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All countries information is updated until 29.04.2020



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Introduction

COVID-19 measures:

An overview on 27 countries across Europe

Facing the consequences of the COVID-19 Pandemic, which go far beyond the crucial element of public health, many European countries have prepared and implemented immediate measures in order to mitigate the social and economic impact of the outbreak. Following the first phase of the Pandemic during which almost everywhere, absolute priority was given to the protection of health and the containment of the infection risk, discussions about measures related to an exit strategy and a return to the - new? – normal are emerging, at least in some countries.

Highlighting the most important fields of action of 27 European countries, Deloitte puts under a magnifying glass the measures adopted in the economic, social and employment areas. The Deloitte **COVID-19 EU measures** booklet provides meaningful synthesized information on the major measures taken in those countries with the aim of stopping the spread of COVID-19 and mitigating its consequences – as well as on emerging measures related to the preparation for and the implementation of the ramp-up and the way into the new normal.. It aims at giving an overview on these multilayered measures, thereby decreasing complexity for businesses who need to be informed about the situation in numerous jurisdictions. The material is constantly updated - on a weekly basis - to reflect the dynamic situation.

All countries information is updated until 29.04.2020

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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:** 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 Dated **01.04.2020** “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 Dated **01.04.2020** “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:** Declaration of the state of natural disaster **until 23.06.2020** 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 defense 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”, as amended

- **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



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activity during the infection period caused by Covid-19” (**Normative Act 9**). 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.

01. 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:

- 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.
- 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.

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”.

- In criminal cases, where the maximum term of detention under article 263/6 of the Criminal Procedure Code expires during the period of suspension.
- 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).
- 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.
- 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

- Measure:**
 - The following changes are made to Order No. 193:
 - Grocery stores, including retail and wholesale points, drugstores, medical products and financial institutions **are allowed to carry out their activity only at the time period 05:00-17:30 hours starting from Monday, 13.04.2020.**
 - Entry into the above activities is allowed for an authorized person, for each family to carry out daily family expenses. **The authorization will be approved for once a day and will be valid for 90 minutes, during the time band 05:00 to 17:30;**
 - Access to all stores / commercial units that are allowed to be opened should be done in a queue, maintaining a **safety distance of 1.5 m** from each other. Each store / commercial unit must provide masks and gloves for employees during the exercise of the activity and a disinfectant solution for all persons entering the premises of the store / commercial units.
 - Restriction of movement in all urban centers of the Republic of Albania, for all categories (pedestrians, bicycles, motor vehicles and vehicles) as well as the prohibition of providing services to citizens from the allowed activities, every weekend starting from Friday at 17: 30 to Monday at 05:00. Excluded from this rule are all means of transportation of goods and food products, the State Police, the Armed Forces, critical units of state and media services, as well as home services (delivery).
 - It is prohibited to provide services to citizens from all activities, including those defined above, starting from Friday 17.04.2020 and onwards, from 17:30 to Monday at 05:00, until further notice.
- Legal Act:** Order no. 193 dated 20.03.2020 On the closure or restriction of movements in the Republic of Albania”, **as amended by Order 278 dated 25.04.2020.**

Measure: The Ministry of Health and Social Protection has published Order No. 257 “For detailing the activities under the nomenclature of economic activities” (Order 257). Order no.257 provides for the following:

- The activities defined in the table attached to Order No. 193 dated 20.03.2020 “On the closure or restriction of movements in the Republic of Albania” are detailed according to the nomenclature of economic activities and approved according to the list attached to this order.
- The activities allowed according to the table attached to this order and the Order no.193 dated 20.03.2020 “On the closure or restriction of movements in the Republic of Albania” exercise the activity based on the instructions approved by the Institute of Public Health for not spreading the infected infection. by Covid-19. The electronic service **e-Albania** enables citizens and allowed business activities to obtain online permits and authorizations.

For the list of open activities as well as the Guide from ISHP “For general recommendations to business entities that are allowed to carry out the activity in terms of eased measures taken to limit the spread of Covid-19”, please refer to the following links:

https://e-albania.al/PopupBizneset/Lista_e_aktiviteteve_te_hapura.pdf
https://e-albania.al/PopupBizneset/Protokollet_qe_duhet_te_zbatojne_bizneset_e_hapura.pdf

Legal Act: Order no.257, dated 10.04.2020 “For detailing the allowed activities under the nomenclature of economic activities”.

- Measure:** On April 22, the High Judicial Council decided to resume the activity and judicial services in all courts in the Republic of Albania, starting on April 27, 2020. The resumption of the judicial activity and services comes in the context of the easing of measures in the whole country, after having been suspended save for exceptional cases, from 10.03.2020 through successive decisions of the High Judicial Council. The activity of the courts will continue according to the restrictions defined in the Normative Act no. 9, dated 25.03.2020, “On taking special measures in the field of judicial activity, during the epidemic caused by COVID-19”, approved by the Albanian Parliament on 16.04.2020.

In this context, the Supreme Judicial Council explains that:

- The judicial activity and services will be limited only to cases of pressing nature, while other cases not of this nature will continue to be suspended;
- Statute of limitations (i.e. time limits within which an action must be brought to court) with respect to lawsuits, appeals and any other procedural action in administrative, civil and criminal court cases which are not of a pressing nature, will remain suspended.

The Supreme Judicial Council does not provide any explanation with regard to the meaning of the categories of “cases of a pressing nature” and “cases not of a pressing nature”. We bring to your attention that in the previous decisions on suspension, specifically Decision no. 127, dated 10.03.2020, Decision no. 128, dated 24.03.2020, Decision no. 133, dated 06.04.2020, the Supreme Judicial Council expressly excluded from the effects of the suspension the cases of a pressing nature. Therefore, further clarifications are needed with regard to the cases which effectively will resume their activity by the means of Decision no. 143. Furthermore, the Supreme Judicial Council notifies that a commission is established with the aim of preparing a plan of measures regarding judicial activity. The Supreme Judicial Council will notify the new developments and the respective explanations in the upcoming days.

Legal Act: Decision of The High Judicial Council no. 143, date 22.04.2020 “On the resumption of judicial activity and services”,

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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.



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- 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 a 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.

- **Measure:** According to the Amending DCM are exempt from benefitting the monthly financial assistance amounting to ALL 26,000:
 - Individuals who are employed in more than one company, when at least one of the companies in which the individual is employed, is not included in the list of closed economic activities as a result of the measures taken in order to prevent the spread of Covid-19; and
 - Self-employed or employed individuals, which during 2019 have generated gross income or from salary over ALL 2 million (approx. 16.000 EUR)
- **Legal Act:** In the Official Gazette no. 65, dated 13.04.2020, is published the Decision of the Council of Ministers no. 284, dated 10.04.2020 ("Amending DCM"), in support of the Decision of the Inter-Ministerial Committee on Civil Emergencies no. 7, dated 09.04.2020, which brings some additions and amendments to the DCM no. 254, dated 27.03.2020 "On procedures, documentation and amount of financial assistance to employees working in businesses with annual income of up to ALL 14 million, as well as assistance to beneficiaries of economic aid and recipients of unemployment income, during the period of natural disaster Covid-19".

- **Measure:** In the **Normative Act no.3** the following changes are made:
 - All lessees natural / legal persons with incomes **up to 14 000 000 (fourteen million) ALL (approx. 111.000 EUR)** per year, who have a notarial lease contract for the development of their economic activity, signed prior to the declaration of the state of the epidemic, whether it is permitted or prohibited activity as a result of the situation caused by COVID-19, will not pay the rent for two months, April and May 2020.

The following rules for the Active Processing Businesses are provided:

- i. Contracting authorities, in order to meet the needs for necessary goods / services, for a very short delivery time, or for particularly convenient cases, which are presented in a very short time and at a lower price than normal

market prices, to cope with the situation created by the epidemic caused by COVID-19, during all its duration, to meet the emergency needs, perform procurement procedures with negotiation, without public announcement and enter into supply contracts for these goods with economic operators referred to as "active processing businesses", as provided by the Customs Code.

- ii. Active processing businesses, which produce goods or provide services necessary to cope with the situation created by COVID-19, after the entry into force of this normative act, if they have goods / convenient services, in the sense of this article, express their availability at the Centralized Purchasing Agency (ABP).
- iii. Contracting authorities will only negotiate with the operators listed in ABP, according to the goods / services they want to procure. ABP has the obligation to update the list of businesses that express their availability every day.
- iv. If the demand cannot be met by these operators, the contracting authorities may turn to other economic operators to meet the demand for these goods, in accordance with negotiated procedure, without prior notice.
- v. All the procedures used for concluding contracts that are dictated by the essential interests of the state are excluded from the rule defined as above.

Legal Act: On the Official Gazette no. 65 is published the **Normative Act no. 14, dated 11.04.2020** "On some changes and additions to the Normative Act no. 3, dated 15.3.2020, of the Council of Ministers, On special administrative measures during the infection period caused by Covid-19"

- **Measure:** Financial assistance for current employees and dismissed employees. **Beneficiaries of financial assistance amounting to ALL 40.000 (approx. EUR 330)**, that covers the period April-June 2020 and is payable once as a single amount, are:
 01. Employees in entities with annual turnover over ALL 14 million (approx. EUR 111.000), that have closed the activity;
 02. Former employees in entities who have been permitted to carry forward their activity, that have been dismissed during the period from the entry into force of the orders of the Minister for Health and Social Protection until 10.04.2020 and have been declared as terminated through the submission of the E-sig-27/a within 10.04.2020;
 03. Employees in entities that carry forward their activity as accommodation facilities;
 04. Employees in entities with annual turnover up to ALL 14 million (approx. EUR 110.000), that have been permitted to carry forward their economic activity and have been working in the date of entrance into force of the abovementioned orders, except for:
 - A. Individuals that benefit the financial assistance as former employees, based on point 2) of the list of beneficiaries above;
 - B. Employees of the following entities that are permitted to carry forward their activity:
 - Trade of food products, fruits and vegetables as well as pharmacy; as well as
 - Advocate, notary, specialist physician, pharmacist, nurse, veterinarian, architect, engineer, physician-laboratory technician, designer, economist, agronomist, registered accounting expert, certified accountant and property appraiser.

A common criteria for all the beneficiaries listed above is to have been employed and to be listed on the payroll lists of the respective entities at least until the date of entry into force of the orders of the Ministry of Health and Social Protection

Are exempt from benefitting the financial assistance based on this Decision:

01. Employed individuals, who during 2019 have generated gross income from salary over ALL 2 million (approx. EUR 16,000);
02. Individuals that are employed in more than one entity, if at least one of the activities where the individual is employed is listed in point 4).b).ii. above;
03. Employees in businesses with annual turnover up to ALL 14 million (approx. EUR 110.000), that have closed their activity, that benefit financial assistance to the amount of ALL 26,000 based on the Decision of the Council of Ministers no. 254, dated 27.3.2020
04. Employees of state institutions as well as employees in entities with state capital;
05. Employees of non-for-profit organizations.

Legal Act: Decision of the Council of Ministers no. 305, dated 16.04.2020, "On determination of procedures, documentation and amount of financial assistance for current employees and for dismissed employees due to Covid-19" published in the Official Gazette no. 67.



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).
- **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:
 - ALL 6.5 billion as contingency for social package anti COVID-19;
 - ALL 1 billion for other emergencies in the context of anti COVID-19 measures; and
 - 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"

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Criminal law measures

- **Measure:** On April 22, 2020, the President of the Republic of Albania has decreed law no. 35/2020 "On some additions and changes to law no. 7895, dated 27.1.1995, 'Criminal Code of the Republic of Albania', as amended".
- **Failure to implement the measures of the state authorities during the state of national emergency or during the state of the epidemic.**
Parliament has approved amendments to the Criminal Code, namely Article 242 "Disobedience to the order of a police officer" **by adding paragraph 242 /a**, reinforcing the measure of a fine or imprisonment if no actions are taken, or committed contrary to the legal or sub-legal provisions issued by state bodies during a state of national emergency. In such cases shall apply the following measures:
 - It constitutes a criminal offense and is punishable by a fine or imprisonment of up to six months, when the person has previously been given an administrative measure.

– When this offense is committed in the exercise of commercial activity, endangering the health of people, it is punishable by a fine or imprisonment of up to two years.

- **Failure to comply with the quarantine or isolation order:**
 - For individuals who may be carriers of an infectious disease, and against whom an order has already been given by the competent authorities for quarantine or isolation, in case they commit acts violating such order, shall be punished by imprisonment of two up to three years.

The spread of infectious diseases

– A new provision has been added to the Criminal Code regarding the intentional spread of infectious disease and associated high health risks. There will be penalties against all those individuals who have been diagnosed as carriers of the disease, but continue their social life without respecting the relevant measures.

- When actions or omissions to spread the disease are intentionally committed by the person intending to spread it, he/she shall be punished by two to five years imprisonment.
- When these actions have been committed by negligence, it is punishable by a fine or up to two years in prison. However, in any situation, if such act has caused serious consequences for the health or life of people, it shall be punishable by three to eight years imprisonment.

Legal Act: Law no. 35/2020 "On some additions and amendments to law no. 7895, dated 27.1.1995, 'Criminal Code of the Republic of Albania', as amended"

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- Lockdown restrictions will be further relaxed during May (opening of another category SME-s, etc.).





- **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 issued by the Federal Minister for Justice. 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.



Since 14 April 2020, small businesses with a surface of up to 400 m² as well as DIY stores and garden centers are allowed to reopen their shops. This is subject to the compliance with certain safety measures: the wearing of protective masks, disinfection as well as a limited number of customers per square meter at the same time.

Furthermore, 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. Applications are only possible online.

- **Bridge financing:**

The government offers three versions of guarantees in order to finance entrepreneurs, which would be economically sound, however do not possess any or enough liquidity due to the COVID-19 crisis. In the version “basic” the government takes over a liability of up to 90% of the debt of entrepreneurs, whereas the liability is capped at EUR 27.7 million. The limit of interests is fixed at 1% p.a. and the entrepreneur has to pay a guarantee fee. The version “microcredit” consists of a 100%-guarantee, capped at EUR 0.5 million. In the version “de minimis” the financing

is done by way of taking over the liability of up to 80%, with a cap of EUR 1.5 million per entrepreneur. For the latter versions there is no guarantee fee to be paid. Concerning businesses in the tourist industry, a reduced capping applies of EUR 0.5 million and EUR 1.5 million per entrepreneur respectively, depending on the type of guarantee and the amount of liability taken over.

- **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 beginning of May 2020 until end of December 2020 and is prerequisite for the application regarding the payout.

- **Venture Capital Fund & Covid-Startup-Relief-Fund**

The funds consist of EUR 50 million and EUR 100 million respectively, and focus on helping Austrian start-ups by way of financing and subsidies.

- **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.





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 fund for the working-time reduction measures has been raised from the initial EUR 1 billion to EUR 5 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. Furthermore, employees who belong to the COVID-19 risk group are entitled to leave of absence with continued payment if they cannot work from home or if their workplace cannot be secured accordingly. The respective employer is entitled to reimbursements by the competent health insurance institution (“Dienstfreistellung von Risikogruppen”).



Criminal law measures

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

The Federal Minister for Justice has issued 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 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.



Next Steps

- **Reopening of businesses and services**

Businesses, shopping malls as well as services are allowed to reopen under certain safeguards on 1 May 2020. The food service industry will be able to reopen mid-May. Finally, hotels and accommodation services are allowed to welcome guests again as of 29 May 2020.

- **Events**

Currently, no events are allowed to take place until end of June 2020.

Any further changes and details will be announced by the government in the days and weeks to come and will take the development of the pandemic into consideration.

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General Measures

- **Lockdown** until 3 May 2020
- **Essential displacements are allowed** (e.g. to go to work, food stores, the doctor, the bank, the post office, the pharmacist, to refuel or to help people in need). All other non-essential displacements are prohibited
- **Social distancing** rules (1.5 meters distance) apply
- Working is still allowed, but **teleworking is the norm**. Companies that cannot

guarantee teleworking must respect social distancing. An **exception** only applies to certain **“crucial sectors” and “essential services”**.

- **Other restrictions** include:
 - i. Closure, until further notice, of all shops, businesses and public places except those related to primary needs;
 - ii. All mass events are cancelled until 31 August 2020;
 - iii. Suspension of all classes until further notice;

iv. Public transport continues to run but less frequent and rules of social distancing apply.

- (Limited) visiting possibilities in (residential) care centers
- Garden centers reopened as from April 15 2020

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Economic Measures

• Credit payment deferrals

On 21 March 2020 Federal government introduced measures stating that the banking sector commits itself to grant a deferral of payments for a maximum period of 6 months and until 31 October 2020, without any associated costs or fees payable by the borrower. This measure applies to facilities granted to companies (principal not having to be reimbursed) and mortgage credits granted to natural persons (principal and interests not having to be reimbursed). Credits concerned by these measures are credits subject to fixed instalments, overdraft facilities or fixed advance payments. Leasing and factoring are excluded from this state measure. Please note that bilateral agreements between the company and the leasing/factoring company are of course possible.

- Beneficiaries of this credit payment deferral are non-financial enterprises, small and medium-sized enterprises, the self-employed and non-profit organisations (excluding public authorities) that cumulatively meet the following 4 conditions:
 - The enterprise experiences payment difficulties as a result of the corona crisis;
 - The enterprise is permanently established in Belgium;
 - The enterprise was not already in default with regard to current credits or tax payments or social security contributions on 1 February 2020, or had less than 30 days arrears on its current credits, its tax payments or social security contributions on 29 February 2020;
 - The enterprise has performed its contractual obligations with all banks during the last 12 months prior to 31 January 2020 and is not subject to active credit restructuring,

This lenient position towards debtors was adopted by the Belgian banking sector federation (Febelfin) based on charters (on corporate credits and mortgage credits) concluded between all members.

Companies that do not meet the conditions for extension cannot rely/expect such extension of payment based on this charter, but should seek alternative arrangements with their bank (relationship banking).

These credit payment deferrals are applicable as of now.

• EUR 50b Guaranteed credit program

The second measure agreed upon on 21 March 2020 is the guarantee scheme, set up for the purpose of extending additional financing to Belgian corporates and self-employed persons.

The federal guarantee scheme includes all credits regardless the form (except leasing, factoring and consumer or residential mortgage credits) and concerns all new credits with maximum term of 12 months, extended between 1 April 2020 and 30 September 2020 (including credit repaid by 30 September 2020). Refinancing credits (extended prior to 1 April 2020), redrawings/revolvers of credit (extended prior to 1 April 2020), credit to be applied solely for non-Belgian activities and ‘deselected’ credits are excluded

- Credit providers are the credit institutions (or branches of EU credit institutions) having outstanding exposure on 31 December 2019 on one or more borrowers amounting minimum EUR 20,000 each (55 credit institutions, with 15 representing 98%).
- The federal guarantee includes new credits and credit lines granted to **viable non-financial companies**, small and medium enterprises, self-employed persons and non-profit organisations.
- ‘Viable non-financial companies are those which:
 - Have no arrears on 1 February 2020 under any existing credit, taxes or social security contributions; or no more than 30 days in arrears on 29 February 2020 under any existing credit, taxes or social security contributions;
 - Have complied with payment obligations under any credit outstanding with any credit provider during 12 months preceding 31 January 2020;
 - Are not subject to “active credit restructuring” (not defined) on 31 January 2020 (i.e. restructuring files as of 1 February are covered); and
 - Are not considered as being “in difficulties” on 31 December 2020 (within the meaning of EU State Aid Regulation).

Public entities, financial counterparties (payment institutions, electronic money institutions), persons extending credit exclusively or principally for their own account as part of their normal commercial or professional activities, or any of their subsidiaries are excluded from the federal guarantee scheme.

- Losses incurred under these facilities will be examined at the end of the guarantee scheme and will be allocated between the financial sector and the federal government as follows:
 - A first tranche equal to 3% of losses will be borne entirely by the financial sector;

- The amount between 3% and 5% of losses will be borne equally (50-50) by the financial sector and public authorities; and
- For all losses above 5%, 80% will be borne by public authorities and 20% by the financial sector.

As of 1 July 2021 and by 31 March 2023 at the latest, banks will have to call on federal guarantee. There is no need to provide upfront losses evidence at the time of application, but ultimately evidencing the effective losses incurred taking account accelerating the credit and enforcing all other security interests.

• Insurance

The federation of insurance companies (Assuralia) has also announced a **similar package** of measures (automatic premium reduction and premium payment deferral) in favour of natural persons laid off temporarily because of the coronavirus, and vulnerable companies hit by the coronavirus crisis.

• Regional measures – Flanders:

The existing SME guarantee has been extended in size, scope and price for companies that are impacted by the Covid-19 crisis (bridge loan guarantee for existing non-bank debts up to 12 months, low-interest subordinated loans for start-ups and scale-ups, lowered one-off premium, guarantees for bank debts under existing credit facilities and investment credits).

The statutory Flemish Gigarant guarantee arrangement (LT arrangement) has been extended from EUR 1,5 billion to EUR 3 billion to cover a special Covid-19 guarantee, more flexible than the 2009 normal guarantees. Compensation measures have been also taken place.

• Regional measures – Wallonia:

Creation of an extraordinary solidarity fund of EUR 635m which EUR 518m will be used to support enterprises and self-employed (guarantee scheme, credit payment deferral and providing facilities)

• Regional measures – Brussels:

Several similar support measures were taken by the Brussels government, Finance & Invest.brussels and the Government of the Wallonia-Brussels Federation (guarantee scheme on bank loans, low interest loans to specific industries and credit payment deferral).

