

# ADVISORY

April 2020



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## Country-by-Country Guide: Government Measures Taken in Response to COVID-19

Please find a summary of regulations related to COVID-19 in more than 32 countries (including Indonesia prepared by our Firm) as per 22 April 2020 below.

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Country	Economic Measures	Labor & Employment Measures	Health & Safety Measures	Export/Import Measures	Resources
<p><b>Australia</b></p> <p><a href="#">McCullough Robertson</a></p> <p>John Kettle <a href="mailto:jkettle@mccullough.com.au">jkettle@mccullough.com.au</a></p> <p>Adrian Smith <a href="mailto:adriansmith@mccullough.com.au">adriansmith@mccullough.com.au</a></p> <p>Kim Wiegand <a href="mailto:kwiegand@mccullough.com.au">kwiegand@mccullough.com.au</a></p> <p><i>Updated as of April 9, 2020</i></p>	<p><b>Foreign Investment Review Board (FIRB):</b> With effect from March 29, 2020, the following changes have been made to the FIRB framework:</p> <ul style="list-style-type: none"> <li>• all monetary screening thresholds have been reduced to \$0;</li> <li>• screening times have increased from 30 days to 6 months; and</li> <li>• priority will be given to applications that protect and support Australian businesses and jobs.</li> </ul> <p><b>Economic Stimulus:</b> Government introduced certain measures in response to COVID-19, including (i) increasing the amounts for instant asset write-offs, (ii) accelerating depreciation deductions until June 30, 2021, and (iii) assistance for SMEs for employee wages and salaries.</p> <p><b>Tax:</b> Businesses may be entitled to (i) changes to Goods and Services Tax reporting obligations and (ii) deferral of payments of income tax, fringe benefits tax and excise tax by up to 6 months upon application to the Australian Taxation Office (ATO).</p>	<p><b>JobKeeper Payments:</b> On March 30, 2020, the Australian government announced a wage subsidy package of \$1,500 per fortnight for all full-time, part-time and long-term casual employees employed by eligible businesses as of March 1<sup>st</sup>, effective from May 2020.</p> <p><b>Award Changes:</b> From April 1, 2020, the Australian government began working with the Fair Work Tribunal to change 103 modern awards to provide an entitlement for:</p> <ul style="list-style-type: none"> <li>• Unpaid pandemic leave; and</li> <li>• Annual leave at half-pay.</li> </ul> <p>On March 28<sup>th</sup> and March 31<sup>st</sup>, the Fair Work Commission made changes to the <i>Clerks Award 2010</i> and the <i>Restaurant Industry Award 2010</i> respectively to allow flexibility for employee’s working hours and duty classifications. Similar changes to other modern awards are expected.</p>	<p><b>Business Closures:</b> On March 22, 2020, Government announced that the following facilities will be restricted from opening from midday local time March 23, 2020:</p> <ul style="list-style-type: none"> <li>• Pubs, clubs, and hotels (excluding accommodation)</li> <li>• Gyms and indoor sporting venues</li> <li>• Cinemas and entertainment venues</li> <li>• Restaurants and cafes will be restricted to takeaway and/or home delivery</li> <li>• Religious gatherings and funerals (with some size exceptions)</li> </ul> <p><b>Public Gatherings:</b> On March 29, 2020, most indoor and outdoor non-essential gatherings were limited to two people. Rules on essential gatherings are also in place.</p> <p><b>Travel Restrictions:</b> On March 15, 2020, government announced that all travelers will be subject to the 14-day quarantine after arriving, and cruise lines from foreign ports are banned from Australia for 30 days. On March 24, 2020, Australia announced a ban on Australians travelling overseas, and Australians must avoid all non-</p>		<p><a href="https://www.pm.gov.au/media/update-coronavirus-measures-220320">https://www.pm.gov.au/media/update-coronavirus-measures-220320</a></p> <p><a href="https://www.dss.gov.au/about-the-department/coronavirus-covid-19-information-and-support">https://www.dss.gov.au/about-the-department/coronavirus-covid-19-information-and-support</a></p>



**Tax concessions:** Businesses with an aggregated annual turnover below \$500 million can obtain an immediate tax deduction for certain assets.

**State Measures:**

- The State of Queensland introduced \$500 million COVID-19 Jobs Support Loan scheme to help businesses financially affected by COVID-19.
- The State of New South Wales introduced an economic package which includes creation of a \$1 billion Working for NSW fund to sustain business, create new jobs and retrain employees and deferral of payroll taxes, among others.

**Changes to Australia's insolvency system:** Implementation of measures to protect directors from Australia's insolvent trading laws, and to prevent creditors from bankrupting individuals or winding up companies over unpaid debts. These changes will last for 6 months, unless extended.

**Commercial Leases:** Government implemented additional measures to provide relief for small and medium businesses that (i) have an annual turnover of \$50 million or less, (ii) are experiencing a 30% reduction in

essential domestic travel. Individual States and Territories have also imposed restrictions between jurisdictions unless for essential travel.



turnover, and (iii) are eligible for the JobKeeper program. Accordingly, the National Code of Conduct for Commercial Tenancies mandates that a rent relief must be given to eligible businesses in proportion to their reduced turnover. The amount of relief will be determined based on (i) a rent waiver equivalent to at least 50% of the relief amount, and (ii) deferred rent payments. Furthermore, landlords may not increase rent and evict tenants for non-payment during the 6-month emergency period.

## Belgium

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**Economic Stimulus:** The Flemish, Walloon and Brussels Regions have taken several measures to maintain or increase the liquidity of companies by granting public guarantees for bank loans, thereby extending or supplementing existing public guarantees (for example, the guarantee capacity of the Flemish investment company (PMV) will be extended with a corona crisis guarantee of EUR 100 million).

