.
 - The deadline to exercise the right of separation of the shareholders has been suspended (even if there is a legal or statutory cause).
 - The reimbursement of contributions to cooperative shareholders (who cease to be shareholders during the alarm state) has been extended.
 - The term for the call of the shareholders meeting by the administrators of a Company which is in a compulsory dissolution legal situation has been extended until 2 months after the end of the state of alarm.
- Measures have been established for listed companies:
 - The obligation to publish and submit its annual financial report to the CNMV and the audit report of its annual accounts may be fulfilled up to 6 months from the end of the financial year. This period will be extended to 4 months for the publication of the interim management statement and the half-yearly financial report.
 - The Ordinary General Meeting of Shareholders may be held within the first 10 months of the financial year.
 - The Board of Directors may provide in the call of the General Meeting the attendance by telematic means and remote voting, even though not being foreseen in the by-laws.
 - Specifications have been established in the event that the measures imposed by the public authorities prevent the General Meeting from being held in the place and physical location set out in the call.
- Measures to strengthen the action against the disease:
 - Extraordinary credits have been authorised in order to provide the "Consejo

Superior de Investigaciones Científicas" (CISC) and the "Instituto de Salud Carlos III" (ISCIII) with the necessary budgetary resources to meet the scientific and research challenges arising from the health emergency caused by COVID-19.

- Rules applicable to possible compensation for damages arising from the current health crisis:
 - The application of Royal Decree 307/2005, of 18 March, which regulates subsidies in response to certain needs arising from emergency situations or of a catastrophic nature, has been excluded and the procedure for granting them has been established.

ROYAL DECREE 11/2020, OF 31 MARCH

Measures to support employees, consumers, families and vulnerable groups

• Measures focused on families and vulnerable groups

- The eviction procedure for vulnerable households (without alternative housing) may be suspended under certain circumstances.
- Lease agreements for main residence may be unilaterally extended by the lessee.
- Obligatory application of a rental debt moratorium or rent reduction in favor of economically vulnerable lessees has been established (in the case of large tenants and public companies).
- A line of public guarantees for vulnerable lessees financing has been approved.
- A new aid programme has been set up to reduce the economic and social impact of COVID-19 on the rental of main residence.
- A new programme has been set up to help (i) victims of gender-based violence, (ii) people who have been evicted from their main residence, and (iii) people who are particularly vulnerable.
- Measures to suspend contractual obligations arising from loans or credits (without mortgage guarantees) for vulnerable people have been established.
- The supply of electricity, oil products, natural gas and water has been guaranteed.

• Consumer protection measures

- The right of consumers and users to terminate certain contracts without penalty has been established.
- Measures to restrict commercial communications by entities carrying out a gambling activity have been established (under Law 13/2011 of 27 May on gambling regulation).

Measures to support economic activity

• Measures to support industrialization

- The flexibility of electricity supply contracts for the self-employed and companies has been established.
- Flexibility in natural gas supply contracts has been established.
- Electricity, natural gas and oil product bills of self-employed a small-sized companies may be suspended.
- Financial aid (amounting to € 15 million) has been approved to compensate for part of the costs of the providers of state-wide digital television (audiovisual communication services).

• More measures

- Measures related to the deadlines for the formulation and filing of annual



accounts for the 2019 financial year by State public sector entities and for the submission of the State's General Account to the Court of Audit have been established.

- Possibility of deferral of the repayment schedule for loans granted by Autonomous Communities and Local Entities to entrepreneurs and self-employed persons affected by the COVID-19 has been established.
- Article 40 of Royal Decree 8/2020, of 17 March has been amended. In this

sense, the possibility of holding meetings and boards of directors by video or multiple telephone conference has been established. Measures related to the deferral of the approval of the application of the result of the company have also been established.

- The suspension of the regime of liberalization of certain foreign direct investments has been extended to Spanish companies with an ultimate foreign shareholding over 25%.

- The legislation on public sector contracts has been amended. In this sense, the duration of supply and service contracts, for the provision of subsequent services, may exceed 5 years (under certain circumstances).
- Bankrupt companies may also apply the procedures established in Royal Decree 8/2020, of 17 March (related to the temporary employment regulation file ("ERTE") due to force majeure and objective causes).



Economic Measures

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GENERAL

In general terms, the deadlines to file assessments and self-made assessments remain unchanged and therefore no extensions have been granted. Deadlines related to the following proceedings, at all government levels (including regional and local authorities "Comunidades Autónomas" "Entidades Locales"), that had been on-going **prior to 18 March 2020** have been extended to 30 April 2020:

- Payment of tax due following an assessment from the Tax Office as well as payments of those liabilities that are overdue and in the "periodo ejecutivo" of collection.
- Deadlines on filing extensions granted prior to 18 March 2020.
- Deadlines on auctions and asset adjudications ("adjudicación de bienes")
- Deadlines to address requests from the Tax Office, embargo notices, and tax-related information requests.
- Deadlines to submit certain pleadings with the Tax Office.
- Deadlines on the execution of real estate warranties that are in the "procedimiento de apremio" stage.

Deadlines related to the following proceedings, at all government levels (including regional and local authorities "Comunidades Autónomas" "Entidades Locales"), that are **announced as from 18 March 2020** have been extended to 20 May 2020, unless the deadline under the general rules for each particular circumstance is after this date, in which case the latter shall apply:

- Payment of tax due following an assessment from the Tax Office as well as payments of those liabilities that are overdue and in the "periodo ejecutivo" of collection.
 - Deadlines on filing extensions granted starting 18 March 2020.
 - Deadlines on auctions and asset adjudications ("adjudicación de bienes")
 - Deadlines to address requests from the Tax Office, embargo notices, and tax-related information requests.
 - Deadlines to submit certain pleadings with the Tax Office.
- The period between 18 March 2020 and 30 April 2020 shall not be taken into account for the purposes of:
- The maximum time granted to the Tax Office to perform proceedings/ audits related to the application of taxes and levies; penalty proceedings; or review proceedings.
 - The statute of limitations and expiration periods (generally in Spain, four years).