General Measures

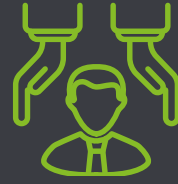
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Employment law and social protection measures

- **Health and safety of personnel is non-negotiable**

For all non-essential industries, home telework is mandatory if activities can be performed remotely. If not, the 'social distancing rules' must strictly be complied with, and if that is not possible, the company must close. It is important to consult with the health and safety committee and with the company doctor to assess potential health risks, as well as identify measures to mitigate these risks.

- **Business continuity requires clear rules**

For people working from home, it is recommended to have clear arrangements relating to home teleworking, such as regarding working hours, technical support, intervention in costs, location, notification procedures in case of a private accident or illness or a work accident, etc.. This will also help in case a work accident would occur during telework activity. For other employees, companies will need to make sure that appropriate measures are in place to respect the

social distancing rules. If it is not possible to respect these rules in the context of how the activity should be performed, the business should temporarily close down.

- **Saving (salary) cost is feasible**

It is expected that many companies will face a drop in revenue. These companies may also seek ways to reduce the recurring costs. For personnel related costs, a number of measures can be considered:

- Many employees are eligible for temporary unemployment, depending on the circumstances for 'force majeure' or economic reasons. For both, different formalities and conditions apply. Lots of information is available on the unemployment office's website. During such suspension periods, employees receive unemployment benefits (temporarily increased from 65% to 70% of a capped salary), thus reducing the salary costs for the employer.

- Companies can ask their employees to take up compensatory leave for past overtime and may need employees to stick to planned and agreed holidays.
- Companies should always require a medical certificate when employees claim guaranteed salary. However, many doctors have become more difficult to reach due to the current circumstances; thus, a reasonable approach is appropriate.
- Subject to following mandatory procedures, companies can consider a collective or individual salary reduction or a working timetable reduction if the above measures are not sufficient to cope with the crisis. If needed, dismissals can also be considered with careful consideration of the applicable thresholds for collective dismissal or multiple dismissals.
- It should be noted that social security and tax authorities are willing to accept payment plans.

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Criminal law measures

- Municipal councils can provide an administrative sanction in their regulations or ordinances consisting of an **administrative fine of EUR 250 per infringement** by an **individual** of COVID-19 related health- and safety measures.

- **Merchants, operators and organizers of an activity** who do not respect the

COVID-19 related health- and safety measures will receive an **administrative fine of EUR 750**.

- **Enterprises** that do not respect the COVID-19 related health- and safety measures will receive an **administrative fine of EUR 1,500**

- The abovementioned administrative fines are **no criminal convictions**. However, in case of recidive, the infringer(s) will be summoned.

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Next Steps

- Lockdown will be maintained until 3 May 2020

- If hospital admissions continue to decrease, the following phasing out of the measures will take place:

- **01. As from 4 May 2020:**

- Industrie and B2B-services can reopen;
- Teleworking remains the norm;
- Non-essential displacements remain prohibited;
- Organization of work on the basis of a general guide of good practices for a gradual restart;
- Outdoor sport activities without contact are allowed with a maximum of 2 persons (or more if living under the same roof);

- Wearing a mask is obligatory when using public transport for everybody older than 12 years. Displacement as much as possible by own transport means.

- **02. As from 11 May 2020:**

- Reopening of stores under strict conditions.

- **03. As from 18 May 2020:**

- Further phasing out will depend on the evolution of the virus and the number of infections;
- Gradual restart of education;
- Reopening of museums under strict conditions will be considered;
- To be considered whether people can go to their second residence;
- Measures regarding funerals and weddings to be reconsidered;
- To review whether and under what conditions contact professions such as

- hairdressers can resume their activities.

- **04. As from 8 June 2020:**

- Further phasing out will depend on the evolution of the virus and the number of infections;
- Possible reopening of restaurants and at a later stage bars;
- Multi-day travelling inside and outside of Belgium;
- Youth movement camps and summer internships (decision by the end of May 2020);
- Smaller outdoor events (no mass events).

- Other support measures are expected in the coming weeks.



Bosnia and Herzegovina

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General Measures

- **Movement of citizens**

- Movement of persons under the age 18 is allowed on Tuesdays, Thursdays and Saturdays from 2 PM to 8 PM whilst movement of persons over 65 is allowed on Mondays, Wednesdays and Fridays from 9 AM to 1 PM; persons are obliged to wear masks and keep social distance of 2 meters (Order of the Federal Headquarters for Civil Protection as of 24 April 2020)
- All citizens are obliged to wear masks and keep social distance of 2 meters on public surfaces and indoor public facilities (Order of the Federal Headquarters for Civil Protection as of 24 April 2020, applicable until 30 April)
- 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 until 30 April:
 - 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

- **Deadlines and procedures in court proceedings during the state of accident in the Federation of Bosnia-Herzegovina**

- The Government of FBiH has proposed the Draft Law on deadlines and procedures in court proceedings during the state of an accident in the FBiH (proposal of the Government of FBiH)



Economic Measures

- **Deadlines for filing** tax returns and salary specifications have been **extended to 30 April 2020**

- Trade margins (calculative prices) are determined for certain products; legal entities and individuals are obliged to determine and apply margins in a manner that they do not exceed the level of margins of products as of 5 March 2020
- Trade margins (calculative prices) are determined for petroleum products; maximum wholesale margin is prescribed in the absolute amount of BAM 0.06 per liter of derivative, while maximum retail margin is prescribed in the absolute amount of BAM 0.25 per liter of derivative
- 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 6 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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Employment law and social protection measures

- **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.**



Next Steps

- Establishment of a **special fund for stabilizing the economy**, with the aim to support business entities affected by spread of coronavirus
- Adoption of Law on Mitigation of Negative Economic Consequences by the Parliament of FBiH

- Preparation of the Draft Law on Amendments to the Labor Law

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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 of the age of 65 and over is prohibited, as well as moving of all persons from 8 PM to 5 AM, with certain exemptions, as well as moving of persons outside of their residence address/temporary stay address from Saturday 12 AM to Sunday 6 PM, with certain exemptions (Conclusion of the Republican Headquarters for Emergency Situations as of 27 April 2020, applicable until 11 May)
 - Public transport of persons in road traffic on republic bus (routes up to 50 kilometers) is suspended
 - The gathering of three or more persons in public places is prohibited; all citizens are obliged to keep the distance of 2 meters and wear masks and gloves
- **Activities of business entities**
 - Measures for business entities aiming to prevent the spread of virus disease “COVID-19” are stipulated within the Conclusion and they refer to prohibition of

performing activities of numerous categories of business entities until 11 May 2020, and to time limitation of working hours of business entities

- All entities that work directly with citizens are obliged to implement health protection measures – disinfection, wear masks and gloves and secure masks and gloves to their clients

- **Deadlines and procedures in court proceedings during a state of emergency in Republika Srpska**

During the state of emergency, deadlines are suspended for:

- Filing a lawsuit, motions for initiating non-contentious procedures or enforcement procedures and other time-bound motions, except in emergency proceedings
- Filing a motion for prosecution and request for initiation of misdemeanor proceedings
- In criminal and misdemeanor proceedings, except in emergency procedures: filing an appeal against decisions that terminate the proceeding; extraordinary legal remedies and other procedural actions
- Undertaking procedural actions and fulfilling material liabilities in administrative disputes, except in emergency proceedings
- Filing ordinary and extraordinary legal remedies, application for restitution or other procedural actions in litigation, non-contentious, enforcement

proceedings and administrative disputes, except in emergency proceedings

- Statute of limitation, pursuant to civil-law regulations

- **Deadlines and procedures in administrative proceedings and other proceedings regulated within special regulations**

- Parties in administrative proceedings and other proceedings regulated within special regulations shall not deal with the consequences of failing to act within prescribed deadlines
- In cases when it is not possible to secure unimpeded involvement of a party in the proceeding or if the party cannot participate in the proceeding due to objective reasons, following deadlines are suspended (with certain exceptions): undertaking administrative actions; delivery of letters; notification actions; termination of administrative proceedings; filing ordinary and extraordinary legal remedies; deciding upon filed motions
- Deadlines regulated within special regulations regarding the organization of public access and holding public hearings are suspended during the state of emergency, with certain exceptions
- The Decree-Law applies to procedures of determination, payment and control of public revenues of taxpayers only to the extent of filing legal remedies against the first instance decisions and conclusions of the tax authority



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 begun on 16 March 2020
- **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
- On 10 April 2020, the President of RS has adopted a Decree-**Law on Tax Measures for Mitigation of Economic Consequences** of COVID-19, which:
 - Compiles earlier decisions on deferred filing and payment of tax liabilities;
 - Postpones deadlines for payment of forestry fees, firefighting fees, and certain republic and local taxes;
 - Defers the payment of the first installment of real estate transfer tax;
 - Reduces lump sum of annual personal income tax from BAM 600 to BAM 240;
 - For business entities whose performance of business activities is prohibited, the payment taxes and contributions on net salaries for March, and payment of the minimum salary, taxes and contributions for April from the Solidarity Fund is secured
- The Decree-Law on Solidarity Fund of Republika Srpska („Official Gazette of RS“, no. 37/20) has been adopted on 15 April

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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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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

- Brčko District Crisis Headquarters has adopted two orders on 27 and 28 April 2020: on plan of measures for permitting performance of business activities of business entities; and on procedure for preventing spread of COVID-19 pandemic in premises of business entities, institutions, public services, etc.



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.**



Next Steps

- Measures for April 2020 are yet to be announced

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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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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.

Financial instruments of the Bulgarian Development Bank (BDB) and the Fund Manager of Financial Instruments in Bulgaria (the Fund of Funds) to help people, companies and municipalities deal with the economic impact of COVID-19:

- Employees on unpaid leave due to the pandemic, who have been employed for the last 6 months prior to the unpaid leave, who do not receive remuneration from other employment relationships and have worked at least five business days in March (if they were released on unpaid leave in March) can take a loan of up to BGN 4,500, without interest and security.

- Such loan may also be taken by self-insured persons who, as a result of the pandemic, have discontinued their activities as self-insured and / or suffer at least a 20% decline in their income and do not receive other remuneration.

12 commercial banks are willing to participate in the Bulgarian Development Bank guarantee program for providing these non-interest loans.

- Micro, small and medium-sized enterprises, self-employed, municipalities and public-private partnerships affected by the crisis will be able to apply for various types of financing under favorable conditions.

- Nearly 400 start-ups and fast-growing companies in the fields of innovation, digitalization and technology, with high added value and potential to help the economic recovery will be able to benefit from a financial instrument with a total budget of BGN 150 million.

- Under an EIF mechanism, companies can apply for loans for refinancing of liabilities.

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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



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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.



Criminal law measures

- 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 29 April 2020, there is a total of 2,062 affected patients, 67 patients have deceased and 1,288 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.
 - The decision of Croatian Civil Protection Headquarters on limitation of working hours of certain businesses and imposing public behavior restrictions is no longer entirely applicable, since the Phase 1 of measures' relaxations entered into force on 27 April 2020. The Phase 1 include: (b) reopening of trade sector, save for those traders operating within shopping centers; (b) service providers, save for those whose services include close contact with their customers, will may continue to provide their services; (c) reopening of urban and suburban public transportation; (d) reopening of libraries, museums, galleries, antique's stores and bookstores; (e) continuation of certain sport activities(trainings for certain groups of sportsmen); and (f) continuation of certain state's (e.g., professional) exams.
 - However, certain measures from the initial Civil Protection Headquarters' decision are still applicable, including:
 - i. Temporary suspension for all restaurants and cafes, except food producing and delivery companies as well as public kitchens, with compulsory abidance to the counter-epidemic measures declared by Croatian Institute for Public Health;
 - ii. Temporary suspension for certain service-companies such as hair-dressers, cosmeticians, shavers and similar;
 - iii. Temporary suspension for gyms, sport and fitness centres;
 - iv. Temporary suspension for dance schools, child workshops and other workshops;
 - v. 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 still generally prohibited, with except in certain cases. However, this measure may now be abolished, if so decided by the regional Civil Protection authorities.
 - 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
 - The Croatian Bar Association suggested to the Ministry of Justice to take all measures necessary to secure the technical conditions for holding the hearing and giving evidences at a distance using audiovisual devices
 - The Croatian Bar Association suggested to the Ministry of Justice to adopt special legislation facilitating corporate governance of legal entities during the time of epidemic.
 - Most of court hearings, with an exception of those urgent, have been postponed until May
 - Payment of monument annuity has been suspended for the following two months
 - Amendments to the Monetary Resources Foreclosure Act aimed at facilitating the position of natural persons to whom part of the income goes to foreclosure in order to more easily bear the negative economic consequences caused by special circumstances. The act provides the temporary suspension of all foreclosures on funds in the account of natural persons and regulates the deadlock on the interest during the special circumstances.





- A. 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;
- B. 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;
- C. Granting new liquidity loans to economic operators for financing salaries and other basic operating expenses, in cooperation with commercial banks;
- D. 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;
- E. 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;
- F. 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;
- G. 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);
- H. 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;
- I. Intervention purchase of surpluses in livestock and crop production, fruit and vegetables, and other products from potentially endangered industrial and agricultural producers
- J. 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%.
- X. According to the Croatian Banks Union, the commercial banks will adopt internal decision introducing a stand still period, i.e., debtors who fail to pay instalments in a period of three months following April 2020 will not be foreclosed. Additionally, the banks will consider debtors' requests for any payment postponement."

- 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 secure liquidity but still be able to provide payment postponements to affected debtors.

- 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%
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- 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-protectivonmeasures/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/>
- The Croatian Government announced that the relaxation of COVID-19 related measures and reopening of economy will be done in three different phases.
 - **Phase 1** started on 27 April 2020, while the next two phases will start shortly and will generally include:
 - **Phase 2** (start date 4 May) will include: (a) full reopening of public and private healthcare systems (exceptions may apply, if so decided by the relevant ministry); and (b) all service providers, including those whose services involve close contact with their customers, will may continue to provide their services.
 - **Phase 3** (start date 11 May) will include: (a) reopening of shopping centers, kindergartens and primary schools (up to 4th grade); (c) continuation of

laboratory, artistic and clinical exercises in small groups within the university; (c) reopening of inter-county public transport; (d) reopening of domestic air traffic; (e) limited reopening of hospitality sector (e.g., terraces, accommodation services); (f) reopening of national parks and parks of nature; and (g) gatherings of up to ten people will be allowed.

All of the abovementioned phases are subject to positive epidemiological situation and compliance with the general epidemiological measures (e.g., maintenance of social distance).





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• 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. On 27 April the government approved further extension of the state of emergency until 17 May 2020

• 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.
- As of 24 April the prohibition on non-business related movement of people throughout the Czech Republic has been lifted.
- As of 24 April 2020 it is ordered to stay in publicly accessible places at max. of 10 people, 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. Consumption of food and beverages in publicly accessible places is allowed only in cases of absolute necessity.
- With effect from 24 April sports in outdoor sports grounds, parks, nature and other publicly accessible places are permitted subject to following protective measures (e.g. face masks, distance, max. 10 people etc.)
- As of 24 April outdoor training activities of professional athletes with the exclusion of the public and wedding ceremonies without Reception of up to 10 people are permitted under specific hygienic conditions.
- As of 24 April church services with a max. of 15 are permitted subject to specific hygienic conditions
- As of 24 April activities of voluntary, associations, groups and unions with a max. 10 participants are permitted subject to specific hygienic conditions

• Boarder crossing Restrictions

- As of 24 April Re-introduction of internal borders with Germany and Austria was prolonged until 14 May. 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 27 April, the access to the Czech Republic is forbidden for all foreign nationals, with the exception of foreign nationals with permanent residence or temporary residence of over 90 days, foreign nationals whose entry is in the interest of the Czech Republic, one time transit purposes of EU nationals traveling home, cross-border workers, students, workers of critical infrastructure servicing, workers in international transport, EU citizens entering the Czech Republic for business purposes for max. 72 hours provided they present negative COVID-19 test not older than 4 days, EU citizens entering the Czech Republic for business purposes or studying at university, provided they present negative COVID-19 test not older than 4 days and at each further crossing of the state border into the Czech Republic, which occurs 14 days after the submission of the certificate of completion of the test with negative result.
- As of 27 April the ban on departure from the country for Czech citizens has been lifted. Upon repatriation to the Czech republic Czech citizens foreign nationals with permanent residence or temporary residence of over 90 days who did not present negative COVID-19 test not older than 4 days, are obliged to report immediately by telephone or other remote access to regional hygiene office competent according to the place of residence or reported stay, with some exceptions.
- As of 14 April all persons entering the Czech Republic are obliged to report by

telephone or other remote access to the regional hygiene office competent according to the place of residence or reported stay immediately after entering the territory of the Czech Republic.

- As of 14 April regional hygiene offices are ordered to order the quarantine for 14 days to people who notify entry into the Czech Republic.
- As of 27 April all persons entering the Czech Republic are obliged to
 - A. Undergo testing for infectious diseases on boarder-crossings, provided symptoms of infectious disease have been identified
 - B. Promptly report by telephone or other remote access, to their general health service provider in the event of any symptoms of an emerging infectious disease (particularly elevated temperature, cough, shortness of breath, indigestion, loss of smell, general weakness, or other symptoms).
- As of 27 April all persons entering the Czech Republic who were not ordered 14 quarantine by the regional hygiene office are prohibited from non-business related movement throughout the Czech Republic for the duration of their stay in the Czech Republic or for max. 14 days. This prohibition does not apply to travel in relation to work and business or other similar activity, procurement of basic necessities, provision of childcare, care of animals, trips to medical and social services facilities, journeys for the purpose of settling urgent official matters, journeys back to place of residence, and funerals.

• 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.
- As of 20 April crafts with business premises, farmers markets, car dealerships and car showrooms are allowed to open.
- As of 27 April shops of up to 2 500m² with exception of places of business in large shopping centres over 5 000 m² without separate entrance from outside are allowed to be open under strict hygienic measures. Further, weight rooms, fitness centres and gyms without the use of changing rooms and showers, driving schools, libraries, and zoological and botanical gardens with the exception of enclosed pavilions are allowed to be open. The easing of measures does not affect, dining facilities with the exception of sale through a take-out window, or places of business where the service providers come into contact with the surface of the customer's body.

• 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. As of 20 April senior year university students are allowed to have individual consultations or examination in presence of maximum 5 people, be present for laboratory, experimental or

artistic work, especially for the implementation of final theses within the study in a bachelor's, master's or doctoral study program in the presence of a maximum of 5 people, and in clinical and practical teaching and practice. Continuation of education programs remotely is recommended.





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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.

• Support for self-employed persons

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

• Deferment of Loan Repayment

The parliament approved Act on Deferment of Loan Repayment under which natural and legal persons may request the lending party to defer repayment of their loans, cash borrowings, deferred payments or another similar financial service provided in the territory of the Czech Republic arranged and drawn before 26 March (In the case of mortgages and building savings loan, it is sufficient if the loan is arranged before 26 March 2020) until July (3 months) or October (6 months). The lending party may only assess whether the request includes all the requirements. If it does not, the request will be neither examined nor assessed. It does not, for example, apply to loans with repayments late by more than 30 days, lines of credit (revolving, overdraft, credit cards), and a rent or lease with no obligation of repurchase.

• Deferment of Payment of Lease

The parliament approved Act on mitigation of SARS CoV-2 effects on apartment tenants under which lessors are prohibited from terminating lease or sublease agreement with tenants who are in arrears with the payment of rent due to lacking sufficient income to pay rent as a result of imposed measures or impact of the coronavirus crisis in the period from 12 March until the end of the imposed measures. Further the parliament approved also the Act on mitigation of SARS CoV-2 effects on tenant of business premises under which lessors are prohibited from terminating lease agreement with tenants who are in arrears with the payment of rent due to lacking sufficient income to pay rent as a result of imposed measures or impact of the coronavirus crisis in the period from 12 March to 30 June. The rent in both cases must be paid by 31 December.

• Court proceedings and insolvency

The parliament approved legislation under which, among others:

- application for relief of parties to civil court proceedings, administrative court proceedings, execution proceedings, insolvency proceedings, criminal proceedings, judicial enforcement proceedings or proceedings before the Constitutional Court, who failed to comply with time-limit will be granted provided the party evidences excusable reason, consisting of an obstacle caused by an extraordinary measure which either completely prevented

or significantly impeded the party or her/his representative to uphold the time-limit.

- For the duration of the emergency measures related to coronavirus corporate bodies may adopt their resolutions remotely in written form or with appropriate technical facilities even though the regulation in the founding legal act does not mention this possibility.
- For the duration of the emergency measure, the term of office of those members of the elected body whose term of office should expire during the emergency measure shall be automatically extended for 3 month; this also applies if term of office expires within one month after the end of emergency measures.
- The time-limit for the approval of the financial statements (usually 30 June) of a limited liability company, a joint stock company and a cooperative is extended by three months from the end of the extraordinary measure, but no later than 31 December.
- The obligation of indebted businesses and entrepreneurs to file an insolvency petition, in certain cases provided for by the Insolvency Act is temporarily suspended for 6 month after emergency measure end date (31 December at the latest).
- creditor insolvency petitions filed by a creditor between the date of entry into force of the Act (24 April) and 31 August shall not be taken into account.