#### **Tax:**

**Deferral of Tax Deadlines:** The deadline for filing income tax returns is automatically extended to April 30th (midnight). In addition, the deadlines for the submission of the periodical

#### **Termination of Employment**

**Relationship:** All employers experiencing a temporary closure of their business or a reduction in work flow resulting from COVID-19 may invoke temporary unemployment for force majeure until April 19.

During the temporary unemployment, the employment contract is suspended (for the avoidance of doubt, it does not actually end) without pay.

The temporary unemployment may be invoked on a full-time or part-time basis (for example alternating work days with days of unemployment).

#### **Ministerial Decree of 3 April 2020:**

**Lockdown:** Citizens are required to stay at home to avoid contact outside their family as much as possible, except to go to work and for essential travel (to the doctor, food shops, post office, bank, pharmacy, to refuel or to help people in need).

**Public Gatherings:** Larger gatherings of people are not allowed.

**Business Closures:** Companies - irrespective of their size - are obliged to organize working from home for every position where this is possible, without exception. If this is not possible for certain employees, social

(Please see the export controls on medical supplies mentioned under the European Union.)

[https://www.belgium.be/en/news/2020/coronavirus\\_reinforced\\_measures](https://www.belgium.be/en/news/2020/coronavirus_reinforced_measures)

<https://www.info-coronavirus.be/en/news/phase-2-maintained-transition-to-the-federal-phase-and-additional-measures/>

<https://www.info-coronavirus.be/en/faq/#002>

<https://www.nautadutilh.com/en/coronavirus>

<https://financien.belgium.be/nl/ondernezingen/steunmaatregelen-betreffende-het-coronavirus-covid-19> (only available in Dutch, French or German)



VAT returns and intra-Community sales listing have been extended. Due dates for the payment of personal income tax, corporate income tax, non-resident income tax and legal person tax, also extended for two months.

Payment deferral and waiver of late payment interest and fines upon motivated request: All individuals and legal persons having an enterprise number (KBO) (irrespective of their sector of activity) can, if they are affected by the spread of the coronavirus and are capable of demonstrating this (e.g. drop in turnover), request the following measures for tax debts relating to personal income tax, corporate income tax, legal entity tax, wage withholding tax and VAT: (i) a repayment plan, (ii) a waiver of late payment interest and (iii) a remission of fines for non-payment. This request must be submitted by June 30 at the latest.

During periods of temporary unemployment, employees are entitled to 70% of the previous salary (capped at 2,754.76 EUR gross per month) plus a daily allowance of 5.63 EUR (up to 150 EUR per month) payable directly to the employee by the National Unemployment Office.

**Social Security Contributions:**  
Social security payment obligations are deferred until December 15 for companies that were closed due to the COVID-19 outbreak.

distancing measures will be strictly imposed.

Key industries and essential services do not have to telework and implement social distancing measures but must ensure that the aforementioned rules are complied with as much as possible. Non-essential shops and retail outlets are closed, except for food shops, pharmacies, pet food shops and news agents.

**Travel Restrictions:** Non-essential travel outside Belgium is prohibited until April 19. If employees need to cross the border for work, they are strongly recommended to have a special vignette and preferably an employer's declaration (for employees who work in an essential sector) or an employer's declaration which proves that the employee must cross the border for work (for employees who work in a non-essential sector).



## Brazil



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**State of Public Calamity:** Decree 88/2020 recognized a State of Public Calamity until December 2020, allowing the government to have more flexibility to take measures without prior Congressional approval.

### Companies Annual Accounts Approval and Shareholder's

**Distance Voting:** Through Provisional Measure MP 931/20, it was ruled, among others, that (i) at the year 2020, company by shares and limited liability companies will have an additional 7 month-period to approve their accounts related to the fiscal year ended from December 2019 to March 2020; (ii) partners and shareholders of companies will be able to participate in meetings and digitally vote at their decision makings; and, (iv) members of the board of directors may rule about emergency matters that otherwise would be the responsibility of the general meeting.

**Commercial Trade Board:** On March 20, the Commercial Trade Board of the State of São Paulo suspended customer services and due dates to comply with requirements until April 30, 2020.

**Employee Quarantine.** Law No. 13.979/2020 ruled that employees returning from any affected area are required to quarantine.

### Employment Relationship.

Provisional Measure No 927/2020 allows employers to: (i) require employees to work from home without amending the employment contract; (ii) require employees to use their vacation and holidays during the time they cannot work due to the pandemic; (iii) suspend mandatory physical examination; (iv) implement layoff measures up to 4 months; (v) suspend the payments of Employee's Severance Guarantee Fund for March, April and May, 2020.

### Emergency Program to Maintain Labor and Income:

Provisional Measure MP 936/20 determined a program in order to maintain jobs, income and economic activities. It created the possibility of: (i) paying for workers an Emergency Benefit to preserve jobs and income; (ii) possibility to reduce working hours and salaries up to 70% for 90 days, which will allow the employee to file for compatible unemployment insurance payable by federal

**Health Insurance:** National Health Agency - ANS, through IN 453/2020, included the Covid-19 test as a mandatory procedure to beneficiaries of health insurance.

**Telemedicine:** The Health Minister, Henrique Mandetta, through ordinance 467/20, permitted the use of telemedicine for medical services, including medical consultation and digital medicine prescription.

**Import Taxes Reduction:** Medical equipment import taxes were reduced to 0% until September 30<sup>th</sup>, and the import procedures will be expedited.