- The period between 14 March 2020 and 30 April 2020 shall not be taken into account when computing the maximum time granted to the Economic-Administrative Bodies for executing their resolutions. This likewise applies to regional and local bodies.
- Starting 14 March 2020 and until 30 April 2020, all expiration and statute of limitations periods related to tax proceedings have been suspended. This likewise applies to regional and local bodies.
- For the purposes of computing the deadlines for submitting administrative appeals, the deadline shall begin counting starting 30 April 2020 regardless of whether the administrative act or resolution being appealed had already been notified and the deadline not reached before 13 March 2020, or whether it was not yet notified on this date.
- In general terms, the filing window to bring certain actions before certain administrative bodies shall not begin to compute until the first working day following the end of the State of Emergency.

OTHER MEASURES

CADASTRAL PROCEEDINGS

- The deadline to address requests from the Cadastral Office still on-going at 18 March 2020 has been extended to 30 April 2020.
- The deadline to address the commencement of pleadings from the Cadastral Office that are notified starting 18 March 2020 has been extended to 20 May 2020, unless the deadline under the general rules for each particular circumstance is after this date, in which case the latter shall apply.
- The period between 18 March 2020 and 30 April 2020 shall not be taken into account for the purposes of the maximum time allotted to proceedings initiated by the Cadastral Office.

CUSTOMS

- Various customs proceedings are simplified, and the use of information technology resources enabled as an extraordinary measure, in order to facilitate the import of goods in the industrial sector, as well as proceedings related to exports, with the purpose of alleviating supply chain issues arising from the COVID - 19 crisis.
- Deferral on qualifying custom duty liabilities for returns filed starting 2 April 2020 thru 30 May 2020 provided that the recipient is either natural person or an entity with 2019 turnover less than 6,010,121.04 euros. The deferral shall be for

six months as from the date that payment is due and no interest in arrears shall accrue for the first three months.

ENERGY SECTOR

- Companies that commercialize electricity and gas, as well as those that distribute LPG and gas, shall not have to file VAT returns, Electricity Tax, or Hydrocarbon Tax over those invoices due from small and medium-sized companies and whose payment has been temporarily suspended. These returns shall be filed either when the customer has completely paid the relevant invoices or more than six months have elapsed since the State of Emergency was declared; if the latter, then there should be partial integration with returns filed over the next six months.

STAMP DUTY

- An exemption from the gradual Stamp Duty rate on notarial deeds formalizing qualifying moratoriums on mortgage loans to finance the acquisition of a primary residence.

General Measures

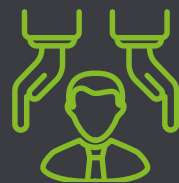
Economic Measures

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ROYAL DECREE 8/2020, OF 17 MARCH

- The self-employed workers have been protected as follows:
 - Extraordinary payment has been provided for in the event of cessation of activity.
 - Mortgage payments delays have been allowed for main residence.
 - The possibility of granting guarantee lines (for a maximum amount of € 100,000 million to obtain loans from financial entities) has been provided. The ICO (“Instituto de Crédito Oficial”) has extended its debt limit to € 10,000 million to provide additional financing.
- Preference and priority has been given to teleworking.
- Measures for labour conciliation have been established (timetible and reduction of working hours for the care of relatives).
- Measures to support the digital environment have been established. Measures have been provided for the development and provision of SMEs (digital development).
- Procedures for suspension and reduction of working hours for economic, technical, organizational and production reasons have been established:
 - Temporary employment regulation file (“ERTE”) by force majeure.
 - Temporary employment regulation file (“ERTE”) for productive, technical and organizational reasons.
 - Guarantee lines.

- Possibility of extending by 1 year the repayment period of loans taken out by farmers affected by the 2017 drought.

ROYAL DECREE 10/2020 OF 29 MARCH 2020,

Approved with the purpose to limit the mobility of people as much as possible between 30 March and 9 April, in order to reduce it to levels that allow the spread of the virus to be controlled:

- A “recoverable paid leave” is regulated, which is obligatory for employees who work in public or private sector companies or entities and whose activity has not been paralyzed as a result of the declaration of the state of alert (RD 463/2020, of 14 March), between 30 March and 9 April 2020, except for those employees who work in some specific sectors qualified as “essential” and other exceptions.

ROYAL DECREE 11/2020, OF 31 MARCH

Measures to support employees, consumers, families and vulnerable groups

- **Measures focused on families and vulnerable groups**
 - The right to the extraordinary allowance for lack of activity has been established for persons integrated in the special system of household employees of the general social security system.

- The right to receive the social bonus has been established for self-employed workers who have ceased their activity or had their turnover reduced.

• Support measures for the self-employed

- A possible moratorium on social security contributions has been established.
- A possible deferred payment of social security debts has been established.

• More measures

- The extension of the contracts of teaching and research staff (whose termination was foreseen in the state of alarm) has been established.
- The availability of pension plans, in the event of unemployment or cessation of activity, has been established.
- Allowance for employees with temporary contracts terminated after the declaration of the state of alert
- The compatibility of childcare allowance and unemployment or cessation of activity (during the state of alert) has been established.



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