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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- **Easing of the restrictions**

The government approved a schedule for the release of business and other activities which was subsequently accelerated as of 24 April. The schedule covers 5 phases. Phase 1 came into effect on 20 April. Phase 2 is effective as of 27 April. In Phase 3, as of 11 May, All business premises in shopping centers, business premises over 5000 m², and restaurants can open their gardens while serving food there or through a take-out window, beauty services, museums, galleries, outdoor premises of castles and chateaus will be allowed to open, and activities of professional athletes without public will be permitted. The implementation of the following phases will be subject to assessment of results of the preceding phase.

- **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.

- **Extension of support for self-employed persons**

The government proposed amendment to the Compensation Bonus Act in connection with the SARS-CoV-2 coronavirus emergency measures that should allow a bonus of CZK 500 per day to be paid out to self-employed persons whose businesses have suffered losses as a result of the imposed measures or impact

of the coronavirus crisis for the whole of May until 8 June, which is when the last restrictions are set to be lifted.

- **Support for SME**

The government proposed a support to small and medium-sized enterprises by providing state guarantee of CZK 150 billion through the Czech-Moravian Guarantee and Development Bank on loans from commercial banks. The government expects such loans to total CZK 600 billion





General Measures

State of Emergency was declared on 16 March 2020

- Government, in cooperation with the President, declared a state of emergency in Finland over coronavirus outbreak and decided on additional measures to address the coronavirus outbreak.
- The aim of the measures is to protect the population and to safeguard the functioning of society and the economy.
- The Government and the competent authorities will implement the decisions and recommendations in accordance with the Emergency Powers Act, the Communicable Diseases Act and other legislation.
- The competent authorities will issue further instructions in accordance with their responsibilities.

Health and Safety

- The Ministry for Foreign Affairs advises to avoid all travel abroad until further notice.
- Entry to Finland is only permitted for Finnish residents, family members of Finnish nationals, cross border workers and for essential traffic.
- Border controls apply as of March 19th and until 13th of May.
- Finnish missions abroad do not accept any new visa or residence permit applications at the moment.

- Finnish travelers are encouraged to return to Finland as soon as possible.
- Travelers returning to Finland from abroad should stay at home in quarantine-like conditions for 14 days.
- The Ministry for Foreign Affairs is working to arrange return options for those staying in the areas where commercial flights are no longer possible.
- No gatherings of more than ten people are allowed. Citizens should keep a space of 1.5-2 meters between themselves and other people and to avoid any crowded places and having close contact with other people, where possible.
- Public events and gatherings of more than 500 people continue to be banned until at least 31 July 2020.
- Schools are closed at least until 13 May. Parents who have children in grades 1-3 and having jobs critical to the functioning of society can send their children to specially-arranged care.
- Public transportation is operating on reduced schedules.
- Restaurants are closed and only take-out service is allowed.
- Shops are operating normal hours as much as possible.
- State and municipal museums, theatres, the Finnish National Opera and Ballet, the Finnish National Gallery, the Finnish National Theatre, cultural venues, libraries, mobile libraries, services for customers and researchers at the National Archives,

- organizations' meeting rooms, day activities for the elderly, rehabilitative work facilities and workshops are closed.
- There is no general business closure imposed and fitness centers, hair salons etc. can operate as normally as possible, but are advised to follow health and safety regulations.
- All the hospital appointments that do not require in-person appointment have been replaced by remote appointments.
- Testing for coronavirus: in general, individuals should first contact their local health center to be assessed if they meet the criteria for being tested. The goal is to increase the amount of tests in the near future and the test should be available for all patients with coronavirus related symptoms.
- There have been increases to social welfare and health care capacity.
- All the risk groups (elderly over 70 years of age and those with underlying conditions such as diabetes, high blood pressure and cardiovascular disease) should stay at home and refrain from contact with other people as far as possible. Spending time outdoors is allowed as long as you social contact is avoided. Visits to housing service units for elderly and other risk groups are prohibited, as are visits to care facilities, health care units and hospitals (with certain exceptions).
- Everyone who can work from home is advised to work from home.

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Economic Measures

Government issues an economic package to support businesses

- The Government has prepared an package of approximately EUR 15 billion to support companies and to alleviate the negative effects of the coronavirus epidemic. In the administrative sector of the Ministry of Economic Affairs and Employment, business financing is provided by Finnvera, Business Finland, ELY Centers and Finnish Industry Investment.
- The Government agreed on additional domestic financing of EUR 10 billion available to businesses, primarily in the form of Finnvera guarantees.
- In addition, the state will increase its coverage of Finnvera's credit and guarantee losses from 50% to 80%, enabling Finnvera to take bigger risks in the current conditions of economic uncertainty.
- The SME Guarantee can be used to cover a loan of maximum 150k euros. This guarantee is for companies which have been in operation for more than three years.
- Finnvera's SME Guarantee, which does not require a countersecurity, can now, as an exception, be used for working capital needs in addition to financing investment.
- Companies are advised to first contact their bank regarding flexible repayment and other arrangements involving financing already provided. Finnvera may grant a guarantee, if needed.
- Business Finland's grant authorizations will be increased by EUR 150 million to permit immediate business support measures.

- Business Finland launched two new financial services to mitigate the economic impact of the coronavirus epidemic. These services are intended for SMEs and midcaps operating in Finland whose business is suffering from the coronavirus situation.
- ELY Centers' grant authorizations for business development projects will be increased by EUR 50 million.
- Government plans to support Finnair (a partially state owned airline company) with EUR 600 million State guarantee.

Other economical measures

- The Tax Administration eases the tax payment arrangements for businesses, and the Government has proposed a lower interest rate (4 %, down from the normal 7%) on the late payment of taxes that are covered by a payment arrangement. These will be temporary changes lasting until the end of August 2020.
- Due to the current exceptional circumstances, the Tax Administration is giving corporate entities and benefits under joint administration more time to file their tax returns. The tax return can now be filed within five months from the end of the accounting period.
- Payment of pension insurance contributions is postponed by three months. The Government is also proposing that employers' pension insurance contributions be reduced temporarily by 2.6 percentage points in 2020.

- Tesi (Finnish Industry Investment Ltd) is a state-owned investment company specializing in the venture capital and private equity market. It is launching a funding programme to ensure that medium-sized companies that have run into temporary difficulties due to the coronavirus epidemic will be able to stay in business.
- The local Accounting Standards Board (KILA) granted a voluntary exemption to extend the preparation of the financial statements due to exceptional circumstances caused by the spread of the coronavirus. Normally, the financial statements should be prepared and signed by the Board of Directors within four months of the end of the financial year. Due to the exceptional circumstances, it is now possible to deviate from the four-month time limit if certain conditions apply.
- The Government proposes that Annual General Meetings could be exceptionally held remotely or postponed until the end of September 2020, if certain conditions apply.
- Government submitted a legislative proposal that would restrict the right of a creditor to petition for bankruptcy. Insolvency must last for a longer time in order for a company to be declared bankrupt. For most companies, insolvency resulting from the coronavirus epidemic is not permanent.
- There have also been a legislative proposal regarding the Enforcement Code: the goal is to ease the situation of the debtor.

General Measures

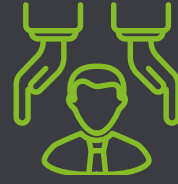
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Employment law and social protection measures

- To help businesses adapt to the current conditions, the notification period required before lay-offs can be made is temporarily shortened, and so too is the duration of the statutory codetermination procedure (cooperation negotiations). These legislative amendments are in force from 1 April to 30 June 2020. The employer must notify the affected employees of a lay-off no later than five days before the lay-off begins.
- Employers may now lay off employees who are on a fixed-term contract under the same conditions as laying off employees with open-ended contracts.
- It is now also possible for an employer to terminate an employee's contract on financial or production-related grounds during the person's trial period.
- The obligation to re-employ an employee is extended, however: the employer is obligated, for a period of nine months, to re-employ those employees who were dismissed for financial or production-related reasons between 1 April and 30 June.
- As a temporary measure, self-employed persons are also entitled to labor market support on the grounds of sudden and unforeseen decline in the demand due to the coronavirus epidemic. Labour market support is one form of unemployment benefits.
- If an employee has been quarantined under the Communicable Diseases Act, he or she is entitled to a 100% daily allowance for the duration of the quarantine.
- Obligation to work in the healthcare sector: under the Emergency Powers Act, the employment authority (TE office) has the power to issue an order to work to a person covered by the obligation to work. A person who is covered by the obligation to work in the healthcare sector and has been issued with an order to work must carry out necessary work in the healthcare sector. A work order may be issued for a maximum of two weeks at a time, and it may be renewed once.
- As a rule, the obligation to work in the healthcare sector applies to healthcare professionals and medical, pharmacy and healthcare students who have progressed far enough in their studies.
- Due to the coronavirus epidemic, temporary changes have been made to the unemployment coverage relaxing the eligibility requirements and improving the level of benefits.
- The five-day waiting period has been abolished. Unemployment benefits will be available from the first day of unemployment. The normal five-day waiting period will be applied again as of 7 July 2020.
- Days on which someone is laid off temporarily do not count against their maximum eligibility for unemployment allowance. The change applies to those who were laid off on or after 16 March 2020. Unemployment allowance paid between 16 March and 30 June 2020 will not count towards the maximum period of eligibility.
- The work requirement for qualifying for unemployment allowance has been reduced temporarily from 26 weeks to 13 weeks and from 52 weeks to 26 weeks for non-owning family members of self-employed persons. The reduced work requirement is applied starting from 16 March 2020. It applies to persons with at least one week that counts towards the work requirement starting from 1 March 2020. The change will be effective until 6 July 2020.

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Criminal law measures

Police operations and activities

- The police can collect a person ordered to quarantine from their home, bring them to the quarantine premises, or arrest a person that has left quarantine.
- The police can also seclude areas and restrict people's movements, if such measures are deemed necessary to prevent the spreading of an infectious disease.
- The police have the right to isolate, close or empty a commonly used space or area or prohibit and restrict movement if this is necessary for maintaining public order and safety.

- According to the Criminal Code of Finland, Chapter 44, Section 2(2), the health protection offender is sentenced with a fine or imprisoned for a maximum of three months, if they intentionally or carelessly violate the decision regarding the obligation to prevent the spreading of an infectious disease for general or individual cases.
- When the Finnish Government makes decisions regarding the coronavirus situation, the police are prepared to handle the orders within their powers.

Adaptions in court proceedings and the penitentiary system

- At the moment, the primary modes of contacting the judicial authorities are the telephone, email and electronic services.

- Courts may have to postpone hearings and cancel some already scheduled hearings. These changes in the operating environment may unfortunately lengthen the duration of consideration.
- The enforcement service continues to serve its clients normally. Most enforcement matters can already be dealt with in the e-services.
- The offices of legal aid and public guardianship are open regardless of the Corona virus weekdays during business hours.
- The penitentiary system is to function as normally as possible, some local restrictions may apply.



Next Steps

- Several different legislation proposals are currently being evaluated by the Parliament and should enter into force as soon as possible.
- The Government monitors the situation continuously, as the Emergency Powers Act does not allow any measures to be unnecessarily in force.
- There has been some discussions about easing of the restrictions, but no formal statements have been given by the authorities.
- Recently, the Government adopted a decree repealing the restrictions on movement to and from the Region of Uusimaa.
- However, the Government continues to recommend that all unnecessary travel, such as leisure travel, be avoided also within Finland.
- The newest updated information can be found on the website of Finnish institute for health and welfare: <https://thl.fi/en/web/infectious-diseases/what-s-new/coronavirus-covid-19-latest-updates>.

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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, extended to 11th of May.

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.

Specific requirements have been put into place for those that have an "imperative reason" to travel : a certificate explaining the reason has to be produced, it is an auto declaration

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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, and a set of application regulations have since then been adopted :

- 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.
- State backed bank loans to firms have been set up. For large corporations (over 1,5 billion turn-over, + 5000 employees) this requires a commitment by the firm to not distribute dividends in 2020.

- **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.

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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;
- 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 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

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the employee and employer agree to resort 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 ("declaration 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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• Ramp up : the government disclosed the general principles to guide the new measures to be adopted for the 11th of May.

- 3 guiding principles: **protection, progressiveness, differentiation** (regional measures).
- Progressive and regionalized measures shall be adopted to come into force on and after 11th of May (starting point of the end of lockdown ; subject to change depending on the virus propagation)
- State of emergency to be extended to 23 of July (upcoming bill to be adopted by the Parliament), as it is the legal basis of the temporary measures adopted by the government

• 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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Next Steps

1. General

- On April 30, 2020, the Federal Government has announced that as a general rule, the ban on contact will be prolonged, at least until May 10, 2020."
- Germany's entrepreneurs are more pessimistic than ever.** The ifo business climate index plunges to the lowest level in history.
- The German Foreign Office wants to **extend the worldwide travel warning until at least mid-June**. Federal Foreign Minister Heiko Maas confirmed: The travel warnings will remain in effect until 14 June. During that time, he said, many consultations would be held with European partners to coordinate their efforts.
- The Federal Government is paving the way for a **corona tracing app**, in which data will be stored decentrally. This could end a dispute among scientists. The German government commissions Telekom and SAP to develop a corona virus tracing app.
- The Federal Minister of Health, Jens Spahn, calls for a **return to normal hospital operations**. From May on, a part of the hospital capacities should be used for plannable operations. Spahn has therefore called on the states to reduce the number of intensive care beds, which are reduced for Covid-19 patients.
- In Germany, the federal and state governments have agreed on **first steps to get out of the lockdown**, including the gradual opening of schools from May 4. However, the successes achieved in reducing the number of infections are fragile, Chancellor Merkel stressed. The ministers of education and cultural affairs demand that schools in all federal states should be open at least for a few days during this school year.
- All German federal states have now decided to make it **compulsory to wear masks** to stop the spread of the coronavirus. However, the date from which a mouth and nose protector must be worn and whether this applies to retail outlets and/or public transport varies. Since Monday, 27 April, all federal states have made it compulsory to wear masks in **certain places such as public transport, when shopping or in public buildings**. German air carrier **Lufthansa** requires all passengers to wear a mouth and nose mask on their flights. In addition, it is recommended to wear the cover during the entire journey, as the company states. The compulsory wearing of masks on board is to apply from Monday (4 May) initially until 31 August this year in all airlines in the Group.
- In her government address, Chancellor Angela Merkel has criticised the federal states for loosening up measures which she described as **partly "too bold"**.
- The **Robert Koch Institute currently sees no reason to relax the rules to any great extent**: "There is no end of the epidemic in sight, the number of cases may rise again," said RKI Vice President Lars Schaade. "The virus is not gone." New infections must be avoided until a vaccine is found.
- Chancellor Angela Merkel warns against deceptive security in the Corona crisis. Should the number of infections rise again, a **new "shutdown" is also conceivable**, she said.
- The Paul Ehrlich Institute (PEI) has approved the **first clinical trial of a vaccine against the novel coronavirus in Germany**. This allows the Mainz-based company Biontech to test four vaccines on healthy and adult volunteers.
- Virologists criticise the fact that entire **shopping malls** are open again, as individual shops in them are below the 800m² limit.
- The German Finance Ministry has released another 7.8 billion euros for the **procurement of protective equipment**. Among other things, the money will

be used to purchase masks and gloves for doctors' offices and hospitals.

- After massive criticism, **sick leave by telephone** for respiratory diseases is now possible again, initially until May 4.
- The Munich Oktoberfest 2020 is cancelled. The Casnntatter Wasen, the second largest festivity in Germany, has followed and been cancelled, as well.
- As part of the resolutions taken by Chancellor Merkel and the heads of governments of the Federal States, initial measures aiming at slightly on tightening the lockdown rules have been agreed upon.
- What will be possible, subject to certain prerequisites being fulfilled, are: the re-opening of businesses with a sales area of up to 800 m², the re-opening of Car and Bike Dealer premises as well as bookshops, irrespective of the sales area, certain measures related to schools, universities, university libraries, kids care, in part gradually.
- What will remain prohibited are, inter alia: the reopening of restaurants, bars, pubs and hotels, the reopening of businesses in the service industry which require physical proximity (with some exceptions), the full reopening of kids care facilities, big events, gatherings, including for religious purposes, private travel including **for visiting family members**.
- The **Bavarian Administrative Court has declared the sales ban imposed by the state government on shops with more than 800 square metres of sales area to be unconstitutional**. Since smaller shops are allowed to open, this is a violation of the principle of equality of the Basic Law. Minister of Health Melanie Huml (CSU) announced that the sales ban for large stores would be relaxed. These are to be allowed to open if they limit their sales area to 800 square meters. Administrative Courts of some other Federal States have followed the example set by the Bavarian Administrative Court; others have come to the conclusion that the ban is constitutional.

2. 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.

3. 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.



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- 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)



Economic Measures

1. General

- **Germany's entrepreneurs are more pessimistic than ever.** The ifo business climate index plunges to the lowest level in history.

2. 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 Federal Cabinet decided on **further corona aid for employees**: employees who have to go on short-time work because of the corona crisis will receive further aid. On April 29, the Federal Cabinet approved the draft of a package of laws by Labor Minister Hubertus Heil (SPD). The package is based on a resolution passed by coalition leaders last week, according to which short-time work benefits are to be temporarily increased to up to 80 percent of the last net wage in the case of longer periods of employment - up to 87 percent for people with children. So far the figure is 60 or 67 percent. Unemployment benefits are to be available for longer.
- The short-shift subsidy can be payable for **up to 12 months** - extension to 24 months possible;
- 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

3. 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.

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

- 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.

4. 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).

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.

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 31 December 2020 should generally not trigger interest during the deferral period. Late payment penalties for tax payments for the period 13 March 2020 until 31 December 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 31 December 2020 for "directly and seriously" affected taxpayers without triggering late payment penalties.

5. 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**
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- 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 subordi-nate 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**.

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- 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.

7. "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**. During the term of the Fast Track Loan, dividend distributions and other payments to shareholders are generally prohibited - certain distributions to individuals acting as shareholders can be permissible. Further details of the program have been enacted and applications can be made since 15 April, 2020.

- Guarantees covering 90% of the amount of Investment.

- Update CW: Unlike the situation at the beginning of April, the **conditions of the KfW Special Programmes 2020 now provide for a ban on profit and dividend distributions**. The corresponding leaflets and other information have been adjusted accordingly in the meantime. They now provide for the following wording: Profit and dividend distributions (the latter only to the extent not required by law) are not permitted during the term of the loan, with the exception of customary market remuneration to business owners (natural persons). This also applies to profit and dividend distribution resolu-tions already adopted by general meetings.

For this reason, the Executive Board must now also consider whether and to what extent a distribution policy correlates (or conflicts with) with the use of KfW programmes.

- 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).

8. 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.

9. 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

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- 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**.

10. 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

11. 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.

12. 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

13. 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, based on recent decisions by the Federal Cabinet, benefits are to be temporarily increased, see Next Steps;
- 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.

3. Newly-introduced SARS-CoV-2 Occupational Safety and Health Standard

- The Federal Ministry of Labour and Social Affairs ("BMAS") has presented a new standard for occupational safety and health under the title "SARS-CoV-2 Occupational Safety and Health Standard", the SARS-CoV-2 Occupational Safety and Health Standard.
- In accordance with the SARS-CoV-2 occupational health and safety standard, employers are required, among other things, to set up a crisis management team, which, with the involvement of all relevant stakeholders, draws up a comprehensive pandemic concept with which an appropriate response to the crisis situation can be made.
- This pandemic concept must be implemented in the company and continuously adapted to the latest developments; compliance with it must be continuously monitored. In the opinion of the Ministry, this is the only way to minimize health risks for employees as well as any disruptions to operations, while at the same time avoiding potential liability of the employer towards the employees as well as regulatory, corporate and criminal liability of the employer and its bodies.

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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.





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

- **Planungssicherstellungsgesetz or Planning Security Act: counteracting delays in construction projects counteract delays in construction projects:** The federal government wants to counteract delays in construction projects caused by the corona crisis. For example, online consultations are to be made possible temporarily. The federal cabinet passed a corresponding bill in Berlin on April 29, 2020. The special regulation - the so-called Planning Security Act - is intended to facilitate the procedures under 15 specialist laws: for example, for procedures for environmental impact assessment, under the Federal Immission Control Act and the Federal Nature Conservation Act, under the Building Code, the Regional Planning Act, the Energy Industry and Network Expansion Acceleration Act, under the Federal Highway, Railway and Air Traffic Act. The new regulation is to apply until 31 March 2021.
- **Gastronomy and the hotel industry are threatened by a wave of insolvencies:** according to the German Hotel and Restaurant Association (Dehoga), about 70,000 of the total of about 223,000 businesses are facing insolvency. Federal Minister of Economics Peter Altmaier (CDU) announced **“help and support” for the catering trade.**
- With regard to **financial support for other EU countries**, in her government address, Chancellor Angela Merkel said that Germany was prepared to make **significantly higher contributions to the EU budget** “over a certain period of time”. However, she **rejected so-called corona bonds** once again.
- The Federal Cabinet **decided on further corona aid for employees:** employees who have to go on short-time work because of the corona crisis will receive further aid. On April 29, the Federal Cabinet approved the draft of a package of laws by Labor Minister Hubertus Heil (SPD). The package is based on a resolution passed by coalition leaders last week, according to which short-time work benefits are to be temporarily increased to up to 80 percent of the last net wage in the case of longer periods of employment - up to 87 percent for people with children. So far the figure is 60 or 67 percent. Unemployment benefits are to be available for longer.
- The grand coalition is planning a **second package of laws to fight the corona crisis in Germany.** According to “Der Spiegel,” the bill includes, among other things, an expansion of testing in nursing homes and a stricter reporting requirement for Covid-19 diseases.
- Many **self-employed people in Germany are losing their income** due to the corona crisis: According to a survey by the KfW development bank, 90 percent complain about a drop in turnover, and **more than half of them have lost more than 75 percent of their income.**
- The Federal Government has made available a document referred to as “Governmental formulation aid: **Draft of an act to mitigate the consequences of the COVID-19 pandemic in the field of competition law and in the field of self-governing organisations of the commercial economy**” which shall serve as basis for the new Act. In the areas of competition law, the Act shall provide for the following regulations:
 - **Changes in merger control law:** In view of the current special situation, the **review periods** in national merger control will be adapted and **extended** (as a one-time exception). The extension only affects notifications received by the Bundeskartellamt (“Federal Cartel Office”) during the acute phase of the crisis (1 March to 31 May 2020).