<http://www.ans.gov.br/component/legislacao/?view=legislacao&task=TextoLei&format=raw&id=Mzq2MQ==>

[http://www.planalto.gov.br/ccivil\\_03/\\_at\\_2019-2022/2020/lei/L13979.htm](http://www.planalto.gov.br/ccivil_03/_at_2019-2022/2020/lei/L13979.htm)

<http://normas.receita.fazenda.gov.br/sijut2consulta/link.action?visao=anotado&idAto=107839>

<http://www.in.gov.br/en/web/dou/-/resolucao-n-17-de-17-de-marco-de-2020-248564246>

[http://www.planalto.gov.br/ccivil\\_03/\\_at\\_2019-2022/2020/Mpv/mpv927.htm](http://www.planalto.gov.br/ccivil_03/_at_2019-2022/2020/Mpv/mpv927.htm)

<http://www.institucional.jucesp.sp.gov.br/homepage.php>

<https://www25.senado.leg.br/web/atividade/materias/-/materia/141114>





**Tax on Financial Transactions – IOF:** The rate of the financial transaction tax – IOF was reduced to 0% for a 90-day period.

government; and (iii) possibility of suspending labor contracts without salary payments.

**Postponement of Maturity Date Payment of PIS, COFINS and INSS.** Ordinance 139/2020 of Ministry of Economy postponed the due date for the payment of certain important taxes levied on Brazilian companies as PIS/COFINS and INSS.

Canada

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**Tax:** The Canada Revenue Agency (“CRA”) will defer the filing due date for 2019 tax returns (including certain administrative income tax actions) of individuals, partnerships and trusts.

The CRA will permit all taxpayers (including businesses) to defer, until September 1, 2020, the payment of any amounts on account of their income tax liabilities that become owing on or after March 18, 2020 and before September 2020. This applies to income tax balances due, as well as instalments on account of such taxes. CRA will not charge interest or penalties on these amounts during this period.

Businesses can defer until June 30, 2020 payments of Goods and

**Employment Insurance:** Federal employment insurance (“EI”) sickness benefits provide up to 15 weeks of income replacement and are available to eligible claimants who are unable to work because of illness, injury or quarantine.

**Employee/Worker Protection:** Amendments to the Canada Labour Code provide an employee who is unable or unavailable to work for reasons related to COVID-19 a job protected leave of absence for up to 16 weeks.

The government of Canada also extended the maximum duration of the Work-Sharing program from 38 weeks to 76 weeks and has expanded eligibility. Employment

**Business Closures:** Provincial governments across Canada have declared states of emergency and/or states of public health emergency, which has led to certain provinces: (i) requiring the closure of businesses deemed non-essential (e.g. Quebec, Ontario); or (ii) permitting non-essential businesses/services that have not been ordered to close to stay open if they can adapt their services and workplace to the orders of the Provincial Health Officer (e.g. British Columbia).

**Public Gatherings:** The federal government has issued guidelines in respect of public gatherings, while many provincial governments have issued prohibitions on events and gatherings in excess of a specified

**Import Measures -Tariff Free Treatment for Emergency Goods:** Medical supplies required for the COVID-19 emergency may qualify for duty and tax relief if imported temporarily on behalf of governmental entities, medical and other first responders or public or private long term care residences under tariff item 9993.00.00.

**Import Measures - Payment Deferral:** Payment of customs duties and GST/HST tax owing on imports to the Canadian Border Services Agency are deferred until June 30, 2020.

**Economic Measures:**

<https://www.fasken.com/en/knowledge/2020/03/30-covid-19-canada-emergency-response-benefit>

<https://www.fasken.com/en/knowledge/2020/03/29-covid19-recent-canadian-and-quebec-tax-measures>

**Labour and Employment:**

<https://www.fasken.com/en/knowledge/2020/04/9-covid-19-daily-workplace-wrap-up>

[https://www.fasken.com/en/knowledge/#sort=%40fdate75392%20descending&f:\\_D85AD43D-D74C-4121-8657-ADD019BFC5E5=\[Covid-19\]&f:\\_4ADE108E-A0F4-41C2-A541-7BD3F4ADA055=\[Labour%2C%20Em](https://www.fasken.com/en/knowledge/#sort=%40fdate75392%20descending&f:_D85AD43D-D74C-4121-8657-ADD019BFC5E5=[Covid-19]&f:_4ADE108E-A0F4-41C2-A541-7BD3F4ADA055=[Labour%2C%20Em)



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Services Tax / Harmonized Sales Tax (“GST/HST”), as well as customs duties owing on their imports. The deferral will apply differently to GST/HST remittances for monthly filers, quarterly filers, and annual filers.

**Loan Facilities:** The Business Credit Availability Program (“BCAP”) will provide more than \$65 billion in direct lending and other types of financial support at market rates to businesses with viable business models whose access to financing would otherwise be restricted.

The Small and Medium-sized Enterprise Loan and Guarantee program will make \$40 billion in loans and guarantees available to businesses through the Business Development Bank of Canada and Export Development Canada.

Additional lending capability for transactions deemed to be in the national interest by the federal government will be made available through the Canada Account, which is a program where the lending risk is assumed by the Federal government.

insurance benefits received by employees through the Work-Sharing program will reduce the benefit that their employer is entitled to receive under the Canada Emergency Wage Subsidy (discussed below).

**Business Subsidies:** The Federal government enacted new measures to help businesses, including: (i) The Canada Emergency Wage Subsidy (“CEWS”) which will cover up to 75% of the first \$58,700 earned by an employee and up to 100% of certain employer-paid contributions to EI and pension plans. The CEWS is available to businesses whose revenues have decreased by at least 15% in March and 30% in the following months, (ii) a 10% wage subsidy for employers to reduce the amount of payroll deductions required to be remitted to the Canada Revenue Agency benefits from this subsidy will reduce the amount of benefits available under the CEWS), (iii) additional loan facilities including the Emergency Business Account and a new guaranteed loan program (discussed in more detail under “Economic Measures”) and (iv) changes to the Canada

number of people - e.g. the government of Ontario’s order prohibiting events and gatherings of more than 5 people (subject to certain exceptions such as a single household which has more than 5 members; funerals).

**Travel Restrictions:** 30-day restriction (from March 21) on all non-essential travel at the Canada-U.S. border.

Foreign nationals (i) who have symptoms are not permitted to enter Canada; (ii) who have no symptoms and are arriving from the U.S. will be allowed to enter Canada only for essential travel; and (iii) excluding those arriving from the U.S. will not be allowed into Canada subject to certain exceptions (e.g. immediate family members of a Canadian citizen or permanent resident).

**Border Closures - Entry into Canada From Any Country Other Than the United States:** Entry into Canada by a foreign national is prohibited until June 30, 2020, subject to a number of exceptions regarding the delivery of an essential service (e.g., persons making medical deliveries).

[ployment%20%26%20Human%20Rig hts/](#)

<https://www.fasken.com/en/knowledge/2020/03/25-covid-19-the-federal-work-sharing-program-an-alternative-to-layoffs>

<https://www.fasken.com/en/knowledge/2020/04/9-canada-summer-jobs-program-temporarily-changed>

<https://www.fasken.com/en/knowledge/2020/04/13-covid-19-long-weekend-workplace-wrap-up>

## Health and Safety:

<https://www.fasken.com/en/knowledge/2020/04/1-covid-19-government-orders-closing-businesses>

<https://www.fasken.com/en/knowledge/2020/03/30-covid-19-weekend-wrap-up>

<https://www.fasken.com/en/knowledge/2020/03/managing-an-international-workforce-in-a-global-pandemic>

## Export/Import:

<https://www.fasken.com/en/knowledge/2020/03/26-covid-19-canada-trade-update>

<https://www.fasken.com/en/knowledge/2020/04/7-covid-19-canada-trade->





**Pension Plans:** Sponsors of federally regulated, defined benefit pension plans are not required, through the remainder of 2020, to meet solvency payment requirements for defined benefit plans.

Summer Jobs Program including extending the end date for employment to February 28, 2021 and increasing the wage subsidy to up to 100% of the minimum hourly wage of each employee.

**Provincial Measures:** Many of the provinces and territories have enacted additional measures in response to the COVID-19 pandemic, including one-time lump sum benefits for individuals, additional job-protected leaves for non-federally regulated employees, funds and assistance program. Some provinces have also amended their workers compensation benefits and workers safety programs to allow business to defer fees and payments due under these programs.

### **Border Closures - Entry into Canada From the United States:**

Entry for non-business purposes such as tourism is prohibited. Exceptions are for those providing an essential service. More generally, persons who are allowed to enter Canada are required to self-isolate for 14 days, subject to certain exceptions. These include asymptomatic persons in the trade and transportation sector who are required to cross the border for their work, and those crossing the border for work in the health care sector or critical infrastructure workers.

[update-navigating-the-challenges--part-2](#)

## Chile



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**Economic Stimulus:** The Chilean Central Bank increased the upper thresholds for the investment in alternative assets by Pension Funds type A, B, C, and D, with the purpose of “promoting the diversification of Pension Funds’ portfolios, granting them access to a better combination of risk and return”. In the case of Pension Funds type E, the former limit was kept.

**Unemployment Insurance:** On April 6<sup>th</sup>, the new law on employment protection (Law No. 19,728) entered effect. The new law contains a series of emergency measures taken by the Chilean authority in response to the conditions created by the COVID-19 disease. The new Law provides the possibility of accessing the coverage of the unemployment insurance in 3 main scenarios.

**ID Cards:** Health Ministry will provide an ID card for people who have recovered from COVID-19.

Government informed that the use of masks is required in all public transportation.

**Lockdown:** Government extends quarantine in several communes in Chile: Temuco Padre Las Casas, Chillán, Chillán Viejo, Hualpén, San

<https://chilereports.cl/en>

<https://www.carey.cl/en/cooperatives-are-allowed-to-refinance-up-to-three-installments-in-the-payment-of-credits/>

<https://www.carey.cl/en/law-that-authorizes-access-to-the-benefits-of-the-unemployment-insurance-of-the-law-no-19728-in-exceptional-circumstances/>



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## **Emergency Economic Plan:**

President Sebastián Piñera announced the second stage of the Emergency Economic Plan. The plan includes a US\$2 billion fund to provide more benefits for vulnerable families and create more jobs. The plan will also finance loans to companies for an unprecedented amount of up to US\$24 billion. The plan aims to ensure that substantial credit reaches companies, especially SMEs. Proposed legislation that would provide US\$3 billion in funding for the Small Business Guarantee Fund (Fondo de Garantía para Pequeños Empresarios, Fogape) will be submitted to the Senate for immediate discussion this week. Also, the President revealed the conditions under which banks will grant state-guaranteed loans.

Cooperatives are allowed to refinance up to 3 installments in the payment of credits.

**Tax:** On April 13, 2020, the Chilean Tax Authority issued Resolutions No. 40 and 41, which provide certain tax measures to address the effects of the COVID-19 pandemic, including (i) certain monthly provisional payments, (ii) deferral of payment deadlines for

**Guaranteed Minimum Income:** A new law (Law No. 21,218) was enacted that grants a monthly subsidy for employees in order to allow them to reach a minimum guaranteed income.