- **Changes in the law on fines under competition law:** The amendment stipulates that companies which, given their economic circumstances, cannot be expected to pay a fine immediately, are **exempted from the interest** on the fine until 30 June 2021.
- The Federal Government has announced that it plans to **help businesses in the event and leisure industry by implementing a coupon/voucher solution** enabling businesses to not return payments received but issue vouchers instead. The Federal Government has made available a document referred to as “Governmental formulation aid: Draft of an act to mitigate the consequences of the COVID-19 pandemic in event contract law” which shall serve as basis for the new Act. In essence, unless unreasonable, the event organizer shall be entitled to instead of repaying the monies received, issue a coupon/voucher.
- The Federal Cabinet has adopted a **bill to amend the Foreign Trade and Payments Act** (Außenwirtschaftsgesetz). It will **render the screening of foreign direct investment (FDI) more effective, and tighten the criteria**, thereby closing a regulatory gap. Specifically, in future all proposed foreign investments shall be examined for any “likely adverse impact” on public order, safety or security – in line with the EU FDI Screening Regulation. The Foreign Trade and Payments Act has hitherto used as its criterion only the “actual and serious threat” posed. National investment screening can in future also take into account any possible impact on the public order, safety or security of another member state of the European Union, or on any projects or programmes that affect the interests of the Union. Moreover, any notifiable acquisitions will in future be deemed “provisionally invalid” until the investment screening is completed. A comprehensive ban on the execution of transactions subject to reporting requirements is now planned. The enforcement restriction is also to be subject to sanctions. The envisaged threat of sanctions is severe: the envisaged sanctions are imprisonment for up to five years or a fine.
- **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.** Discussions between Ministries involved has caused some (and may cause further) delays.
- 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.



Hungary



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.

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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 several tax returns and financial statements is postponed to 30 September 2020. However, the financial statements of listed companies, banks, insurance companies and investment firms should be submitted in the standard deadline.
- Financial institutions and retail trade are subject to special tax.
- 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.

- 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. However, commuting across the Hungarian-Serbian border is possible (Hungarian and Serbian citizens who work or cultivate land on the other side of the border will be able to cross the border).

- 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.
- 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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- For the duration of the suspension of work, the state undertakes to pay 70 per cent of wages attributable to the suspended working hours for a 3 months 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 favorably.
- 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 is applied.

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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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- The restrictions remain in force until 3 May 2020. Subsequent to this deadline, new measures will apply with the focus on the protection of elderly people and major cities.





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

The government has announced other supports to include:

- **Credit Guarantee Scheme**
- to support loans up to €1 million for periods of up to 7 years to help SMEs

- **COVID-19 Microfinancing Loans** for loans of up to €50,000 from Microfinance Ireland with no repayments required and no interest charged in the first 6 months.
- **COVID-19 Working Capital Scheme** The scheme has been expanded to €450m
- **Enterprise Supports including a Rescue and Restructuring Scheme** available through Enterprise Ireland for vulnerable but viable firms
- **Trading Online Schemes** Total available
- is €5.6m and allows businesses to apply for
- a second voucher of up to €2,500 where they have successfully utilised their first one.
- **Business Financial Planning Grant**
- To the value of €5,000 to assist companies to develop a Business
- Sustainment Plan
- **LEAN Business Improvement Grant**
- €2,500 Grant from to help companies quickly access expertise to review and optimise operations at a time
- of crisis and identify the key measures needed to ensure continued viability.
- **Sustaining Enterprise Fund**
- In the manufacturing and international services sectors, a fund of up to €180m providing repayable advances of up to €800,000
- **Competitive Start Fund**
- Equity for early stage firms to apply for a new €750,000 Competitive Start Fund (CSF)

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- 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>
- Services available from 15 April are as follows and being date stamped and processed with expected delays:
 01. New Companies - submissions incorporations, change of Name, Re-Registrations being received, processed and registered via info@cro.ie
 02. Mortgages submissions for New Charges, for C6/C7/C17 via cro.mortgages@dbei.gov.ie
 03. Solvency submissions, companies to be dissolved up to date via cro.solvency@dbei.gov.ie

04. Enforcement submissions being to be processed when restrictions are lifted via croenforcement@dbei.gov.ie
05. Post is being accepted via An Post only and is being sorted for processing in both Dublin and Carlow offices.
06. Electronic Filing - emails being answered and dealt with through: electronic.filing@dbei.gov.ie
07. 7. Post incorporation documents - submissions for Change of Registered Office and for SAPs being received, scanned and registered. District Court applications being received and dealt with and Court Orders being received onto the system. Submissions for Annual Returns being received, scanned and will be processed at a later date. Annual return emails being monitored and dealt with through: eb1@dbei.gov.ie SAP emails being monitored and dealt with through: saps@dbei.gov.ie Submissions B10, B10A, B67, B69, B77 are being received awaiting processing. Emails being monitored and dealt with through AList@dbei.gov.ie.

08. Digital Communications - emails being answered and dealt with through: crocomms@dbei.gov.ie Updates available on Twitter, LinkedIn and YouTube.
09. Submissions for Business Names being received, scanned and registered. Emails being monitored and dealt with through: eb1@dbei.gov.ie
10. General queries are being monitored and dealt with through: info@cro.ie Postal enquiries being monitored and processed and dealt with through: postalenquiries@dbei.gov.ie
11. RFS/External companies/Limited Partnerships Submissions being received, processed, registered with expected delays. RFS emails being monitored and dealt with through: rfs@dbei.gov.ie External/Limited Partnership emails being monitored and dealt with through: ECLP@dbei.gov.ie



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.

Changes to the scheme were announced on the 15 April 2020 that become effective for payroll on or after the 4 May. The scheme provides as follows:

A. Employees with net pay less than €586 per week (€38,000 per annum)

- for those employees with previous average net pay up to €412 per week subsidy will be increased from 70% to 85%;
- for those employees with previous average net pay between €412 and €500 per week the subsidy will be up to €350 per week

- where an employer wishes to pay a greater level of top up beyond the outstanding 15% of previous pay --(in respect of employees with net pay less than €412 per week) in order to bring the employee's pay to €350 per week then tapering would not be applied to the subsidy;
- there are no changes in respect of those whose previous average net pay was between €500 and €586 per week who will continue to receive a subsidy of up to 70% of previous net income, up to a maximum of €410 per week.

B. Employees with net pay in excess of €586 per week (€38,000 per annum)

- For employees with previous net pay in excess of €586 per week a tiered approach will apply at max of €350 per week.
- Tapering of the subsidy will apply to all cases where the gross pay paid by the employer and the subsidy exceed the previous average net weekly pay.
- The wage subsidy is now available on tiered basis to support employees where the average net pre
- COVID 19 salary was greater than €76,000 p.a and has reduced to below €76,000 p.a. and their reduction is more than 20% then a subsidy of up to €205 would be payable and if the reduction was more than 40% a subsidy of up to €350 would be payable.

• 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 Gardai 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 after 10th June 2020.
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. Movement in order to meet relatives is considered necessary provided that the ban on meetings and the interpersonal distancing of at least one meter are observed and respiratory protection is used; in any case, movements in an Italian Region other than the one of residence is forbidden, except for proven needs of absolute urgency or for health reasons; it is in any case permitted to return to domicile, home or residence.

- **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 may continue to work. Almost all activity codes have been included in the list.

- **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.**

- Please note that entrepreneurial activities may be performed only under the conditions of the HSE official protocols established – which may impact also on employment, corporate compliance etc.

- In case of non compliance with Protocols provisions the activity is suspended.

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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.**

- **Extension of insurance policies**

The validity of civil liability insurance policies for cars and ships is extended for 30 days following the expiration, the policies expire within 31 July 2020. Moreover, the insured party can request the suspension of such policies until 31 July 2020.

- **Public guarantees for loans to SME (up to 499 employees)**

Until 31 December 2020, the State, through the guarantee fund for SME, will grant free guarantees covering the 90% of loans up to 5 million and with duration up to 72 months. The guarantee could cover the 100% of loans up to Euro 25,000, subject to certain conditions.

The amount of the guaranteed loan shall not exceed, alternatively, (i) 25% of the turnover achieved in 2019, (ii) 200% the employment costs borne in 2019, (iii) the expected costs for investments in the following 12/18 months.

- **Public guarantees for loans to medium - big companies**

The State, through the public company SACE, will offer guarantees up to a total amount of 200 billions.

The guarantees will be granted until 31 December 2020 relating to loans with duration up to 6 years and will cover:

- 90% of the loan, for companies with less than 5,000 employees and a turnover 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 derogations 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.

General Measures

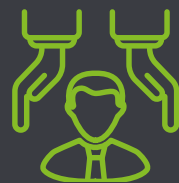
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- **Smart working**

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), with the exception for individuals, already employed within a service agreement, who have been re-hired by a new contractor according to law, NCBA or pursuant to a specific clause of the relevant service contract. Please consider that it could not be excluded, as of today, that the above suspension term will be extended by a new decree to 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). Please consider that the above indemnities could be increased and recognized also for the month of April and May by a new decree to be issued.

- **Temporary Suspension of employment**

To cope with the Covid-19 emergency (and 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 indexes:

- 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.

Please consider that the above regulation could be slightly modified by a new decree to be issued.

- **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.

- **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.

- **Fixed-term employment contracts**

Employers who have access to social shock absorbers are allowed - as an exception to the general provisions of Legislative Decree no. 81/2015 (referring to stop&go period between two fixed term contracts and to the possibility to renew a fixed term contract where a suspension of the relevant working activity is in place) - to renew or extend fixed-term contracts, within the same period of the social shock absorber, also for temporary work agency contracts.

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- **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.



Next Steps

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.

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

The lockdown for these activities should terminate on 17th May 2020 but the Italian Government has announced its extension till 31st May 2020

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

The lockdown for production activities should terminate on 17th May 2020.





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.

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.

Based on **Decision of the Minister of Health, dated 14/05/2020**, from 15/04/2020, the freedom of movement has been prohibited for natural persons from their homes, except in the following cases:

- Persons older than 16 years are allowed to conduct necessary supplies (food and medicals for humans, animals and hygienic products) and baking activity for 1Hr and 30 minutes during the day, which will be determined by last second digit of the personal number.
 - Persons older than 65 years are recommended not to go outside, except cases of emergency.
3. The Municipalities have determined that in case of violation of prohibition of free movement the fines may vary from 1,000.00 to 2,000.00 EUR for natural person, whereas the fine for legal persons may vary from 3,000.00 to 8,000.00 EUR.
- The Ministry of Justice has rendered the Decision, dated 21/04/2020, which guides private enforcers to allow to take pensions and salaries for April and May 2020, and not to foreclose abovementioned payments due to their increased needs for supplies as consequence of pandemic emergency situation

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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 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:



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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).

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.

The Kosovo Tax Administration has issued the guidelines for businesses and individual how to apply for subventions provided in the Emergency Fiscal Package.

Based on **Decision of the Minister of Health, dated 14/05/2020, from 15/04/2020**, despite the prohibition of the free movement, certain public institutions and necessary economic activities are allowed to operate. The Ministry of Economy, Trade and Industry has amended previous Order No. 01/05, by updating the list of business activities that are allowed to operate during the prohibition of the free movement. The updated list of business activities that are allowed to conduct their activities can be found in following link: https://docs.google.com/spreadsheets/d/1sW5kdwZnBXH3b9fo8SS2oHis_jps_Mx1ceEQHoZTWmk/htmlview#gid=1618767525

The Ministry of Finance and Transfers has rendered Decision No. 43/2020, dated 27/04/2020 for undertaking additional measures with the intention to implement Decisions No.01/07 and 01/09 of the Government of Republic of Kosova, through which decided to extended deadline regarding payment of taxes, from 30 April 2020, until the 30th of June 2020, as follows:

- Quarterly statements of taxes and contributions for large individual businesses;
- Quarterly statements of taxes and contributions for small individual businesses;
- Quarterly statements of down payments for large corporations; and
- Quarterly statements of down payments for small corporations;

The deadline for declaration of abovementioned statements will remain 30th of April 2020 and shall be made in accordance with the applicable tax legislation. This Decision is applicable for all taxpayers, which in accordance with the tax legislation are obligated to declare and pay the abovementioned taxes.

Taxpayers in financial difficulties due to the pandemic, may file a request for an agreement with Kosovo Tax Authority to pay taxes through installments, based on the evidence presented, the Tax Administration of Kosova may allow this form of payment, with the discretion to verify such cases after the current measures for COVID-19 are lifted by the authorities.





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 (ii) 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:

1. 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.

2. Based on amended Order No. 01/05, of the Ministry of Economy, Trade and Industry, the employees and personnel of business organizations allowed to operate shall be obtained with Certificate of Employee, which is generated by business organization in the electronic platform of declaration of the taxes, provided by the Kosovo Tax Administration.

The Kosovo Tax Administration has approved the guidelines for application procedures to benefit from the emergency fiscal package, namely for following categories of the employees:

01. Employees that are employed in groceries, pharmacies, and bakeries that are entitled for extra payment in value 100.00 EUR per employee. (available in this link: http://www.atk-ks.org/wp-content/uploads/2020/04/UdhezuesPageseShtese.pdf?fbclid=IwAR19yRczsPSFbhWyM2STK0ncFjPZlfcPah5mai4Cb9T1Tu_pxkWzzy5ruUU).
02. Self-employed that are entitled for compensation of salaries of their employees and rent (available in this link: <http://www.atk-ks.org/mundesohet-edhe-kompensimi-per-te-vetepunesuarit-pagat-dhe-qirate-e-paguara/>).

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Next Steps

- It is expected by the parliament of the Republic of Kosovo, to approve the Law on Emergency Situations.
- The Government of Kosovo is planning to ease some of the adopted measures from the beginning of 4th May 2020, adopted due to prevention of COVID – 19.

- The Government of Kosovo is planning to reopen after 4th May 2020, different sectors of the economy.





General Measures

- Government extended Quarantine at least until 11th of May.
- 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 restricted. These restrictions do not apply to online trading and the goods that are delivered to customer.
- Since 27th of April, shops and service providers, that have ability to ensure no less than 10 sq. m. per client floor space and whose contact with customer is no longer than 20 minutes may be open for business.
- Operation SPAs and gyms are prohibited.
- Restaurants and bars may work outdoors (since 27th of April) and for take-away.
- Beauty salons, barbers, museums, libraries, wake parks and golf courses are open since 27th of April.
- 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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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%
- Measures to boost economy:
 - SMEs can apply for loans to pay bills to suppliers with whom companies have been unable to account due to suspended activities
 - SMEs that have difficulties with coronavirus will be able to apply for loans to maintain liquidity Funding will be provided within one day.
 - the COVID fund is operational since 15th of April 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
 - The fund for state guarantees issued for business loans is more than doubled so the financing of businesses would continue
 - 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.
- Vilnius city municipality:
 - Will return fees that were paid this year to outdoor cafes, shops and kiosks;
 - Exempted tenants from rent and real estate taxes;
 - Plans to give payouts to residents up to 975 EUR if income per person is less than 375 EUR.
- More info and updates: <https://www2.deloitte.com/lt/en/pages/legal/articles/covid-19-crisis--measures-for-business.html>

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- 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. Employers that receive funding are obligated to keep at least 50% of jobs for at least 3 months after quarantine ends.
- 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. More info (and updates): <https://www2.deloitte.com/lt/en/pages/legal/articles/covid-19-crisis--employment-law-in-lithuania.html>
- 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.

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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;
- 2020-04-28 Amendment in Criminal Code - Persons, who know they are infected with COVID-19 and does not comply with restrictions may be imprisoned for up to one year.

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- Amendments to the Law on Insolvency extending the previously set deadlines for initiating insolvency procedures, reaching peaceful agreement between company and creditors, termination of insolvency procedure due to failure to comply with the plan.





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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Temporary Legislation (the “Corona Act”)

- On 21 March 2020, the Norwegian Parliament adopted temporary legislation that authorizes the Government to carry out necessary and proportionate adaptive measures for a limited period to address the effects of the coronavirus. The act was extended by the Parliament on April 24, 2020, and will now be automatically repealed on May 27, 2020.
- One third of the Parliament can block any decision the Government takes. The draft legislation does not weaken the courts’ independence. The independence of courts and judges is protected by the Constitution.

Restrictive measures

- Originally, a wide range of municipalities adopted local quarantine regulations in order to limit the national spread of the Corona virus in their region, with a basis in the Norwegian Diseases Protection Act (“Smittevernloven”).
- To ensure proportionality and coordination between national and local measures the government has specifically asked municipalities to avoid the following, based on the situation today:
 - Measures that affect critical social functions, as defined in them at all times applicable national regulations
 - Measures affecting public service and public administration, including child welfare
 - Measures affecting transit without residence in the municipality
 - Measures that affect children with shared housing and thus disproportionately intervening with family life
 - Measures affecting people who cross municipal boundaries while traveling between homes and workplaces, and between different workplaces, and which prevents employees from keeping their jobs and that employers are still guaranteed access to their labor force.
 - Measures affecting the transport of goods (by road, sea or rail or in the air)
 - Measures of importance for keeping production in business, among other things maintenance, repairs, supply lines, specialized services, etc.
- Certain businesses have been temporarily placed in lockdown due to national or local regulations, as well as kindergartens, schools and universities. Kindergartens was reopened again during the period of April 20 – 27, 2020. Schools and after-school activities will gradually open for children in 1st to 4th grade from April 27, 2020. High schools students in the final years of vocational studies may again go back to their studies, under the condition that this is done in a way consistent with prevailing disease protection recommendations. Universities and other higher studies was reopened on a limited basis from April 27, 2020.

Government support measures

- Norway has ample room for maneuver in economic policy in response to the Covid-19 pandemic. The Norwegian sovereign wealth fund (Government Pension Fund Global – GPF) provides a sizeable fiscal buffer. It is designed for the long term, but in a way that makes it possible to draw on when required. A fiscal policy rule governs how much can be transferred from the fund to the fiscal budget. The rule is prudent, but flexible. The fund and the fiscal rule thus enables the government to provide fiscal stimulus when needed.

Health and Safety

- On 12 March 2020, the Norwegian Government introduced a series of measures in the hope of stopping the spread of the virus. The top priority was to ensure that those who become seriously ill, whether from the coronavirus or other causes, can get the help they need in the health service – and that the health service does not become overloaded.
- People must maintain physical distance from one another, practice good hand hygiene and cough in paper tissues or their elbow.
- Social distancing rules: you should maintain a distance of two meters from other people, except those you normally live with. In shops and pharmacies where this can be difficult to do, people should keep at least one meter apart.
- You should avoid being in a group of more than five people, unless they are people you normally live with.
- You are urged to avoid public transport and unnecessary leisure travel.
- The health authorities recommend working from home as far as possible. You should discuss this with your employer.
- No visitors are allowed at nursing homes and other institutions for vulnerable groups.
- Most bars, restaurants and other establishments serving food and drink will remain closed, except those that serve food, are able to ensure that a distance of at least two meters is maintained between customers and personnel, and can meet basic infection control requirements.
- A number of public services will remain closed, including passport offices, administrative services for the public provided by the police, libraries, etc.
- Stricter border controls are being maintained, and foreign nationals who do not have a residence permit in Norway will continue to be refused entry at the border.
- The Ministry of Foreign Affairs advises against travel to all countries unless strictly necessary. Rules for quarantine upon entering Norway from abroad (travel quarantine) has been put in force, as have rules for rejection at the border of foreign nationals who do not live or work in Norway, with specific border control of the internal Schengen borders.
- Quarantine and isolation rules applicable after contact with an infected person (infection quarantine) imply that if you have been in close contact with someone who has been shown to have the coronavirus, you shall undergo quarantine for 14 days. If you have travelled abroad, you shall undergo quarantine for 14 days from the day of your return home. If you have been diagnosed with the coronavirus or are being tested for it, you must be isolated. This means you must remain home at all times and not go out. If the test is negative, you shall complete the quarantine period.
- Healthcare professionals working in patient care are prohibited from travelling abroad. This prohibition applies to both professional and private travel, with effect, for now, through April 2020.
- Fitness centers, swimming pools, water parks and similar establishments are to remain closed.
- Public transport services are to remain in operation.