Pedro de la Paz, Nueva Imperial (urban surroundings), Osorno, Las Condes, Punta Arenas. Some communes are in quarantine but not in their whole territory: Ñuñoa, Santiago, Puente Alto. In Providencia, Lo Barnechea and Vitacura, the quarantine ended Monday, April 13<sup>th</sup>.

Over 90 sanitary customs have been set up on highways and there are 461 checkpoints guarded by more than 2,500 police officers.

Chile's Health Ministry announced that using masks in enclosed public spaces is to be mandatory.

<https://covid19.carey.cl/wp-content/uploads/2020/04/new-economic-measures-to-protect-families-from-the-impact-of-covid-19.pdf>

[https://cdn.digital.gob.cl/public\\_files/Campa%C3%B1as/Corona-Virus/documentos/Controles\\_Sanitarios\\_11042020.pdf](https://cdn.digital.gob.cl/public_files/Campa%C3%B1as/Corona-Virus/documentos/Controles_Sanitarios_11042020.pdf)

<https://www.carey.cl/en/chilean-central-bank-increases-upper-thresholds-for-the-investment-in-alternative-assets-by-pension-funds/>

<https://www.carey.cl/en/resolutions-no-40-and-41-issued-by-chilean-irs-in-relation-to-the-tax-measures-established-due-to-covid-19/>



VAT taxes and taxes declared through Form No. 22, (iii) refund of January and February taxes paid by independent workers, and (iv) the anticipated refund of annual income tax returns.

### Emergency Family Income:

President Sebastián Piñera announced the Emergency Family Income that benefits 4.5 million Chileans during Covid-19 pandemic.

## China



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**Economic Stimulus:** Companies will pay 95% of the original electricity price from February 1, 2020 to July 30, 2020.

### Tax Exemptions and Refunds:

From March 1, 2020 to May 31, 2020, lower taxpayers in Hubei province will be exempted from VAT if their tax rate is set at 3 percent. Lower taxpayers in other regions will pay a lower tax rate of 1 percent on taxable sales revenue if their VAT rate is set at 3 percent.

Enterprises engaged in manufacturing key support materials for epidemic prevention and control are allowed to apply for a full refund of the increment of accumulated input-VAT. Regarding tax loss incurred among enterprises significantly affected by the epidemic

### Restrictions on Termination:

Employers are prohibited from terminating employees who are on sick leave due to COVID-19, or in mandatory quarantine due to COVID-19, or cannot return to work because their cities are locked down.

The central and local government encourage employers to retrain from laying off their employees or to reduce the number of the layoffs to the minimum extent.

Employers are required to give full pay to the employees who are in quarantine because of being infected with COVID-19 or being close contacts to the COVID-19 patients, or subject to mandatory

**Lockdown Lifted:** China locked down and sealed off Wuhan in the Hubei Province on January 23, 2020 to contain the spread of COVID-19.

On April 8, China officially lifted outbound travel restrictions and ended the lockdown of Wuhan. Chinese authorities have removed almost all travel bans and lockdowns across provinces and cities, but some restrictive measures remain effective.

**Limited Restrictions:** For instance, people are still required to wear face masks and have their temperature tested when entering public spaces, and avoid large scale gathering. In addition, a red-yellow-green three color QR code health scheme is currently being implemented in many

For exports of the covered medical devices (Disease Test and Detection Kits, Medical Masks, Medical Protective Suits and Other Garments, Ventilators, Infrared Thermometers), China Customs, as of April 1, requires the exporter to provide a declaration certifying the products have been duly registered in China and conform with the importing country's quality standards. Customs will verify the medical device registration certifications before releasing the exports. There is an exemption for personal mailing of articles within reasonable quantities.

### Economic Measures

<https://mp.weixin.qq.com/s/NHs3UyJ74jGm3zvrkVeU1w>

[http://www.gov.cn/zhengce/zhengceku/2020-03/02/content\\_5485597.htm](http://www.gov.cn/zhengce/zhengceku/2020-03/02/content_5485597.htm)

[http://www.gov.cn/zhengce/zhengceku/2020-02/16/content\\_5479561.htm](http://www.gov.cn/zhengce/zhengceku/2020-02/16/content_5479561.htm)

### Labor & Employment Measures

<https://news.bloomberglaw.com/daily-labor-report/insight-coronavirus-poses-contract-employment-issues-for-u-s-businesses>

<https://www.china-briefing.com/news/china-reduce-social-insurance-commitments-smes-short-term-coronavirus-impact/>



Updated as of  
April 10, 2020

in 2020, the maximum carry forward period is increased from 5 to 8 years.

Property tax and urban land use tax on landlord are reduced or exempted to encourage the landlord to reduce or exempt rent for tenants.

**Loan Facilities:** The loan terms of epidemic-hit enterprises could be extended and they can apply for deferment of repayment of principal and interest payable from January 25 to June 30, 2020. Overdue loan repayments in such period will not be subject to penalties.

**Subsidies:** Company can obtain training subsidy for conducting online/offline occupational training.

quarantine, isolations or lockdown of the city.

**Employee Benefits:** For small and medium size enterprises and all the enterprises in Hubei Province, the company portion of their contributions to the mandatory pension, unemployment and work-related injury insurances are waived from February to June 2020.

For large enterprises and others non-governmental organizations, the company portion of their contributions to the mandatory pension, unemployment and work-related injury insurances are reduced by half from February to April.

The company portion of the mandatory medical insurance are reduced by half from February to June 2020. Social insurance and tax declaration and payments can be deferred to the end of June.

Refunds of 50-100% of 2019 unemployment insurance contributions are available to eligible companies.

cities in China, where the system generates a red, yellow or green color code for each individual based on the individual's health status, contact history and residence history. Individuals with yellow or red codes are subject to certain restrictions, such as quarantines (typically, 7 days or 14 days, subject to local requirements). Many public areas only allow green code holders to enter.

**Travel restrictions:** From March 28, 2020, China suspended the entry of most foreign nationals. China further reduced international passenger flights and shut down some international ports since March.

All provinces now require a period (typically 14 days) of mandatory home-based or centralized quarantine and virus tests for inbound travelers (foreign and Chinese nationals) from overseas, and few cities such as Beijing require a period (typically, 14 days) of mandatory home-based or centralized quarantine for travelers from other Chinese cities.

**Business Closures:** China is now advancing the resumption of work and production on the premise of effective

On April 10, China Customs announced a new measure of statutory inspection process for exports of 11 types of medical devices (including: medical masks, medical protective suits, infrared thermometers, medical ventilators, surgical caps, medical goggles, medical gloves, medical shoe covers, medical disinfection wipes, medical disinfectants, patient monitors) under the covered HS codes. Such statutory inspections are mainly to ensure that the products meet the state quality standards.

## Health & Safety Measures

<https://www.nytimes.com/2020/03/24/world/asia/china-coronavirus-lockdown-hubei.html>

[http://english.www.gov.cn/news/photos/202004/08/content\\_WS5e8d2814c6d0c201c2cc0724.html](http://english.www.gov.cn/news/photos/202004/08/content_WS5e8d2814c6d0c201c2cc0724.html)

[http://english.www.gov.cn/news/topnews/202003/10/content\\_WS5e66f3b7c6d0c201c2cbdef8.html](http://english.www.gov.cn/news/topnews/202003/10/content_WS5e66f3b7c6d0c201c2cbdef8.html)

[http://www.hangzhou.gov.cn/art/2020/2/18/art\\_1228998469\\_41942154.html](http://www.hangzhou.gov.cn/art/2020/2/18/art_1228998469_41942154.html)

[http://www.gov.cn/zhengce/content/2020-04/09/content\\_5500698.htm](http://www.gov.cn/zhengce/content/2020-04/09/content_5500698.htm)

<http://www.caac.gov.cn/XXGK/XXGK/TZTG/202003/P020200326766958017420.pdf>

[http://english.www.gov.cn/policies/latest\\_releases/202004/09/content\\_WS5e8ebfe2c6d0c201c2cc0889.html](http://english.www.gov.cn/policies/latest_releases/202004/09/content_WS5e8ebfe2c6d0c201c2cc0889.html)

[http://english.www.gov.cn/policies/latest\\_releases/202004/10/content\\_WS5e8fd97cc6d0c201c2cc09b0.html](http://english.www.gov.cn/policies/latest_releases/202004/10/content_WS5e8fd97cc6d0c201c2cc09b0.html)

## Export Controls on Medical Supplies

<http://www.mofcom.gov.cn/article/b/e/202003/20200302950371.shtml>



epidemic containment subject to local regulatory procedures. However, entertainment and leisure facilities, nationwide entertainment activities, cross-border and trans-provincial tourism services remain forbidden or restricted (subject to detailed local requirements).

<http://www.nmpa.gov.cn/WS04/CL2578/376162.html>

<http://www.nmpa.gov.cn/WS04/CL2196/376278.html>

<http://www.nmpa.gov.cn/WS04/CL2578/376293.html>

<http://www.customs.gov.cn/customs/302249/302266/302267/2961602/index.html>

Costa Rica



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Updated as of  
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**Tax:** Taxpayers must file the VAT and Excise Tax returns corresponding to March, April and May, but may choose to postpone the tax payment for these months by December 31, 2020 or make a payment arrangement with the Tax administration. In addition, Quarterly advanced tax payments of the corresponding income tax to be made in April, May and June 2020 will be eliminated once.

**Tariff moratorium:** Importers may nationalize merchandise without paying the corresponding tariffs during the months of April, May and June 2020. Agricultural and livestock products classified from Chapter 1 to 24 of the Central American Tariff System are excluded from this measure. The tariffs for those months must be entered before December 31,

**Health recommendations for employees in non-teleworking positions:** The Ministry of Labor issued a guideline to protect employees whose jobs are not applicable to work remotely. Accordingly, employers must adapt the work functions to reduce direct contact with other citizens. Also, the worker must be placed at least 1.8 meters away from users or fellow employees.

**Temporary 75% Reduction of Minimum Contribution Base:** The Costa Rican Social Security Administration approved a reduction of the Minimum Contribution Base in health insurance and pensions for employer and independent employees' contributions for the months of March, April and May

**Travel Restrictions:** Until April 30, 2020, only Costa Ricans and residents can enter the country, either by sea, air or land. Exception - air transport, trade and supplies crews. Any person entering the country must be in a mandatory quarantine for 14 days.

**Non-Recording of Accidents at Work for Risk Policy:** The Board of Directors of the National Insurance Institute submitted for SUGESE's approval a petition to establish that, in the event of occupational risks caused by COVID-19, the amount of the Occupational Risk Policy will not be affected by the occurrence of such risks.

The Customs Authority issued a regulation to control the export or re-export of specific medical implements, including the following:

Disposable caps, Safety glasses, Disposable boots, N95 or FFP2 respirators, Disposable surgical masks, Disposable level 2 waterproof gowns, Gloves Systems for testing, PCR for the detection of pathogens from biological samples without prior manual treatment (respiratory viruses), Dacron swabs.

<http://ariaslaw.com/boletines/PUBLICACIONES%202020/CR%20General%20Practical%20Guidance%20%20COVID%2019.pdf>





2020 or make a payment arrangement with the Tax Administration.