Measures to support business in general

- The Norwegian government has passed a number of temporary national regulations as a consequence of the Covid-19 outbreak, hereunder the (i) State Guarantee Loan Scheme Act, (ii) Financial Bond Fund Act for large businesses, (iii) Temporary Grant Scheme Act for businesses that have experienced a dramatic fall in turnover, and (iv) Temporary Reconstruction Act to remedy businesses in financial problems (to be ratified). Other measures put forward by the Government includes amendments to the Contributory Pension Schemes Act, the Company Pensions Act, the Public Service Pensions Act, the Insurance Contract Act and the Tax Payment Act. In addition, there has been made a number of petition resolutions by the Parliament for actions and initiatives to be made by the Government.
- The Norwegian government has introduced significant measures to support jobs, help businesses and people, and strengthen health services. Still, more may be needed in the coming weeks. The measures are meant to be targeted, effective and reversible.
- The fiscal measures so far add up to over NOK 139 billion, corresponding to around 4.6 percent of Mainland GDP. In addition, the budget is estimated to be weakened by more than NOK 60 billion by reduced tax revenues and higher expenses due to the economic downturn (automatic stabilizers). Overall, the oil-adjusted budget balance is estimated to be weakened by NOK 201 billion in 2020. Reduced key interest rates also contribute to household- and corporate liquidity through lower debt servicing costs.
- Citizens of EU/EEA countries may enter Norway without a residence permit if they are to work in a sector where there is a critical need for labor. Workers from a EU/EEA country who are to start a job in sectors including agriculture, horticulture, forestry and the food industry are not to be refused entry to Norway.

Measures aimed at commerce and industries

- A state guarantee scheme for bank loans to enterprises, with a total guarantee

volume of NOK 50 billion. The state guarantees 90 per cent of each bank loan. Entered into force on March 27, after approval by the EFTA Surveillance Authority.

- A government bond fund with an investment budget of NOK 50 billion to increase liquidity and access to capital in the Norwegian bond market.
- A compensation scheme for otherwise sustainable businesses with at least 30 percent drop in revenue due to the virus outbreak. The amount of support will depend, among others, on the size of revenue loss, the size of the enterprise's unavoidable fixed costs and whether the enterprise has been ordered by the government to close.
- Improved legal restructuring process and refinancing for companies with financial problems to prevent otherwise viable companies that are now experiencing acute revenue failure going bankrupt without having a real opportunity to negotiate restructuring.
- A reduction in employer-paid days from 15 to 2 for temporary lay-offs, from 10 to 3 for care-related leave and from 16 to 3 for corona-related sick leave.
- Allowing loss-making companies to re-allocate up to NOK 30 million of the loss in 2020 against taxed surplus from 2018 and 2019 and refunding the tax value of this loss in 2020.
- Postponing deadlines for payment of value added tax, employer tax, advance tax for self-employed and companies, and several exercise taxes, including CO2
- Reduction of the low VAT rate, which includes passenger transport, accommodation and parts of the cultural sector, from 12 to 8 per cent.
- Suspension of the tax on air passengers, for flights in the period from 1 January until 31 October 2020. Suspension of payments of aviation charges.
- Purchase of domestic air routes where there is no basis for commercial operations due to the crisis. Budget allocation of NOK 1 billion.
- An aviation guarantee scheme totalling NOK 6 billion, with a 90 percent government guarantee on each loan. NOK 3 billion is directed to Norwegian Air Shuttle, 1.5 billion to SAS and 1.5 billion to Widerøe and other airlines.

- Temporary purchase of basic rail transport services (NOK 550 million)
- Increased funding for Innovation Norway and the Research Council by a total of more than NOK 3 billion, and NOK 1 billion increased investment capital in Investinor.
- A compensation scheme of NOK 1 billion to pre- and after school cares and day cares.
- A compensation scheme of NOK 900 million for culture, sport and voluntary sectors.
- Increased borrowing limit in Innovation Norway's loans scheme by NOK 1.6 billion.

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Measures aimed at persons

- An extension of the unemployment benefit scheme by granting benefit from the first day and increasing the daily allowance.
- Temporary laid off persons are guaranteed 100 per cent compensation until a salary of NOK 599,148. The schemes for temporary laid off and unemployed are also adjusted to include more people.
- A temporary scheme to secure self-employed and freelancers who are not included in the unemployment benefit scheme and to give self-employed and

freelancers sickness benefit from day four.

- Temporary benefit for apprentices in case of unemployment or temporary layoff.
- Skills development measures to improve the skills of unemployed and laid-off persons.
- A temporary benefit scheme based on social assistance rates for persons outside the EU/EEA area staying in Svalbard.
- A doubling of the number of days parents can stay home with sick children, and

allowing transfer of days between co-parents.

- Entitle self-employed and freelancers to the same number of sick-kids days as employees, less a three-day waiting period.
- Increase access to loans for students who have lost work income. NOK 1 billion is allocated to convert some of that supplement loan into a grant.
- Suspension of parents' pay for pre- and after school cares and day cares during the period they are closed.





- As criminals and others are trying to exploit the COVID-19 crisis, the Government has allocated NOK 5 million to the Norwegian National Security Authority (NSM) to strengthen the warning system for digital infrastructure by purchasing more sensors for use in critical sectors and organizations.
- The police are a crucial part of Norway's emergency services, and the police plays an important role in enforcing measures to prevent the spread of infection. An allocation of NOK 232 million has been provided for the recruitment of up to 400 people to undertake active service with the police. The people recruited will have completed their police training, but are not currently working in the police. They will be employed for a period of six months, with the possibility of an extension to up to a year in total.
- Fast-track security clearance of personnel is becoming increasingly necessary because of the need for more people with police training and because many employees in other organizations that fulfil critical public functions are either in quarantine or on sick leave. In order to address this situation, the Government is providing an additional allocation of NOK 7 million to the Norwegian Civil Security Clearance Authority.

- In addition to these measures, a number of ministries are drawing up regulations under the new Corona Act.

A temporary regulation with regards to carrying out sentences was passed on 27th of March, which inter alia entails the following exceptions from the regular criminal law codes:

- Prison visits:
 - The Prison and Probation Service can refuse visits if required for sick leave reasons or if visits cannot be conducted in a manner that is consistent with prevailing health rules.
 - If it is necessary for the inmate to have contact with family through remote communication, the Prison and Probation Service shall attempt to make such communication available.
 - A visit from a lawyer or representative from public authorities can only be denied if it cannot be carried out in a way that is consistent with prevailing health rules.
- In-home detention with electronic control measures:
 - The possibility to carry out sentences outside of prison with electronic control measures is extended to 6 months, against of normal of 4 months.

- For probation releases:
 - The regulations allow for a release of a convict on the condition that the probation period is carried out through electronic control measures. Such probation release is only applicable if the convicted consents.
- Prison sentences:
 - According to the regulations, the Prison and Probation Service can decide that the sentence to be carried out suspended for up to one month with an option to renew such suspension if capacity challenges so requires.
 - Suspension means that the convicted is released for a period, and then come back to carry out the remainder of the sentence when the pandemic is over

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Some of the key measures to remain in effect (may be extended)

- The Corona Act that authorizes the Government to carry out necessary and proportionate adaptive measures for a limited period to address the effects of the coronavirus will automatically be repealed after May 27, 2020.
- The strict hygiene measures remain in place. People must maintain physical distance from one another, practice good hand hygiene and cough in paper tissues or their elbow.
- Social distancing rules: you should maintain a distance of two meters from other people, except those you normally live with. In shops and pharmacies where this can be difficult to do, people should keep at least one meter apart.
- You should avoid being in a group of more than five people, unless they are people you normally live with.
- You are urged to avoid public transport and unnecessary leisure travel.
- The health authorities recommend working from home as far as possible. You should discuss this with your employer.
- No visitors are allowed at nursing homes and other institutions for vulnerable groups.

- Most bars, restaurants and other establishments serving food and drink will remain closed, except those that serve food, are able to ensure that a distance of at least two meters is maintained between customers and personnel, and can meet basic infection control requirements.
- A number of public services will remain closed, including passport offices, administrative services for the public provided by the police, libraries, etc.
- Stricter border controls are being maintained, and foreign nationals who do not have a residence permit in Norway will continue to be refused entry at the border.
- The Ministry of Foreign Affairs advises against travel to all countries unless strictly necessary. Rules for quarantine upon entering Norway from abroad (travel quarantine) has been put in force, as have rules for rejection at the border of foreign nationals who do not live or work in Norway, with specific border control of the internal Schengen borders.
- Quarantine and isolation rules applicable after contact with an infected person (infection quarantine) imply that if you have been in close contact with someone who has been shown to have the coronavirus, you shall undergo quarantine for 14 days. If you have travelled abroad, you shall undergo quarantine for 14

days from the day of your return home. If you have been diagnosed with the coronavirus or are being tested for it, you must be isolated. This means you must remain home at all times and not go out. If the test is negative, you shall complete the quarantine period.

- Healthcare professionals working in patient care are prohibited from travelling abroad. This prohibition applies to both professional and private travel, with effect, for now, through April 2020.
- Fitness centers, swimming pools, water parks and similar establishments are to remain closed.
- Public transport services are to remain in operation.





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 regulations extended restrictions in commuting:

- From 4 May some sports facilities will be opened. Football league games will resume on 29 May, and the speedway competitions on 12 June;
- It is mandatory to cover your mouth and nose in public places;
- 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 13 years old) are not allowed to move without their parents'/guardians'/other adults' companion;
- 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;
- Parks, boulevards, promenades, boardwalks, and other commons are opened.

Education:

- Activities at schools, kindergartens, nurseries and at higher education institutions are suspended till 24 May 2020.
- Online teaching is introduced in case of both schools and universities.
- Planned organization of small childcare groups in nurseries, kindergartens - for working parents (from 6 May).

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 - planned reopening from 4 May of some cultural institutions such as libraries, museums and art galleries;
- All hotels are closed with few exceptions (which concern mainly places where quarantine is held); planned reopening from 4 May;
- 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); planned reopening from 4 May of shops in shopping malls, malls under strict sanitary regime;
- Performing rehabilitation services are generally suspended;
- There are restrictions concerning religious activities: 1 person per 15m² can take part in these activities;
- Sale of building materials in trade objects over 2k m² in which mostly these goods are sold is forbidden on Saturdays and Sundays until further notice;
- Introduction of additional restrictions in trade:
 - limit of 4 persons per one cash desk/market stand is imposed in shops of a surface area of less than 100 m²; 1 person per 15 m² in shops of a surface area of more than 100 m²
 - 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.
- Suspension of the obligation to file for bankruptcy if the basis for declaring the debtor insolvent arose during a state of emergency or an epidemic declared due to COVID-19 and the state of insolvency arose due to COVID-19;
- Support by the Industrial Development Agency - support for companies from the sector of small and medium-sized enterprises in the form of operating leasing and working capital loans, including for financing salaries;
- Different types of support for entrepreneurs from the Polish Development Fund, depending on the size of the enterprise, e.g. support up to PLN 3.5 million for up to 3 years, possibility to remit the subsidy up to 75% after meeting certain

conditions.

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.



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);
- Exemption from social security payments for microentrepreneurs in the period from 1 March 2020 to 31 May 2020 under certain conditions;
- Specific provisions (including more flexibility with respect to Labor Law application e.g. worktime/rest hours etc.) for entrepreneurs whose activity is key

to functioning of "critical infrastructure" – with some additional PIT and social security reliefs regarding benefits in the form of food and housing for their employees.





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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Next Steps

- The government presented four steps in the proces of lifting the restrictions. The second stage will be introduced on 4 May, the dates of the subsequent stages have not yet been confirmed.
- A legislative procedure is currently ongoing for the purpose of amending some of the provisions established so far. There are plans to adopt an act, among others, on interest rate subsidies for bank loans granted to ensure financial liquidity
- 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 and (ii) citizens in relation to whom a 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 staying at home in general; restricted movement rules;
- Mandatory homeworking when the relevant working functions enable so;
- reintroduction of border control rules; Initially ordered for 15 days, the board control rules were extended until 14/05/2020;
- 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/Spain;
- ban on the landing of cruises passengers/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.); It was excluded from the suspension of all flights from/to Spain/Portugal, the flights to be performed by the aircraft that integrate the Special Device to Fight Rural Fires. The constraints of traffic do not prevent the circulation of personnel affected to the Special Device to Fight Rural Fires.
- The cancellation, due to COVID-19, of trips organized by travel and tourism agencies or of reservations of accommodation services in tourist establishments and local accommodation establishments in Portugal, from 13/03/2020 to 30/09/2020, may give rise to a voucher in the amount paid, valid until 31/12/2021 or to the rescheduling of the trip until that date.
- Reservation of accommodation services in tourist establishments and local accommodation establishments in Portugal, from 13/03/2020 to 30/09/2020, carried out by travel, tourism agencies or tour operators cancelled or not performed due to COVID-19, may give rise to a credit of the unused amount.

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: 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, except for 10th and 12th student levels, subject to national exams, who, as from May, may attend with masks to classes regarding such exams' subjects.

- mandatory suspension of dentistry and stomatology activities, except urgencies proved;
- 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 be tested or to be provided with medical assistance or to execute complementary acts prescribed within COVID-19.
- exceptional and temporary measure to guarantee the access to essential services, including the prohibition of suspension of water, electrical power, natural gas and electronic communications supply.
- As from 18/04/2020: suspension of the obligations to provide the consumer or user with the complaints book immediately and free of charge and to send the originals of the complaint sheets within the deadline.
- As from April 18/04/2020, wholesale food distribution establishments may sell directly to the public, cumulatively with retail trade, with display of retail selling price, available in unitary form, and quantities available to each consumer are adequate and discourage hoarding.

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.

Procedures and acts of registration: whenever it is not possible to make online, the requests for civil, vehicle, commercial and property registration or the filing of hierarchical appeal against decisions refusing the execution of registration acts, may be sent by e-mail or by another electronic means defined by IRN, I.P., upon submission of a request signed electronically by the intervening parties jointly with the respective proof of payment;

- scans of original documents sent by lawyers, notaries, directors and secretaries of commercial companies or civil companies in commercial form are accepted, provided that a certified electronic signature is affixed;
- online submission of registration applications in which commercial companies or civil companies in commercial form are interested parties, their directors and secretaries may, when promoting them, certify the conformity of the electronic documents submitted by them through the website with the original documents, in paper format;
- registrations of company incorporation, increase and decrease of share capital and appointment of directors have priority level/urgent nature;
- after the decision authorizing the registration or granting Portuguese nationality, the verbal birth declaration attributing nationality, or the verbal declaration in the application for acquisition of Portuguese nationality whenever the certificate by registration is necessary, shall be replaced by a declaration sent by email to the registry office where the application for nationality is pending registration;
- the death of any individual occurring in Portuguese territory must be declared by e-mail to the e-mail address of any civil registry office, which draws up the death certificate attached;
- amendments of irregularities related to registration requests made online or

- by e-mail, as well as processes associated with issuance of SCAP by companies' directors and secretaries, is exempted from the respective fees;
- notifications by registration officers may be made by e-mail.
- all acts requested at National Institute of Industrial Property, I.P. must be submitted exclusively through online services. The possibility of notification by e-mail of any administrative acts or other is also provided for.

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: suspension of all proceeding and procedural deadlines until 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 of: (i) 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 presentational and non-presentational acts, through computerized 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.
- For the execution of acts in urgent processes that run in the Justices of the Peace, it is possible to use means of distance communication, such as e-mail, telephone, teleconference or video call.
- 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.
- As from 19/04/2020, the collection of signature on the delivery of registered mail

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and packages is suspended and is replaced by verbal identification and collection of the citizen card number or of any other suitable mean of identification, through the relevant presentation and insertion of the collection date, which shall correspond to the notification date. This regime is applicable to personal contact notification.

- Suspension until 21/01/2021, of the electronic processing of procedural acts and the consultation of processes by public entities, within the scope of the tax legal procedures and suspension until 13/10/2020, of the submission of pleadings using the optional pleading forms.

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 07/04/2020.

- **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, 18 March - Declares the state of emergency, sustained on public calamity; Presidential Decree no. 17-A/2020, 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, 20 March- Executes the state of emergency, declared by Decree 14-A/2020, of 18 March;
 - Order no. 3186-D/2020, 10 March - Suspends flights from or to Italy. Measure extended by Order no. 3659-B/2020, 24 March and by Order no. 4808-B/2020, 21 April.;
 - Order no. 3298-C/2020, 13 March- Forbids landing and land licenses for passengers and crew members of cruise ships in national ports;
 - Order no. 3301-A/2020, 15 March - Suspends any dentistry and stomatology activity, except for proven urgent and not-postponable situations;
 - Order no. 3301-B/2020, 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, 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, 18 March - Forbids the air traffic to and from Portugal of all flights to and from European Union third countries, with some exceptions;

- Law no. 1-A/2020, 26 March - Establishes extraordinary and temporary measures to deal with the epidemiological situation caused 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, 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;
- Decree no. 2-C/2020, April 17: Regulates the second extension of the State of Emergency and establishes the relevant measures.
- Law no. 4-A/2020, 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, 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 COVID 19;
- Decree-Law no. 12-A/2020, 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 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.
- Law no. 5/2020, 10 April – Proceeds to the fourth amendment of the Decree-Law no. 10-A/2020, of 13 March, which establishes exceptional and temporary measures regarding the new Coronavirus – COVID-19 – pandemic.
- Law no. 6/2020, of 10 April – Exceptional regime to promote the response capacity of local authorities within the scope of the COVID-19 pandemic.
- Law no. 7/2020, 10 April – Establishes exceptional and temporary measures in response to SARS-CoV-2 pandemic and proceeds to the first amendment to the Decree-Law no. 10-I/2020, of 26 March, and fourth amendment to the Law no. 27/2007, of 30 June.
- Decree-Law no 14-E/2020, from the Presidency of the Council of Ministers, 13 April: establishes an exceptional and temporary regime for the manufacture, import, placing and provision, on the national market, of medical devices for human use (MD) and of individual protective equipment (IPE), for the purpose of preventing the infection by the new coronavirus. During the outbreak of COVID-19, there may be adaptation or derogation of conformity assessment procedures, legally required for the manufacture, import, national marketing and use of MD and IPE necessary

- for the prevention of infection of the new coronavirus and listed in this decree (e.g. surgical masks and gowns, single-use gloves, goggles, swabs, etc.)
- DL 14-G/2020, from the Presidency of the Council of Ministers, 13 April: Approves a set of legal measures regarding education aimed at establishing an exceptional and temporary regime for evaluation of learning, school calendar, tests and examinations from primary and secondary grade, enrolment, application for national final examinations and teaching and non-teaching staff, in order to ensure the continuity of the 2019/2020 school calendar year so regular as it may be possible.
- Resolution of the Council of Ministers No. 22/2020 , 14 April: It establishes the extension of the exceptional and temporary return of the control of persons at the borders in the context of the COVID-19 disease pandemic.
- Order no. 4698-C/2020, Offices of the Ministers of National Defense and Home Affairs, the Minister of Health, April 16, published on April 17: Extension for more 30 days of the ban on air traffic to and from Portugal for all flights to and from countries outside the European Union, maintaining the same exceptions previously established.
- Law no. 10/2020, April 18: exceptional and temporary regime on the formalities of postal notification under the scope of COVID-19.
- Order no. 4836/2020, 22 April: Establishes the terms of personal attendance at judicial offices and of the relevant services of Public Prosecution, during the Emergency State.
- Ordinance no. 100/2020, of April 22: Amends Ordinances no. 341/2019, of October 1, and no. 380/2017, of December 19, suspending: (i) until 21/01/2021, the electronic processing of procedural acts and the consultation of processes by public entities, within the scope of the tax legal procedure, among tax administration services, the local peripheral service and the tax enforcement agency and the tax courts; and (ii) until 13/10/2020, the submission of pleadings using the optional pleading forms.
- Decree Law no. 17/2020, from the Presidency of the Council of Ministers, 23 April: exceptional and temporary measures related to the tourism sector, within the scope of the COVID-19 to trips organized by travel and tourism agencies, to cancellation of reservations in tourist and local accommodation establishments and to relations between travel and tourism agencies, tour operators and tourist and local accommodation establishments.
- Decree Law no. 18-A/2020 Presidency of the Council of Ministers, April 23: exceptional and temporary measures in sports professional activity, extending the public sport utility status of which sports federations are currently holders until December 31, 2021, as well as adopting specific rules for their renewal, in line with the decisions approved by the International Olympic (and Paralympic) Committee.
- Order no. 5039/2020, April 28: Extend the deferment of instalments due under the National Strategic Reference Framework or in Portugal 2020 to all companies, with retroactive effect to April 10, 2020 and temporarily while there is no teaching and non-teaching face-to-face activities due to COVID pandemic.

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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:

- i. prohibition of total or partial revocation of contracted credit lines or granted loans;
- ii. extension of contracted credits with payment of capital at the end of the contract;
- iii. 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;
- iv. payment plan for the installments of principal, rent, interest, commissions and other charges;
- v. 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.
- this measures shall be published by the financial institutions in their website and contacts with their clients, and fully disclosed to a beneficiary entity previous to the closing of any loan agreement.

Payments through home banking or digital platforms:

exceptional and temporary measure regarding the suspension of the collection of any commission for payment transaction carried out through home banking or digital platforms of payment service providers for people with the COVID-19 disease, in prophylactic isolation or that are providing assistance to children or grandchildren, as well as to people in a reduction of the working period, suspension of the employment agreement or unemployment situation.

Retirement Saving Plans:

exceptional and temporary measure regarding the possibility of reimbursement up to the monthly limit of the social support benchmarks of the Retirement Saving Plans as long as one of the family member has COVID-19 disease, is in prophylactic isolation or is providing assistance to children or grandchildren, or is in a reduction of the working period, suspensions of employment agreement or unemployment situation.

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 in 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, including to promote flexibility of payment of rents due under residential 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. (IHURU, 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

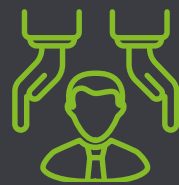
income be lower than the index of social support (IAS). It may be requested by:

- 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/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 non-payment of 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 01/04/2020, 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 1/12 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 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 01/03/2020, or (iii) to establish moratoriums to their tenants.
- Exceptional and temporary regime applicable to 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, 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, 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, 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 COVID-19 outbreak and settles the financing conditions;
- Decree-Law no. 10-F/2020, 26 March - Establishes extraordinary and temporary regime regarding the compliance with tax obligations and social contributions, within COVID-19 pandemic;
- Decree-Law no. 10-G/2020, 26 March - Establishes extraordinary and temporary measures to protect employment, within the scope of the COVID-19 pandemic;

- Decree-Law no. 10-H/2020, 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, 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, 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, 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, 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, 9 March - Extends the deadlines for voluntary compliance with tax obligations;
- Order no. 129/2020 – XXII of the Secretary of State for Fiscal Affairs, 27 March - Establishes guidelines for the periodic VAT declarations for the month of February;
- Order no. 4031/2020, 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, 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 in residential and non-residential lease agreements.
- Law no. 8/2020, 10 April – Proceeds to the first amendment to the Decree-Law no. 10-J/2020, of 26 March, which 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.
- Ordinance no. 91/2020, 14 April: defines the terms in which the loss of income is demonstrated, regarding the application of the exceptional regime foreseen by Law 4-C/2020, of April 6th, to the situations of inability to pay the residential rents due from 01/04/2020, until the month following the end of the state of emergency.
- Decree-Law no. 15/2020, from the Presidency of the Council of Ministers, 15 April: creates a credit line with low interest loan to fishing sector.



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 rest being borne by the employer;
- 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 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 excludes the school vacation period;
 - 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 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;
- As from 18/04/2020, suspension of the obligation to publish legal acts in the Labor and Employment Bulletin.

• Relevant legislation:

- Order no. 2875-A/2020, 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, 13 March:- Establishes exceptional and temporary measures, related to COVID 19;
- Decree-Law no. 10-G/2020, 26 March:- Establishes extraordinary and temporary measures to protect employment, within the scope of the COVID-19 pandemic;
- Decree-Law no. 10-K/2020, 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. 12-A/2020, 06 April: Added the third amendment to Decree Law no. 10-A/2020, March 13, which establishes exceptional temporary legal measures in response to COVID-19 pandemic.
- Ordinance no. 94-A/2020, Labor and Social Security Ministry, April 16.: procedures for granting exceptional support to family, extraordinary support for self-employed with reduction of business activity and to maintain employment contract in a situation of business crisis, deferment of contributions payment by self-employed.

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Criminal law measures

- 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.

- Exceptional measures for the enforcement of sentences:
 - partial amnesty of prison sentences less than 2 years; it does not apply to special regime of pardon to prisoners with 65 years or older that have any physical or psychological illness or whose autonomy degree is incompatible with prison during the COVID-19 pandemic;
 - exceptional release license for 45 days;
 - exceptional anticipation of parole of a maximum period of 6 months.

Relevant legislation:

- Law no. 9/2020, 10 April – exceptional regime for easing the execution and pardon of sentences within COVID-19.



Next Steps

- The State of Emergency initially ordered by the President of the Republic for two weeks started on 18/03/2020 and has been renewed twice, respectively, on 02/02/2020 and later on 17/04/2020 until 02/05/2020. It is expected that new legal measures will be approved to be in force after May 2, in order to release some restrictions namely on movement, and to enable some industries and economic sectors to gradually start operating under mandatory safe legal measures and rules.

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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

On April 15, 2020, a new presidential decree was issued by which the state of emergency is extended by 30 days throughout the territory of Romania. (currently pending Parliamentary approval). A number of new measures have been adopted regarding different fields. Some of the most important measures are:

Regarding the **public order**:

- during the state of emergency, it is forbidden to organize and conduct meetings, demonstrations, processions in open spaces; also, it is forbidden to organize any other cultural, scientific, artistic, religious, sporting or entertainment activities, in closed spaces.
- Subordination of certain institutions (Local Police) to the Ministry of Internal Affairs (National Police)

In the medical field, for a fixed period of 6 months, medical staff, auxiliary staff, pharmacists, laboratory staff and other categories of contract staff or civil servants may be employed without contract.

In the judicial field, the trial continues in the cases of special emergency. The statute of limitation and the deadlines of any kind are suspended during the state of emergency, with certain exceptions. The judgment of the civil trials that are not considered to be of special urgency is suspended during the state of emergency and it shall be resumed ex officio.

In the field of transportation, the Government establishes the specific conditions for providing transport, passenger and freight services, in order to ensure the protection of the population and goods as a priority.

In the field of education, all the didactic activities that require the physical presence in the educational units and institutions are suspended. The pre-university education units organize, as far as possible, the conduct of activities from the curriculum, in online format.

• **Military ordinance no. 10/2020:**

- It introduces relaxation measures in respect to the mobility of people older than 65 years – therefore allowing them to conduct daily activities that are necessary for their health, as well as agriculture work.
- The Romanian Post will deliver postal items strictly by lodging them in the mailbox or, in its absence, by posting a notice at the address of the addressee, (except for the procedural documents).



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- the validity of the documents issued by the public authorities that expire during the state of emergency shall be extended for 90 days as of termination date of the state of emergency.
- the beneficiaries of European funds which are affected by the adoption of the measures provided in the Decree for enacting the state of emergency may decide, together with the managing authorities/intermediary bodies, to suspend the financing contracts concluded according to the law
- the claw back tax for the first quarter of 2020 is capped at the level of the fourth quarter of 2019.
- suspension of controls by the Territorial Labour Inspectorate during the state of emergency, except for checks regarding compliance with the provisions of the National Committee for Special Emergency Situations.
- the deadline for submitting the declaration regarding the real beneficiary is postponed by 3 months after the cessation of the emergency state.
- Taxable persons registered for VAT purposes importing medicines, protective equipment, other devices or medical equipment and sanitary materials that can be used in the prevention, limitation, treatment and control of COVID-19, provided in the annex to the GEO, shall not make any effective payment of VAT to the customs bodies

and the customs bodies shall not request the payment of VAT. The measure is applied during the state of emergency and for 30 days after its cessation and includes the import of completely denatured ethyl alcohol used for the production of disinfectants, but only with regard to the importers holding the end-user authorization according to the Fiscal Code, on the import date.

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 guarantees

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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.
- Throughout the state of emergency, issuers with registered office in Romania whose shares are admitted to trading on the regulated market or within a multilateral trading system (AeRO) will ensure the performance of the shareholders' meetings in compliance with the provisions adopted by the national authorities during this period, by using electronic means of data transmission and voting by mail

On April 15, 2020, a new presidential decree was issued by which the state of emergency is extended by 30 days throughout the territory of Romania. (currently pending Parliamentary approval). A number of new measures have been adopted regarding different fields. Some of the most important measures **in the economic field** is the possibility of the government to adopt measures in order to support the economic operators affected by Covid-19. The validity of official documents that expire during the state of emergency is maintained throughout the whole period. The state has the possibility of capping the price on medicines, on public utility services, and on food regarded of being of strict necessity.

Other measures (GEO no. 48/2020):

- the advantages in kind granted to individuals for performing functions considered by the employer as essential for carrying out the activity, and who are in preventive isolation at work or in special areas where no outside persons have access, for a period established by the employer, represent non-taxable income in case of establishing the state of emergency / siege
- taxpayers obliged to pay the specific income tax for certain activities, according to Law 170/2916, do not owe specific income tax for the period in which they interrupt the activity totally or partially during the state of emergency, provided they hold the certificate for emergency situations and are not in insolvency.
- the organizing licenses and exploitations licenses for gambling that expire during the state of emergency are legally extended by 90 days from the cessation of the state of emergency.
- During the state of emergency, the payment obligations related to the licenses to operate traditional gambling activities are suspended and the tax is not due for the entire period of the state of emergency. There are no penalties for non-payment of these taxes, if the payment is made no later than 30 working days after the cessation of the state of emergency,."
- the VAT requested for reimbursement through the negative VAT returns with reimbursement option, filed within the legal deadline, including the case of pending settlements for which the reimbursement decision was not issued at the date of

entry into force of the GEO, is reimbursed by the central fiscal body with subsequent fiscal inspection. The provision does NOT apply in the following situations: (1) before the entry into force of the GEO, the fiscal inspection was started in order to settle the VAT returns, (2) the returns filed by large taxpayers, which are solved after the fiscal inspection, if (2.1) the taxpayer's fiscal record contains deeds sanctioned as felonies, (2.2) the central fiscal body, based on the information held, finds that there is the risk of an undue reimbursement, (2.3) for the respective taxpayer the voluntary liquidation or the insolvency procedure was opened, except for those for which a reorganization plan was confirmed under the conditions of the special law, (3) in the case of taxpayers other than the large taxpayers in the situations provided in points 2.1-2.3 and, in addition, in the following situations: (3.1) the taxpayer files the first return with negative amounts of VAT with reimbursement option after the registration for VAT purposes, (3.2) the balance of the negative amount of VAT requested for reimbursement comes from more than 12 monthly reporting periods, respectively 4 quarterly reporting periods. For the amounts reimbursed on the basis of this provision, the subsequent tax inspection is decided on the basis of a risk analysis. The application of this provision expires within 30 days of the cessation of the state of emergency.

- Regarding tax obligations for which payment facilities were granted, no interest and penalties will be calculated and owed installments not paid until the expiry of a term of 30 days after the cessation of the emergency situation, and the conditions for maintaining the validity of payment schedules granted according to the law are suspended. In this case, until the first payment term after the expiration of the 30-day term from the cessation of the state of emergency, the competent fiscal body redraws the payment schedule ex officio, respecting the approved period of phasing.
- The obligations that fall under this provision, with the exception of the installments from the redrawn payment schedules according to the GEO, are considered fulfilled in the following situations: (i) for the situations in which the terms provided by art. 194 para. 1, 195 para. 10 and art. 200 Tax Procedure Code were fulfilled until the expiration of the term of 30 days from the cessation of the state of emergency, if they are executed within 30 days from the end of this term, (ii) for the other situations, at the fulfillment of the stipulated term of art. 194 para. 1, 195 para. 10 and art. 200 Tax Procedure Code. For the obligations stipulated in point (i), the taxpayers may request the payment scheduling to be modified, provided that the application is submitted until the expiry of the respective term.
- Forced execution of budgetary receivables by summons and by the valorisation of goods at auction are suspended or shall not start, with the exception of forced executions for the recovery of budgetary debts established by judicial decisions in criminal matters, are suspended or not started.
- The statute of limitation for the right of the fiscal bodies to establish budgetary receivables and to request forced execution, as well as that of the taxpayer to request the refund of the tax debts, provided by the Tax Procedure Code, are suspended until a term of 30 days after the cessation of the emergency situation.
- The terms stipulated by the Accounting Law for the submission of the annual financial statements for the financial year 2019, respectively of the annual accounting reports completed on 31.12.2019, are extended until 31.07.2020 inclusive

GEO 56/2020:

- Holders of broadcasting licenses and licenses for the use of radio frequencies in the digital terrestrial system shall be exempted from the payment of the spectrum utilization tariff for 2020. In application of this facility, debt securities issued during 2020 for the individualization of the tariff for the use of the spectrum shall be annulled by the decision of the National Authority for Administration and Regulation in Communications, issued within 30 days from the entry into force of the GEO. Holders of broadcasting licenses and / or licenses for the use of radio frequencies in digital terrestrial system who have paid the spectrum usage fee before the entry into force of the GEO may benefit, upon request, from the refund of the amounts paid.
- The term of payment of the spectrum use tariff due by the holders of licenses for the use of radio frequencies pursuant to art. 30 para. (1) of the GEO no. 111/2011 established in the debt securities issued for the first quarter of 2020 is October 31, 2020. The holders of the licenses for the use of radio frequencies granted according to the GEO no. 111/2011, who have paid the spectrum use tariff according to the debt securities issued before the date of entry into force of this GEO, may benefit, upon request, from the refund of the amounts paid.





• 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 of 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.

Art. II of GEO 48/2020 & Art. IV of GEO 53/2020

For the technical unemployment allowance, the allowance granted to other professionals / sportsmen / persons who receive income exclusively from copyright and for the allowance for free days granted to parents during the closure of the educational units, the tax facilities consisting of: exemption from payment of income tax, the reduction of the CAS quota in the field of construction and the exemption from the payment of CASS in the field of construction do not apply. The measure is applicable to allowances granted from April 2020. These allowances are not subject to enforcement by garnishee order during their granting, regardless of the budget from which they are borne; the exemption from forced execution shall cease within 60 days from the date of cessation of the state of emergency.

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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).



Next Steps

The Romanian parliament will vote to extend the emergency situation and the measures included in the presidential decree dated 15.05.2020





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 6 P.M. while people older than 65 years of age (70 in rural areas) are to leave their homes two or three times a week.
- 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

- Ban on exporting medicaments from the Republic of Serbia was (re)introduced on 15 April 2020.
- 30 days ban on exporting basic life products was (re)introduced on 13 April 2020 (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 60 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.



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Decree on Adoption of Financial Support Program to Business Entities for Maintenance of Liquidity and Current Assets (the Program)

- **Subject of the Program:** The Program is related to the allocation of credit facilities to economic entities for liquidity management and working capital, in order to preserve the stability of the financial and economic system of the Republic of Serbia. Funds for implementation of this Decree/Program will be provided in the budget of the Republic of Serbia for 2020 in the amount of (approx.) EUR 204,000,000 intended for the implementation of the Program, in addition to the funds of the Development Fund of the Republic of Serbia (the Fund).
- **Who can use the funds:** Entrepreneurs, co-operatives, micro, small and medium-sized companies, which are mostly privately owned or owned by co-operatives, and which carry out production, service, trade and agricultural activity.
- **Who cannot use the funds:** 1. entities organizing games of chance, lotteries, and similar; 2. oil and petroleum products trade entities; 3. the production and marketing of any product or activity deemed prohibited under domestic regulations or international conventions and agreements.
- **General Conditions:**
 - to submit official regular financial statements for the previous two years in which it is shown that a net loss is reported but a profit has been made at least for one of the two years,
 - that the entity-applicants are not in difficulty i.e. not initiated insolvency proceedings, not subject to the pre-packed reorganization plan, or regular reorganization plan and related measures of the plan(s).
- **Special Conditions:**
 - repayment period of up to 36 months, which includes a grace period of up to 12 months,
 - the interest rate is 1% annually,
 - loans are approved and repaid in dinars,
 - minimum loan for companies (and related entities) is (approx.) EUR 8,500 and for entrepreneurs and cooperatives (approx.) EUR 1,700.
 - the maximum loan amount:
 - A. for entrepreneurs and micro-legal entities up to EUR 85,000,
 - B. for small legal entities up to EUR 340,000 and
 - C. for medium legal entities up to EUR 1,000,000.
 - monthly repayment annuities,
 - in the grace period interest is calculated and credited to the principal debt,
 - entity must retain the number of employees for a fixed and indefinite period of time on 16 March 2020, with a tolerance of up to 10% of the number of employees,
 - collaterals (bills of exchange by owners and guarantors, mortgages 1:1 market value, pledge on equipment 1:1 market value) depending on the amount of the loan,
 - management board of the Fund shall determine more detailed criteria and conditions.
- **Deadlines**
 - deadline for application: until the funds are available but not later than 10 December 2020,
 - deadline for decision: 31 December 2020,
 - realization deadline: 31 March 2021.
- **Organization and Supervision**
 - the Fund organizes, monitors and controls the intended use of funds of the Program.

Decree on the Procedure for the Issuance of Debt Securities

- Focus of this decree is to ease the procedure for issuing debt securities. In that

sense, the Serbian Securities Commission will approve the prospect within 10 working days from the day of receipt of all necessary documentation.

Decree on postponing the deadlines for general assembly meetings, annual and consolidated financial reports, income and self-employment income tax returns filings, validity of licenses of certified auditors and real estate valuation which expire during a state of emergency

- The Decree defines the prolongation of the following deadlines during the state of emergency:
 01. Deadline for holding regular meeting of the company's general assembly - 90 days from the date of termination of the state of emergency (regular deadline – 6 months since business year expiry);
 02. Deadline for submission of annual reports i.e. annual financial statements with auditor's report for all taxpayers which reporting is governed by the Law on Capital Market, Law on Investment Funds or the Law on Open Investment Funds with a Public Offering - 60 days from the date of termination of the state of emergency (regular deadline - April 30);
 03. Deadlines stated in the Law on accounting in regards to the delivery of financial reports for public registration - 90 days from the date of termination of the state of emergency (regular deadline - June 30);
 04. Deadlines for filing corporate income tax and self-employment income tax returns - within the deadline for submission of the annual financial reports (see above point 3).

Decree on conditions and criteria of conformity of state aid in order to eliminate harmful consequences caused by epidemic infectious diseases Covid-19

• **Scope and Criteria**

- The eligible costs for the granting of state aid to eliminate the damage caused by the COVID-19 represent the actual loss incurred as a direct consequence of the COVID-19.
- The eligible costs are reduced by the amount of the advance paid by the state aid provider, business insurance or other compensations (arbitration awards, dispute awards, procedures, etc. in relation to the COVID-19).
- State aid is granted up to a maximum of 100% of the eligible costs.
- The decision on the justification and need for state aid to remedy the damage caused by COVID-19 is made by the state aid provider.
- State aid referred to in this Decree shall not be cumulated with other types of state aid.

• **Conditions (material)**

State aid to eliminate damages caused by COVID-19 can be granted to those market participants if they clearly and unequivocally prove the cause and effect of the actual loss due to COVID-19, where:

- the total amount of aid does not exceed the amount necessary to cover the eligible costs;
- if state aid is granted under the scheme, the period of validity of the measure, total budget, aid instrument, intensity and beneficiaries are determined (estimated number of beneficiaries, sector of the economy and other relevant information);
- the actual loss did not occur as a result of non-compliance with the positive regulations during the COVID-19 i.e. such costs would be incurred regardless of the COVID-19;
- the market participant is not directly responsible for the occurrence of loss or is not responsible for gross negligence or knowingly contributing to the actual loss;

• **Conditions (formal)**

- an independent appraiser's report, which must include the estimated amount and types of costs, the link to the COVID-19, the reference period for the occurrence of actual losses from this report, and other information relevant to the state aid provider's assessment;
- information on the existence of business or dispute insurance and other

- procedures that may be relevant to determining the justified costs;
- statement whether and on what basis a market participant has already been granted state aid for the same purpose (advance payment, debt write-off, etc.);
- statement on the obligation to repay excessive state aid



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.

Decree on Fiscal Incentives and Direct Grants to Private Companies and Citizens

- Most companies are entitled to non-refundable financial aid per employee, in amounts corresponding to the minimal monthly wage. Companies are entitled to 3

batches of aid in total, to be paid in May, June and July. Companies with employees need to apply for such aid by submitting a special form of personal income tax return, no later than 30 April 2020 for the first installment of the financial aid, that will be paid in May, and one additional such return for each month in which the aid is requested.

- In addition, this decree defines that individual citizens of legal age shall be entitled to receive a one-off cash grant in the amount of EUR 100 once the state of emergency is over.

Decision on the validity of the work permit issued to foreigners expiring during the state of emergency

- A work permit issued to a foreigner in accordance with the provisions of the Law on Employment of Foreigners, which expired or will expire during the state of emergency, shall stay valid until the end of state of emergency.

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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).

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The Government announced mitigation of introduced general measures as of 4 May 2020 (opening of stores, cafés, shopping malls, public transportation etc.).

Details yet to be provided by the Government.





General Measures

- Obligatory quarantine in state facility for all persons entering Slovakia until they are tested for COVID-19, subsequent 14-day home quarantine required;
- Introduction of „restrictions loosening plan“ consisting of 4 major steps – as of April 22, shops smaller than 300m² may be opened, as well as farmers' markets or restaurants/cafés via to-go selling;
- Next phases of restrictions loosening are expected to be implemented in 14-days intervals, but may be postponed, depending on virus spread and health system capacities;
- Shutdown of majority of shops with exception of specified types depending on current phase of restrictions loosening;
- All shops 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.;
- Declaration of „exceptional status“ for all medical facilities and social services providers;
- Closure of day-care facilities for pensioners;
- Temporary re-introduction of border checks;
- Adoption of bill allowing state authorities to use localization 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 in public (only recommendation, not obligation);
- Special opening hours (9:00 – 11:00) for people older than 65 years;
- 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;
- Ban on export of selected drugs and protective materials from the country;
- Ban on sale of FFP2/FFP3 protective face masks to general public.