Banks can now renegotiate terms on loans up to 2 times in a period of 24 months without such renegotiation affecting the borrower's credit score.

2020. These reductions will be as follows:

- Health Insurance: reduced from 294,619 colons to 73,654 colones.
- Pension Insurance: reduced from 275,759 colons to 68,639 colones.

## El Salvador



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*Updated as of  
April 20, 2020*

**Consumer Protection:** On March 20, 2020, the Congress of El Salvador approved Legislative Decree No. 602, which contains certain reforms to the Consumer Protection Law, for the purpose of determining the maximum prices of certain goods that will be useful in the pandemic crisis.

**Telework:** On March 20, 2020, the Congress approved Legislative Decree No. 600, which contains the Telework Regulation Law that will be applicable to the public sector and private companies.

**Layoffs:** The Government of El Salvador, through the Council of Ministers, under Executive Decree No. 12, dated March 11, 2020, decreed a State of National Emergency due to the COVID-19 Epidemic, establishing in Article 3 that no worker may be fired if he or she is quarantined by order of the competent health authority due to COVID-19, nor may his or her salary be discounted for that same reason.

The aforementioned Decree establishes a guarantee of employment stability, starting from the day the quarantine was ordered until up to 3 months after it has

**Stay Home Order:** On April 16, 2020, the Congress approved Legislative Decree No. 631, with the purpose of extending for 15 more days the term of Legislative Decree No. 593 dated March 14, 2020, and its subsequent reforms. In Decree No. 593, the Congress declared State of National Emergency, a State of Public Calamity and Natural Disasters following the pandemic by COVID-19 for a period of thirty (30) days, which is now extended for fifteen more days with the new Decree.

Decree 631 entered in effect on April 16, 2020 and its effects will end on May 1, 2020.

**Travel Restrictions:** Entry of foreign persons into El Salvador is prohibited. Only nationals can enter the country, but must be placed in a mandatory quarantine.

Urgent and temporary measures are taken to supply the population with essential food products, as well as medicines for respiratory diseases, hygiene and cleaning products required under the current circumstances, so that they can be purchased at adequate and reasonable prices so that it does not cause harm to consumers or local production. Therefore, the Central American Import Tariff is modified, only for El Salvador in the tariff codes related to the products detailed in the decree, establishing 0% DAI for the related tariff codes. The elimination of the tariff will not apply to ibuprofen. The importation of the aforementioned goods will be carried out with the prior

<http://ariaslaw.com/boletines/PUBLICACIONES%202020/ES%20General%20Practical%20Guidance%20COVID-19.pdf>



ended, unless of course there are legal grounds for the termination of the contract without liability for the employer. At the same time, it states that the quarantine ordered will be treated, for all economic and legal effects, the same way as the temporary incapacities for work caused by common diseases, which are regulated in the Labor code, the Public Employees' Leave and Vacation Law and the Social Security Law.

authorization of the Ministry of Economic Affairs, through an Executive Agreement

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*Updated as of  
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**Imports:** On March 16, 2020, the Eurasian Economic Commission (an executive authority of the Eurasian Economic Union consisting of Russia, Belarus, Kazakhstan, Kyrgyzstan and Armenia – the “EAEU”) (the – “EEC”) released import of individual protective means, disinfecting means and medical products from payment of import customs duties up to September 30, 2020. The relevant decision was published on March 24 and is effective as of April 3. On April 3, 2020, the EAEU approved the list of so-called “critical imports” which will

<http://government.ru/en/news/>



be released from import duties up to June 30, 2020. The list includes agriculture products, certain medicines and medical equipment. Though, the decision enters into force on April 18, it has a retroactive effect for imports of the concerned products from April 1.

**Exports:** On 24 March 2020, the EEC adopted the resolution on restrictions of export from the EAEU of individual protective means, disinfecting means and medical products. This restriction will be effective until 30 September 2020.

## European Union



**Loan Facilities:** The EU Commission (EC) has adopted a Temporary Framework to enable Member States to use the full flexibility foreseen under State aid rules to support the economy. The Temporary Framework provides 5 types of aid that Member States may grant, including direct grants up to €800,000, state guarantees for loans, subsidized public loans, safeguards for banks, and short-term export credit insurance. The Temporary

All nonessential travel to the European Union was restricted for 30 days. Exemptions include family members of European nationals, diplomats, "essential staff" that are addressing the coronavirus spread and people transporting goods.

On 15 March 2020, the European Commission issued Commission Implementing Regulation (EU) 2020/402 of 14 March 2020 imposing a temporary export licensing requirement on certain personal protective equipment. Such goods include protective masks, gloves and garments as well as face shields and

[https://ec.europa.eu/commission/press-corner/detail/en/IP\\_20\\_504](https://ec.europa.eu/commission/press-corner/detail/en/IP_20_504)

[https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response\\_en](https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response_en)

<https://www.globaltradealert.org/intervention/78830/export-licensing-requirement/eu-temporary-export-licensing-requirement-imposed-on-certain-personal-protective-equipment-including-protective-masks-gloves-and-garments-in-response-to-covid-19>



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Updated as of  
April 6, 2020

Framework will last until the end of 2020.

The EC has also unlocked €1 billion from the European Fund for Strategic Investments (EFSI) that will serve as a guarantee to the European Investment Fund (EIF), part of the European Investment Bank Group.

**Healthcare Sector:** The EC will directly support the healthcare systems of the EU countries, with €3 billion from the EU budget to fund the Emergency Support Instrument and RescEU's common stockpile of equipment.

protective spectacles or visors.

The export licensing requirement is in force for a period of six weeks.