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Economic Measures

- Suspension on execution of lien/pledge, guarantee or public auction until May 31;
- 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 31 May 2020;
- Optional postponement of payments of the loan instalments without the negative effect for debtor recorded in loan registry for natural persons, self-employed persons and small/medium enterprises for up to 9 months;
- Approval of state aid scheme (approx EUR 2 billion) by the Commission;
- 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;
- 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;
- 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);
- Option to apply for direct financial aid for self-employed persons;
- Wireless payments increased to EUR 50;
- Introduction of „temporary protection“ instrument, which puts on hold (until October 1) several business instruments, such as insolvency proceedings, execution of lien and guarantee or execution proceedings.
- Protection against one-sided termination of lease contracts by landlord until 31 December 2020, if tenant's payment for April-June 2020 is overdue and the reason of non-payment is Covid-19 related.

General Measures

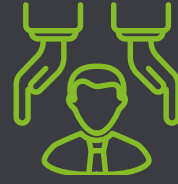
Economic Measures

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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;
- 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;
- Declared intention to re-evaluate regulations concerning „pendler workers“ (i.e. Slovak citizens living around borders in other countries);
- Social welfare/benefits for natural persons without income;
- Automatic prolongation of various social protection instruments, which were to expire for the beneficiaries during the pandemic (e.g. parenthood benefits).

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Next Steps

- Ongoing re-evaluations of measures taken on daily/weekly basis,
- Ongoing monitoring of increase in number of patients with COVID-19 in order to evaluate next phases of restrictions loosening.





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). Gradual lifting of measures has been applied, i.e. certain businesses may reopen (e.g. stores that predominantly sell construction and installation materials, technical goods or furniture, specialized stores and repair shops for cars and bicycles, outdoor sports etc.)
- 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. 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;
- On 28 April 2020 Slovenian Parliament adopted Act Amending the Act on provisional measures for judicial, administrative and other public matters to cope

with the spread of infectious disease SARS-CoV-2 (COVID-19), which lays down conditions for the proceedings in judicial, administrative and other public-law cases, provided that the procedures do not increase the possibility of spreading the virus infection and do not endanger the health and life of the participants in the proceedings. The amendments will be in force in the period of 8 days.

- A new Intervention Measures to mitigate the effects of the SARS-CoV-2 (COVID-19) infectious disease epidemic on citizens and the economy Act, adopted by the Slovenian Parliament, has been in force since 11 April 2020, in order to curb the covid-19 epidemic and mitigate its consequences for citizens and the economy. The Act provides:
 - additional measures in the field of education, education and science, in order to ensure a smooth process during the epidemic;
 - procurement thresholds have been modified;
 - 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;
 - etc.

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Economic Measures

- 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.

- A new Intervention Measures to mitigate the effects of the SARS-CoV-2 (COVID-19) infectious disease epidemic on citizens and the economy Act, adopted by the Slovenian Parliament, has been in force since 11 April 2020, in order to curb the covid-19 epidemic and mitigate its consequences for citizens and the economy. The Act stipulates that a deferral of the borrower's obligations will be possible.
- On 28 April 2020 Slovenian Parliament adopted Act on additional liquidity to the economy to mitigate the effects of the COVID-19 infectious disease epidemic, which provides a guarantee scheme of the Republic of Slovenia for loans. The act will be in force in the period of 8 days. Conditions apply (e.g. loan granted after 12.3. until 31.12.2020, maturity of loan does not exceed 5 years, it is obtained to finance working capital, the repayment of obligations from credit agreements concluded in the period from 13.3.2020 until this Act enters into force and investments in fixed assets). Total amount of guarantees shall not exceed EUR 2 billion. Tenants of business buildings or premises owned by the Republic of Slovenia or local communities, who cannot perform business due to state measures, are not going to be charged for rent for the duration of the COVID-19.

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Employment law and social protection measures

- 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 the Act on the Interim Measure of Partial Reimbursement of Wage Compensation (in force since 29 March 2020), 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;
- A new Intervention Measures to mitigate the effects of the SARS-CoV-2 (COVID-19) infectious disease epidemic on citizens and the economy Act, adopted by the Slovenian Parliament, has been in force since 11 April 2020, in order to

curb the covid-19 epidemic and mitigate its consequences for citizens and the economy. On 28 April 2020 Slovenian Parliament adopted the Act Amending the Act Determining the Intervention Measures to Contain the COVID-19 Epidemic and Mitigate its Consequences for Citizens and the Economy, which further broadens the range of beneficiaries of the measures. The amendments will be in force in the period of 8 days. The amendment provides:

- employers (whose employees are on temporary layoff or absent due to force majeure) are eligible for reimbursement of the entire salary compensation and exemption in respect of the payment of all social security contributions (on temporary layoff and employees absent due to force majeure) if their revenue will decline by more than 10% in 2020 compared to 2019.
- Additionally, employers (whose employees work during the times of epidemic) are exempted from payment of contributions for pension and disability insurance, but must pay each employee who works and whose last paid monthly salary has not exceeded three times the minimum salary a monthly crisis allowance of EUR 200.

- Additionally, the Act provides for exemption from contributions for self-employed persons and farmers (if the legal requirements are met);
- The Act provides 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 Act provides for a one-time solidarity allowance for other vulnerable groups of persons.
- The Act provides for financial assistance to farmers in the wake of the epidemic.
- The Act also provides for compensation of leaves due to illness or injury at the expense of compulsory health insurance - the compensation is fully paid by the National Health Insurance Institute of the Republic of Slovenia from the date when a sick leave commenced.

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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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Next Steps

- The next lifting of measures that have been in force in order to curb COVID-19 epidemic, is expected as of 4.5.2020.





ROYAL DECREE 463/2020, OF 14 MARCH

- 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 15/2020, OF 21 APRIL

- Measures to protect citizens:
 - The Spain Global Sports Foundation has been incorporated.
- More measures:
 - Measures relating to public contracts have been established.
 - Measures concerning the financing of tenants(in a situation of social and economic vulnerability) have been established.

ROYAL DECREE 16/2020, OF 28 APRIL

It addresses some urgent organizational, procedural and occupational safety measures for the gradual return to the activity of the courts and tribunals after confinement, It also seeks to deal with the foreseeable increase in cases in the judicial bodies following the production stoppage caused by the exceptional measures to contain the pandemic.

- Procedural measures:
 - The regulation of a special, preferential and summary procedure has been established (for family matters derived from Covid-19).

- Preference in the following actions has been established: (i) cases of protection of children, (ii) cases in which a financial entity or a landlord does not recognize the moratorium on mortgages or on lease contracts, (iii) appeals against administrations for the refusal of aid to mitigate the economic effects derived from Covid, and (iv) labour matters related to layoffs or the termination of employment contracts.
- The beginning of the procedural deadlines has been established from scratch (procedures that would have been suspended with the state of alarm).
- Procedural measures:
 - Preference of procedural acts by telematics means (except for criminal matters) has been established.
 - Customer service by telephone or e-mail has been established.
 - Days from 11 to 31 August have been declared as business days for litigation purposes.
- Organisational and technological measures:
 - Territorially assigned judges (“jueces de adscripción territorial”) (judges who act as reinforcements) may be assigned preferentially to cases arising from Covid-19.
 - Legal practitioners in the administration of justice (“letrados de administracion de justicia”) have been authorized to carry out replacement and reinforcement work.
 - Officials from each court, tribunal or prosecutor’s office may perform their duties in another unit (of the same locality and of the same jurisdictional order).
 - The possibility of two working shifts (morning and afternoon) has been established (all courts).
 - Enable and improve the use of identification and digital signature systems in the administration of justice.
 - Establish a general obligation for both the Ministry of Justice and the Autonomous Communities with competences in this area to ensure that the procedural management systems of the courts and tribunals of all the Autonomous Communities allow for teleworking

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ROYAL DECREE 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:
 - Extraordinary payment has been provided for to self-employed workers in the event of cessation of activity.
 - Mortgage payments delays have been allowed for main residence of self-employed workers.
 - The possibility of granting guarantee lines by the Government (for a maximum amount of € 100,000 million to obtain loans from financial entities) has been provided.



Spain

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- The ICO ("Instituto de Crédito Oficial") has extended its debt limit to € 10,000 million to provide additional financing.
- The expansion of the ICO's debt capacity through the creation of an extraordinary line of insurance coverage for a maximum of € 2,000 million.
- 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 announcement of the General Meeting the attendance by telematics 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 announcement.
- Measures to strengthen the action against the disease:
 - Extraordinary credits have been authorised in order to provide the "Consejo Superior de Investigaciones Científicas" (CSIC) 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 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 program has been set up to reduce the economic and social impact of COVID-19 on the rental of main residence.
- A new program 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 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 and 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).

ROYAL DECREE 15/2020, OF 21 APRIL

- Measures to reduce the costs of SMEs and self-employed workers:
 - Renegotiation measures and deferment of payment of rent (for non-residential use) with a public housing company/entity or large holders have been established.
 - Measures have been established for renegotiation and deferral of the payment of rent for non-housing use, (in the case of lessors other than a

- public housing company/entity or large holder).
- Measures to reinforce business financing:
 - The deferral of instalments on loans granted by the Institute for Energy Diversification and Saving, M.P. (Instituto para la Diversificación y Ahorro de la Energía) under its grant programmes has been established.
 - The Insurance Compensation Consortium (Consortio de Compensación de Seguros) has been authorized to reinsure credit and surety insurance risks.
 - Financing measures for businesses or the self-employed have been established.

ROYAL DECREE 16/2020, OF 28 APRIL

- Measures to deal with the foreseeable increase in insolvency proceedings in the commercial courts:
 - During the year following the declaration of the state of alarm, the company or self-employed person in bankruptcy may present a proposal to modify the bankruptcy agreement that was in a period of default.
 - The duty of a debtor who has an agreement with creditors and is likely to be unable to comply with it is postponed for one year from the date of the declaration of the state of alert, provided that he submits a proposal to amend the agreement.
 - Debtors who have an approved refinancing agreement are allowed to submit a proposal for modification or a new application without the need of a period of one year from the previous application.
 - Companies or self-employed persons who are in a state of insolvency will not be required to apply for a declaration of insolvency until 31 December 2020.





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ROYAL DECREE 8/2020, OF 17 MARCH

- Preference and priority has been given to teleworking.
- Measures for labour conciliation have been established (timetable 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 (this Royal Decree is no longer applicable as of 9 April)

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 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.
 - 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).

ROYAL DECREE 13/2020, OF 7 APRIL

- Measures to support the temporary employment of workers (in the farming industry):
 - Extraordinary measures have been established to make employment more flexible, (of a social and employment nature), necessary to ensure the maintenance of farming activity during the state of alert, and which will be applied temporarily until 30 June 2020.

ROYAL DECREE 15/2020, OF 21 APRIL

- Measures to facilitate economic adjustment and protect jobs:
 - The use of the Cooperative Promotion and Education Fund (Fondo de Promoción y Educación de las Cooperativas) has been made more flexible in order to mitigate the effects of the Covid-19.
 - The deadline for obtaining the classification as a labour company has been extended.

- The deadline for teleworking has been extended (2 months), as well as the right to adapt working hours and reduce working hours.
- The termination of the employment relationship during the trial period (at the request of the company produced from 9 March 2020), will be considered as a legal situation of unemployment.
- Regulations have been established for the exceptional availability of pension plans in situations arising from the Covid 19.
- The requirements for inclusion in the Special System for the Self-Employed in Agriculture (Sistema Especial para Trabajadores por Cuenta Propia Agrarios) have been amended.
- The deadlines governing the operation and action of the Labour and Social Security Inspectorate have been suspended, both in terms of verification actions and compliance with requirements.
- An extraordinary deadline has been established for election of a mutual insurance company, (for those workers in the special social security scheme for self-employed workers).
- The protection of permanent-discontinuous workers is strengthened in terms of unemployment protection.
- The regulation of the ERTES has been amended due to force majeure, (allowing partial force majeure).
- Mechanisms to control and sanction fraudulent behaviour by companies have been reinforced.
- The procedure for resolving the deferral of social security debts has been simplified.

ROYAL DECREE 16/2020, OF 28 APRIL

- ERTES (when the threshold for collective dismissal has not been reached) may be governed by a simplified and faster process (such as the collective dispute).

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- On April 7 2020, the Swedish Government adopted a government bill authorizing the Government to carry out necessary and proportionate adaptive measures for a limited period to address the effects of the coronavirus.
- Gatherings with 50 people or more are prohibited.
- Larger social gatherings (less than 50 people) are permitted but advised against.
- All non-essential travel to Sweden has been halted and unnecessary travel worldwide has been advised against.
- People are advised to avoid travelling in rush hour traffic and avoid unnecessary domestic journeys.
- In line with other European countries, Sweden has closed its border to non-European citizens.
- All people returning from abroad are advised to self quarantine during the following 14 days.
- Public and domestic transport is still running, but multiple departures have been cancelled.
- The Government has taken measures to ensure transports of goods and people for critical societal purposes to more distant parts of Sweden (Norrland and Gotland).
- Measures have been taken to facilitate for annual general meetings despite social distancing recommendations.
- The Government has decided to temporarily remove performance requirements for the so-called "queue billion" for municipalities and regions.

Health and Safety

- The Swedish Government has presented a range of different measures to limit the spread of the COVID-19 virus. The Government's policy and decision aims to

limit the spread of infection in the country, ensure that health care resources are available, limit the impact on critical services, alleviate the impact on people and companies, ease concern, e.g. by providing information and ensuring that the right measures are taken at the right time.

- The Public Health Agency (Swe. "Folkhälsomyndigheten") advises everyone with symptoms to reduce the risk of spreading the virus by avoiding social contact. Those above the age of 70 are advised to avoid social contact.
- The Government has decided to impose a ban on visiting all of the country's retirement homes to prevent the spread of COVID-19. The operations manager for each residence may in individual cases allow exceptions to the ban if there are special circumstances which motivates for such and if the risk of spreading the coronavirus is small.
- The Public Health Agency has issued regulations, supported by the Communicable Diseases Act, explaining what actions must be taken by restaurants, bars, and cafés in Sweden to decrease the risk of transmission of COVID-19. Crowds of people in queues, at tables or along buffets or bars must be avoided. Visitors must be able to keep a distance from each other. Restaurants should primarily aim to adapt their routines to minimize the risk of disease transmission. A Communicable Diseases Officer may order a venue to be closed if regulations are not followed.
- The scope of intensive care has increased, e.g. by help from the military with provision of a field hospital, medically knowledgeable staff and transport of medical patients. The responsible authority is The National Board of Health and Welfare.
- The Public Health Agency has been given responsibility to coordinate the work on expanded sampling of COVID-19 in Sweden. The National Board of Health and Welfare has been assigned the task of identifying the groups that are most at risk of suffering from a particularly serious disease course.
- The Swedish Civil Contingencies Agency, together with expert authorities, has been commissioned to produce information materials and distribute to Swedish

households.

- The Health and Social Care Inspectorate has been commissioned to analyze in particular what COVID-19 means for the quality and safety of care.
- The National Board of Health and Welfare has been appointed national purchasing center to medical supplies, protective equipment and certain medical technical equipment. The Swedish Work Environment Authority has been assigned to ensure that there is a procedure for providing non-CE-marked personal protective equipment for socially important occupational groups. At the initiative of the Government, several Swedish companies have started to change their production to ensure domestic production of personal protective equipment for the health care. The state research institute Rise is responsible for quality control.
- The Government is working internationally to lift the export restrictions imposed by other countries on medical protective equipment.
- To facilitate import of disinfectant to Sweden, the Government has temporarily changed the rules that require the products to be labeled in Swedish.
- People in risk groups, health care professionals and staff in other critically important operations are prioritized for tests related to COVID-19.
- Pharmacies are restricted to supply pharmaceuticals to cover a maximum of three months of each patient's requirement to avoid any individual stockpiling of medicine. This is a precautionary measure to avoid any supply shortage.

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Financial Measures

- The flight industry has received increased credit guarantees during 2020.
- Lessors within certain industries can receive compensation for rent reductions between April 1 and June 30 2020.
- Organizations within cultural areas (museums, theatres etc.) receive their Governmental financing earlier this year due to a decrease in visitors.
- The cultural sector and sports sector receive SEK 1,000,000,000 in financial aid.

- The Government has allocated resources to compensate for extraordinary costs for the health care sector, the public transport and the schools, to secure jobs within these critical sectors.
- Companies may apply for three months' of tax deferrals in relation to VAT.
- Employers may apply for three months' of tax deferrals in relation to preliminary taxes on salary and employer social security fees.
- Temporary reduction of employer fees and deductibles during March 1 – June 30 2020 for small and medium-sized enterprises and the self employed.

- A tax reduction has been introduced targeting primarily the self-employed and partnerships, allowing businesses to allocate 100% of profits for the 2019 financial year to the tax allocation reserve (up to a maximum of SEK 1 million), postponing tax payments for a maximum of six years (in line with current regulations).
- A central Government loan guarantee has been introduced which allows 70% of new loans to companies that experience financial difficulties due to COVID-19, to be guaranteed by the Government.





Employment law and social protection measures

Employment Law Measures

- A new system for short-time work allowance has been approved to facilitate for employers experiencing temporary and serious financial difficulties that have arisen in the wake of the coronavirus.
- The first day of sick leave is no longer a qualifying day, meaning that sick pay is paid from the first sick day.
- The medical certificate requirement from the eighth calendar day of a sick pay period is temporarily suspended.

- The quarantine allowance is increased.
- Social security charges have been decreased by 66% for a maximum of 30 employees per employer.

Social Protection

- The Ministry of Foreign Affairs and the embassies are providing Swedish citizens abroad with the latest information.
- Working from home is strongly encouraged but not enforced, especially for Stockholm residents.

Education

- A new act allows the Government to temporarily close preschools, schools, out-of-school centers and other educational activities. The act also gives the responsible entity the right to temporarily close an educational activity in specific cases. There are currently no plans to close compulsory schools and preschools. The Government has made preparations to ensure – should the situation change – that care is available for children and pupils whose parents work in areas vital to society.

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Criminal law measures

- Increased measures have been taken to ensure protection of women, children and individuals from domestic violence.

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Government Suggestions

- It has been suggested to lower the requirements for receiving unemployment insurance (Swe. "a-kassa").
- Aid packages have been suggested to reduce the impacts for jobs and companies, with reduced employment costs and increased loans.
- Gaming including monetary betting or monetary inserts are suggested to have increased restrictions during 2020 due to increased risk of unemployment, sick leave and financial instability.

- An increased financial support of media has been suggested.
- The Government has proposed that SEK 100 million should be set aside to finance research linked to COVID-19.





General Measures

Federal measures

On 13 March 2020, the Swiss Government has declared the extraordinary situation under the terms of the Swiss Epidemic Act and has issued an ordinance on the measures to combat the coronavirus (COVID-19 Ordinance 2), which is updated regularly.

The main measures are as follows:

- Ban on gathering of more than 5 people in public areas
- Closures of school, universities and other education and training facilities
- Ban on public and private events
- Closures of publicly accessible establishments/business with certain exceptions.

Exempt are in particular food stores, healthcare facilities, pharmacies, public services, sales points for telecommunication, hotels, social work establishments, funerals within the close family.

- Travel restrictions for cross-border travellers

These measures remain in force until 26 April 2020. For measures valid as of 27 April 2020, please see "next steps"

Furthermore, up to 8'000 military person can be ordered to serve, in particular in hospitals and elderly homes as well as for border controls.

In addition, the Swiss Government has requested the population to stay at home and keep a minimum distance of 2 m to other people when outside one's home. There is no general obligation to wear masks.

Cantonal measures

- Cantonal measures are only possible for cantons in special risk situations. Currently, only the Canton of Ticino fulfils this requirement.
- Additional measures in the Canton of Ticino include:
 - Hotels may not host more than 50 people (incl. hotel staff) at the same time
 - Closure of construction sites
 - People at high risk have been requested to stay at home and only leave the house for medical or unavoidable professional reasons
- These remain valid until 3 May 2020.

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Economic Measures

COVID-19 loans

- The Swiss Government has introduced government-guaranteed loans from Swiss banks as an interim measure for Swiss small and medium sized companies ("SMEs") to help them alleviate their liquidity problems due to COVID-19. It expects to provide SMEs with a total of CHF 40bn in financing:
- SMEs can apply for loans up to 10 % of their annual turnover, up to a maximum of CHF 2 Mio.:
 - Demands of up to CHF 500'000 They will be guaranteed by the Swiss Government and will carry no interest rate.
 - Demands in excess of CHF 500'000. They will be guaranteed 85 % by the Swiss Government whilst the primary bank provider will bear the risk for the remaining 15%. The annual interest rate is currently 0.5 %. Therefore, standard credit checks have to be imposed on the borrowing entity and the approval process may be slower.
- To be eligible for COVID-19 loans, SMEs need to meet the following criteria:
 - Established/incorporated prior to 1 March 2020;
 - No ongoing debt collection or liquidation proceedings;
 - Significant negative impact on the turnover due to the COVID-19 pandemic;
 - Not benefiting from federal financial support measures introduced in the areas of culture or sport;
 - The annual turnover must be lower than CHF 500 million.
- The guarantees by the Swiss Government last for 5 business years with a possibility for extension up to 2 years.

- Guaranteed loans have to be repaid within 5 business years at the latest.
- The banks may provide the respective companies/individuals additional loans in connection with the respective government backed loans at their own risks.

Financial help for specific sectors

- Businesses in the culture, sports and tourism sector may access loans, subventions and compensation for loss of income.
- The Swiss Government is currently examining whether it is possible to grant loans to business in the aviation industry.

Deferral of social security contributions

- Since 19 March 2020, Swiss companies and self-employed persons whose turnover has declined due to COVID-19 are able to defer the payment of social insurance contributions (AHV, IV, EO, IV, AC) for 6 months and without interest.
- They will also be able to adjust the usual amount of the advance payments made in respect of these insurances in the event of a significant fall in the wage bill.
- Until the end of June 2020, the social security authorities will also stop sending reminders for unpaid contributions. The legal standstill from 19 March 2020 to and including 19 April 2020 for debt collection also applies to the debt collection of the social security authorities.

Contributions to pension schemes

- Since 26 March 2020, employers may temporarily use the employer contribution reserves to pay employee contributions to pensions schemes for a period of 6 months to allow them to deal with liquidity issues.

- This measure has no effect on employees. Their employee contribution part are deducted from the salary as in normal circumstances and all contributions are credited to employees by the pension fund.

Tax payments

- The Swiss Federal Tax administration has waived the late payment interest for direct and other taxes due between 1 March 2020 and 31 December 2020.
- A majority of cantonal tax administrations have extended payment deadlines or have waived late payment interests for cantonal and communal taxes.
- Tax laws at federal level and cantonal level, allow taxpayers in case of hardship to request a deferral of payments due without any late interest on open tax payments (e.g. following a final assessment).

Deferral of bankruptcy and temporary deferral in probate proceedings

- The Swiss Government intends to introduce a temporary deferral in probate proceedings, the so-called COVID 19 deferral, for small and medium-sized enterprises that have run into financial difficulties solely as a result of COVID-19.
- The Swiss Government is currently examining a temporary arrangement whereby companies can wait to file for bankruptcy when they are threatened with corona-related over-indebtedness, if there is a chance that over-indebtedness can be remedied after the crisis.

General Measures

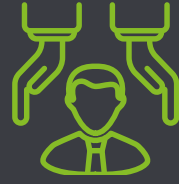
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Short-time work compensation for COVID-19

- Employers who suffer loss of work amounting to at least 10 % of the hours usually worked can apply for short-time work compensation if
 - i. the work of loss is due to economic reasons or official measures with an adequate causal link to COVID-19; and
 - ii. is likely to be of temporary nature and it can be expected that short-time work will maintain jobs.
- Short-time work requires the consent of each employee.
- The compensation paid by the unemployment fund is at 80 % of the loss of earnings attributable to the loss of work hours.
- The maximal insured annual salary is CHF 148'200.
- Social security contributions on employer's side are still due on the full salary, but will be reimbursed at 6,225% of the compensation. Social security contributions on the employee's side are also due on the full salary, unless there is a different agreement between employer and employee.
- Covered are all employees in a untermiated employment, who have not yet reached the retirement age, incl. employees with a fixed-term contract, on-call workers, apprentices and temporary workers.
- The Swiss Government has extended the circle of covered persons to Employees in an employer-like position (e.g. CEO of a limited company) and their spouses. In these cases, the compensation is a lump-sum of CHF 3'320 for a full-time employment.
- The Swiss Government has also ruled that no waiting period or grace period apply and that overtime does not need to be compensated before short-time work compensation is applied for.
- The application process has two stages: It requires an initial pre-notification to the competent cantonal authority (valid for 6 months) followed by monthly applications for reimbursements with the unemployment fund.

Special protections for employees at high risk ("particularly vulnerable employees")

- Employees at high risk are entitled to home office. Where they cannot perform their role from home, the employer has to provide them with equivalent work performable from home. In either case, the employer has to take all appropriate measures to ensure remote work.
- If operational reasons require the full or partly presence of employees at high risk at the employer's premises, the employer has to meet the following requirements:
 - All contact to other persons must be omitted, either by a separate office in a single room or separated work place with at least 2 metres distance.
 - Where close contact to other persons cannot be avoided, all appropriate protection measures need to be put in place (in particular personal protection gear as other technical/organisational measures).
- Where neither remote work from home (regular or equivalent role) nor regular role with the above listed safety precautions are possible, the employer has to provide an equivalent role at its premises in which he can ensure the above

safeguards. Before taking the prescribed measures, the employer must consult with the employees in question.

- In case none of these options are feasible or where the concerned employee does not agree with the measures, the employer is required to put the employee on paid leave.
- According to the legal definition, a particularly vulnerable person is in general any person, who is beyond the age of 65 or who has a pre-existing medical condition, i.e. i.e. high blood pressure, diabetes, cardiovascular diseases, chronic respiratory diseases, cancer or other diseases or therapies, which weaken the immune system. The Federal Office for Public Health ("FOPH") has now published a list specifying the categories of particularly vulnerable employees.

Protection concepts

- Businesses that are allowed to run or take up their operations are required to have protection concepts in place for the protection of clients, visitors and any person working at their premises. These concepts are to developed by their specific trade organisation and have to be in line with the health and labour law requirements as defined by the FOPH and the State Secretariat for Economics (SECO).

Compensation for loss of income of employees

- The loss of earning insurance covers the loss of income for employees,
 - iii. who cannot come to work because they have to take care of their children (beyond the age of 12); or
 - iv. who have been put under medical quarantine.
- The compensation is 80 % of the lost salary up to a maximum daily allowance of CHF 196.
- The compensation will be paid for a maximum of 10 days in case of a quarantine. In case of childcare, the entitlement ceases either when alternative childcare is guaranteed again or with the end of the measures due to COVID-19.

Compensation for loss of income of self-employed persons

- Self-employed persons, who suffer directly or indirectly a loss of income due to official measures (school closures, business closure, medical quarantine) can apply for loss income compensation unless they are compensated by a separate insurance scheme. In case of self-employed persons that are affected indirectly, their annual salary must be within the range of CHF 10'000 to CHF 90'000.
- The compensation is 80 % of the lost income up to a maximum daily allowance of CHF 196 and for a maximum of 30 days (if due to childcare). In any other case, their entitlement ceases with the end of the measures due to COVID-19 or for indirectly affected self-employed persons on 17 May 2020 at the latest (i.e. maximum entitlement two months starting on 17 March 2020).
- Self-employed persons, who were allowed to open their business on 27 April 2020, but may still suffer from loss of income due to the current situation (e.g. they may not serve clients at their full capacity due to existing protection concepts) will continue to be entitled for compensation until 16 May 2020.





Criminal law measures

Additional criminal measures

Art. 10f of the COVID-19 Ordinance 2 foresees further criminal measures in addition to the Swiss Criminal Code:

- Custodial sentences of up to three years or monetary penalties for business owners, who do not comply with the ban on public and private events respectively with the officially ordered closure of their publicly accessible establishments, unless a more serious offence under the Criminal Code has been committed.

- Fines of CHF 100 in case of violation of the ban on gathering of people in public area, of the restrictions on cross-border transport at border crossing as well as of the ban on shopping tourism.
- Fines for any company exporting protective equipment or essential medical goods without possessing the necessary licence.



Next Steps

Staggered way out of the lockdown

On 16 April 2020, the Swiss Government has decided on a staggered approach consisting of up to date three phases:

• Phase 1 (as of 27 April 2020)

The following facilities are allowed to take up operations:

- Stationary and ambulant medical facilities (incl. performance of any kind of operations).
- Hairdressers, beauty and massage salons, tattoo studios and other businesses offering personal services with physical contact
- DIY stores and garden centres
- Non-served public facilities (e.g. car cleaning facilities)

In addition, food stores are allowed to sell their full range of goods and not only necessities as well as funerals can take place also with non-family members.

• Phase 2 (as of 11 May 2020)

Mandatory schools as well as retail stores and markets are foreseen to open. Food stores are allowed to sell their full range of goods and not only necessities.

• Phase 3 (as of 8 June 2020)

Professional schools, universities and other education facilities may be allowed to hold lectures. Museums, libraries, zoos and other entertainment and leisure facilities may open. Furthermore, the ban on gatherings of more than 5 people may be loosened.

The Swiss Government will decide whether phase 2 and 3 will be entered as well as on further measures in its meetings on 29 April 2020 (for phase 2) and on 27 May 2020 (for phase 3). It will take into consideration the health situation at the respective dates. Up to date, the Swiss Government has not decided on the further phases.

The Swiss Government has furthermore decided not to implement a general obligation for mask wearing.

Regular Updates from Swiss Government

- The Swiss Federal Council informs twice a week (Wednesday and Friday) about the general situation and further developments. The update from 29 April 2020 will be reflected in the next edition.

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- **The Coronavirus Act 2020** received Royal Assent on 25 March 2020 and contains emergency powers to enable public bodies to respond to the COVID-19 pandemic.
- To review these powers please click on the following link for the full contents of the act - <http://www.legislation.gov.uk/ukpga/2020/7/contents>
- People in the UK are required to stay at home and quarantine until 7 May 2020, at which time the Government will review the situation and determine whether the lock-down can start to be relaxed.
- Individuals are only permitted to leave their homes for food, health reasons or work that cannot be done from home.
- Entry into the UK is unrestricted, however travellers will be medically assessed prior to departure to and from the UK. Any individual experiencing symptoms may be prohibited from travelling.
- Exit is unrestricted, however UK Government has advised UK nationals against all but essential international travel. Any UK nationals who are abroad are advised to return home immediately.



Economic Measures

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Government funding response

Please [use this link](#) to access the site where we upload daily update to the UK and global government response to COVID-19. This also covers the funding response.

A new package of support for firms driving innovation

The Chancellor announced on 20 April a new £1.25 billion coronavirus package to protect firms driving innovation in the UK. The package includes:

- a new £500 million loan scheme for high-growth companies impacted by the crisis, called the Future Fund, which is made up of funding from government and the private sector
- £750 million of targeted support for small and medium sized businesses focusing on research and development, which will be available through Innovate UK's grants and loan scheme.

UK High Street

On 23 April the Business Secretary announced temporary measures to safeguard the UK high street from aggressive debt recovery actions during the pandemic. Statutory demands and winding up petitions issued to commercial tenants will be temporarily voided and changes are to be made to the use of Commercial Rent Arrears Recovery, building on measures already introduced in the Coronavirus Act.

Bounce Back Loan Scheme

On 27 April the Chancellor announced a further COVID-19 support measure, the Bounce Back Loans, a new 100% government-backed loan scheme for small businesses. Summary details of the scheme are as follows:

- Loans of between £2,000 and £50,000 (up to 25% of turnover)
- The Government will guarantee 100% of the loan and there will be no fees or interest for the first 12 months

- Loan terms will be for up to 6 years
- The scheme will be delivered through a network of accredited lenders

This scheme appears to be targeted at the smallest business in the UK and is focussed on simplifying the process as much as possible. The scheme will be launched on 4 May.

Further details on all the above can be found on the funding response link above.

Finance Bill 2019-21

The Finance Bill received its second reading on the 27 April, making it the first piece of legislation to be debated under the Government's COVID-19 proceedings.

Life Assurance Scheme for NHS and other frontline staff

The families of health and care workers on the frontline in England will benefit from a new life assurance scheme during the COVID-19 pandemic. [Click here for more information.](#)

EU State Aid State Aid and "undertakings in difficulty"

The BVCA and some of its counterparts across the Continent plan to write to the European Commission this week to amend rules relating to so-called "undertakings in difficulty" which threatens to stop banks lending to thousands of large Private Equity backed companies. [Click here for more information.](#)

Corporate law

UK AGM Options

The UK Governance Institute has published guidance on the options available for listed Companies whose scheduled AGM's are likely to be effected by COVID-19 restrictions. The Institute recommends that Companies planning their AGM should be considering contingency plans and checking relevant provisions of the articles of association.

The options available to listed companies are as follows:

01. Adapt the basis on which you hold the AGM
AGM's can go ahead as scheduled in adapted forms. Encouraging proxy and online voting and promoting this option through the notice of meeting and company websites is an effective means to pass resolutions at the scheduled AGM. Establishing an online shareholder Q&A for the AGM is an appropriate platform for shareholder and board engagement. Ensure the AGM is quorate in accordance with the articles which will usually require the attendance of a small number of shareholders. Attendance on a live stream or phone link will not constitute formal attendance at the meeting.
02. Delay convening the AGM
A company which has not issued its notice can delay its despatch and potentially change the location of the AGM. The latest date to hold an AGM is six months after the financial year end and so companies with a 31 December year end will have relatively little leeway. Companies can convene the AGM on 21 clear days' notice absent any longer period in the Articles.
 - Update the market. An update announcement with new time and date should be made.
 - Annual authorities. Check the dates on which standing authorities approved at the previous AGM expire. Generally, authorities will be expressed to expire at the earlier of the date of the following AGM and 15 months after the AGM at which they are granted.
 - Remuneration policy. Companies required to approve a new remuneration policy at their 2020 AGM have until the end of their current financial year to approve the new policy.
 - Dividend payments. Delaying the AGM may mean that the company's final dividend is not paid on the expected date. If the timing is considered important, the payment of an interim dividend in lieu could be considered.

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– Implications for Listing Rule and DTR disclosures. If listing rule and DTR statements have been included in the report and accounts, these will need updating if the notice of meeting is issued more than one month after the report and accounts.

03. Postpone the AGM

If a company has issued an AGM notice, it can postpone its AGM if its Articles permit it to do so. Assuming the Articles do not provide otherwise, there is no statutory minimum notice period for rearranged meetings. As a matter of good practice, the company should try to provide 21 clear days' notice but it may be reasonable in the circumstances to have a shorter notice period. The postponed meeting must be held within six months of the company's financial year end and so companies with a 31 December year end will have relatively little leeway.

04. Adjourn the AGM

A company should only consider adjournment if it has issued its AGM notice and does not have postponement provisions in its Articles. Generally, a quorate meeting is required to be held in order to enable an adjournment. However, the Articles will often permit greater flexibility, allowing, for example, for adjournment for lack of quorum. The adjourned meeting must be held within six months of the company's financial year end.

05. Conduct a hybrid AGM

Virtual-only meetings are not viable given they may not constitute valid meetings. However, if the Articles allow this, companies can conduct a hybrid AGM (a combination of a physical and electronic meeting). If a company has already issued its AGM notice for a physical-only meeting but its articles allow a hybrid AGM, it can change to a hybrid AGM. An announcement should be made to reflect this decision and the website should be updated. Companies conducting a hybrid AGM should make shareholders aware that they can participate fully in the AGM electronically. Holding a hybrid meeting in itself will not preclude the ability of shareholders to attend in person and therefore companies must consider the adaption measures described above.

The quorum for a general meeting is typically set out in a public company's articles. This quorum may be satisfied by two directors and/or employee shareholders of the company attending the meeting, with resolutions being passed by the proxy votes of those who have not been able to attend in person and the votes of those in attendance. For example a quorum could be achieved by an executive director and the company secretary being present at the general meeting, provided that each is a member, a corporate representative or appointed as a proxy. The fact that their presence is necessary in order for a quorum to be formed means that their presence is 'essential for work purposes' (and therefore permitted), especially given they are both employees and the company needs to deal with the business of the meeting.

Of course, all appropriate social distancing measures should be observed by the small number of attendees at a physical meeting. For example, the meeting should be no longer than is required and if those attending are not from the same household they should maintain at least the recommended minimum degree of physical separation.

UK Companies House – COVID-19 Impacts

Companies House is responding to Public Health England guidelines and its service has been impacted as a result. The Office remains operational subject to the below restrictions and delays.

• Filing documents

To register information as quickly as possible online services exist to file accounts, confirmation statements, company changes and company closures. For the small number of filings where online submission is not possible,

Companies House is working on an upload and payment service online as quickly as possible. The registrar's powers forms that may now be filed online include:

- RP02A – application for rectification by the registrar of companies;
- RP02B – application for rectification of a change of registered address;
- RP03 – objection to a request to rectify the register;
- RP06 – application to remove material about a director;
- RP07 – application to change a company's disputed registered office address; and
- RPCH01 – correction to a director's date of birth.

• Late Filings

If accounts are late because your company is affected by COVID-19, and your filing deadline has not yet passed, you can apply for an automatic and immediate 3 month extension to file your accounts.

Penalties still apply for accounts filed late when no extension has been granted. The Registrar has however put in place extended measures whereby COVID 19 can be treated as an exceptional circumstance. Companies need to formally appeal against the late filing notice which will be treated on a case by case basis. Companies issued with a late filing penalty due to COVID-19 will have appeals treated sympathetically. Companies House will continue to write to companies if their annual accounts or confirmation statement is overdue - but they will not publish the Gazette notice. This will help businesses file any outstanding documents and bring their record up to date.

• Access to offices

There are restrictions to public access to Companies House offices and the delivery of paper documents. Documents can be delivered Belfast, Edinburgh and Cardiff offices via post however expect delays in processing paper forms.

• Strike off Relief

Companies House will temporarily pause the strike off process to prevent companies being dissolved. This will give businesses affected by the coronavirus outbreak the time they need to update their records and help them avoid being struck off the register. This is a temporary measure to be reviewed from 1 May 2020.

• Same day service and document ordering

All same day filings are suspended. The ordering of original documents from the register is suspended.

• Stamp Duty

HMRC has introduced an electronic service to temporarily replace their usual Stamp Duty process. Companies House will accept and register an unstamped SH03 form if it's accompanied by a letter from HMRC confirming that the correct duty has been paid.

Insolvency legislation

A package of Insolvency measures were announced by the UK Business Secretary to support businesses struggling for survival as a result of COVID-19:

- fast track implementation of some of the planned reforms to the corporate insolvency framework; and
- **temporary suspension of the wrongful trading provisions, retrospectively from 1 March, for three months.**

The government intends to fast track new legislation to introduce:

- a short moratorium to protect companies from creditor action;
- a new restructuring tool; and
- prohibit the termination of essential supplies to protect the supply chain for companies undergoing a restructuring.

Eligibility – this is not a charter to absolve directors from liability for poor decision making. The wrongful trading rules are being temporarily relaxed to “reassure directors that the difficult decisions they have to make about the future viability of their business will not have to be unduly influenced by the exceptional circumstances which are entirely beyond their control.”.

Note: directors may still be liable for fraudulent trading and breach of fiduciary duty.

How to apply - there is no application required. Directors should, as with all decisions, document the thought process they have gone through and the evidence relied upon in making those decisions.

Initial notice: <https://www.gov.uk/government/news/regulations-temporarily-suspended-to-fast-track-supplies-of-ppe-to-nhs-staff-and-protect-companies-hit-by-covid-19>

Last consultation on insolvency reform: <https://www.gov.uk/government/consultations/insolvency-and-corporate-governance>

Immigration/Visas

Whilst visa applications are still being accepted online, the UK visa application centres are now closed until further notice. Applicants cannot complete their applications in full.

• Extensions / Renewals

Any current visa holder in the UK whose visa will expire between 24 January and 31 May 2020 and cannot leave the UK as planned can apply for their visa to be extended on an exceptional basis via special measures put in place by the Government.

For others needing a visa extension, applications are still being accepted online as per the usual process. However UK visa application centres are closed. Applicants will not be able to complete their applications in full and they will be pending with the Government for an extended period. As long as the online application form is submitted and payment made before the visa expiry date, visa status should be preserved.

• All other In-Country applications are suspended

Whilst applications are still being accepted online, with UK visa application centres closed, applicants will not be able to complete their applications in full and they will be pending with the Government for an extended period.

• Any special concessions or relaxation of immigration requirements

Any current visa holder in the UK whose visa will expire between 24 January and 31 May 2020 and cannot leave the UK as planned can apply for their visa to be extended on an exceptional basis. Any current visa holder will be able to apply from the UK to switch to a long-term UK visa until 31 May. Automatic visa extensions of one year granted to doctors, nurses and paramedics working in the UK. Removal of limit on hours trainee nurses and doctors can work.





Coronavirus Job Retention Scheme (CJRS)

- On 20 March the Chancellor announced that the UK government was setting up a Coronavirus Job Retention Scheme. All employers in the UK with a UK bank account are eligible to make an application for the scheme, although not principally designed for publicly funded organisations or Public Bodies.
- Under the scheme, the UK government will provide grants to employers to cover the wages of employees who are not working but are furloughed and kept on the company's payroll. Employees may not undertake work for the company while on furlough, but may do training and voluntary work or paid work for another employer. The scheme covers any type of contract, including agency contracts and flexible or zero-hours contracts, but does not include employees who are still working on reduced hours. Employees need to be furloughed for minimum periods of three weeks, but can be un-furloughed and re-furloughed.
- In order to qualify, the employee must have been paid in 2019/20 and included on an RTI return by 19 March 2020. Employees made redundant since 28 February 2020 are eligible for the scheme if they are rehired by their employer. The grant is calculated as the lower of 80% of an employee's regular wage

or £2,500 per worker per month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. If an employee has been employed for a full 12 months prior to the claim, the company can claim for the regular wage figure to be the higher of the same month's earnings from the previous year or the average monthly earnings from the 2019-20 tax year. The PAYE payment to the employee is subject to the usual income tax and other deductions.

- The scheme will be backdated to 1 March and is open until 30 June and may be extended further. Government acknowledges that employers may still need to make redundancies once the CJRS ends – there are no restrictions in relation to future redundancies.

Coronavirus Job Retention Scheme is up and running

- Late on Friday 17 April, HMRC issued further employer guidance and employee guidance in relation to CJRS.
- The scheme went live on 20 April.
- 285,000 business claimed in the first two days of the CJRS.

Further information on CJRS including eligibility as well as information regarding the recently issued employer and employee guidance can be found on [this link](#)

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Criminal law measures



Next Steps

General Measures

Economic Measures

Employment law and social protection measures

Criminal law measures

Next Steps



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