## France

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**Economic Stimulus:** The main set of measures are provided by (i) an emergency law (the "Emergency Law to face COVID 19 Epidemic") adopted on March 22, 2020 and (ii) a Loi de Finances Rectificative creating a state guarantee adopted on March 20, 2020 and its implementing decree (arrêtés) dated March 23, 2020 granting the State guarantee to credit institutions and finance companies pursuant to the Loi de Finances Rectificative.

These measures include (i) a state guarantee fund up to €300 billion, (ii) deferral of existing mandatory

**Teleworking:** The government has insisted that business organizations should do everything possible to have their employees work remotely from home and take all necessary measures (e.g. minimal distance between workers) to protect the health and safety of employees who cannot work from home.

**Short-time Work (Activité partielle):** Short-time work allows the employer, when it faces exceptional circumstances such as the current pandemic that decreases its activities to under 35 hours a week or even to a

**Lockdown:** As of March 17, Citizens are required to stay at home (restez chez vous) to avoid contact outside of their family as much as possible. There are few exceptions, including going to work, visiting local grocery stores and medical appointments.

**Schools:** Kindergartens, primary and secondary schools and universities are shut down from March 16, 2020 until May 11, 2020.

**Public gatherings:** Gathering of more than 100 people are forbidden (Decree n° SSAZ2007749A of 14 March 2020 laying down various

**General Control for Export Outside of the EU:** cf. EU temporary export licensing requirement on certain personal protective equipment mentioned above.

**Requisitioning of Respiratory Masks:** In accordance with article 12 of decree n°2020-293 of 23 March 2020 (arrêté), certain types of respiratory protection masks held in France on March 24, 2020 or produced on French

<https://www.gouvernement.fr/en/coronavirus-covid-19>

<https://cms.law/fr/fra/offres/covid-19-coronavirus>

<https://travail-emploi.gouv.fr/actualites/l-actualite-du-ministere/article/coronavirus-questions-reponses-pour-les-entreprises-et-les-salaries>

<https://cms.law/en/fra/news-information/covid-19-restrictions-on-the-free-movement-of-goods>



*Updated as of  
April 12, 2020*

facilities prepayment and deletion of additional costs and penalties, and (iii) an emergency plan to support small and mid-sized companies.

**Tax:**

- Companies may request a deferral of the direct tax payments due in March and April without penalties. This measure applies to the corporate income tax (CIT) instalment, payroll tax and – for companies paying the following taxes monthly – corporate real estate contribution (CFE) and real estate tax.
- Companies in distressed financial condition may apply to receive CIT rebates.
- VAT is excluded so far from any deferral of tax payment obligations.

temporary closure, to ask for a special indemnification from public authorities to cover the costs of unworked hours. Employees receive an hourly compensation for unworked hours corresponding to approximately 84% of their net salary. Then, the employer gets compensation from the State for the sum paid to its employees (with a cap of 4.5 times the minimum statutory wage). For employee earnings max 4.5 times of the statutory wage, the cost for the employer is 0.

**Paid Leave and Working Hours:**

The government eased the rules concerning paid leave and rest days (specific rules to impose or modify unilaterally the dates for taking them) and to working time rules (for companies in sectors of activity particularly necessary for the security of the Nation and the continuity of economic and social life).

**Social Security Contributions:**

Deferral of payment of social security contributions without penalty.

measures to combat the spread of the covid-19 virus). Some local authorities have implemented more restrictive rules that forbidden all gatherings.

**Business Closures:** Companies are obliged to organize work from home for every position where possible, without exception (Art L.1222-11 of the French Employment Code). If this is not possible for certain employees, social distancing will be strictly respected.

Key industries and essential services do not have to telework but must ensure that the social distancing rules are respected as much as possible. Non-essential shops including restaurants and retail outlets are closed, except for food shops, pharmacies, petrol stations, banks and press and tobacconist's shops. Outdoor markets are shut down barring special decisions.

**Travel Restrictions:** As of March 17, non-essential travel outside the European Economic Area is prohibited.

territory from that date are requisitioned until May 31, 2020 (subject to possible extension). This requisition may also apply to imported devices (subject to some conditions). They cannot therefore be sold or exported.

<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=LEGITEXT000041747861&dateTexte=20200406>





## Germany



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Updated as of  
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The federal government has launched a large-volume Economic Stabilization Fund ("WSF") for large companies. The WSF is intended to implement temporary measures to stabilize the German economy.

**Guarantees:** The WSF can assume guarantees up to an amount of €400 billion for liabilities of companies which were established after the Economic Stabilization Fund Act came into force.

**Loans:** The Federal Ministry of Finance is also authorized to take out loans of up to €100 billion to cover WSF expenses and measures in connection with participation in direct recapitalization measures of companies. Subordinated debt instruments, hybrid bonds, profit participations, convertible bonds and shares are available for recapitalization measures.

**Credit Schemes:** Kreditanstalt für Wiederaufbau ("KfW") Special Programs shall be refinanced with the WSF loans.

### Extension of Public Credit

**Schemes:** On March 23, 2020, the KfW Special Program 2020 was

### Short-time Compensation:

Retroactively, as of March 1, 2020, short-time compensation procedures for employees have been simplified (in particular the reduction of the required percentage of employees affected by shortfall from 30% to 10% and the full reimbursement of the social security contributions by the state). In the wake of Covid-19 around 725,000 companies have submitted applications for short-time work to authorities.

### Social Protection Package:

As further measures to stabilize the labor market and support the employees, the so-called social protection package entered into force on March 28, 2020. The newly implemented right to compensation for loss of earnings of parents due to child care during the shutdown of schools and childcare centers is part of the law regulating the protection against infection. The new regulation came into force on March 30, 2020.

### Occupational Safety and Health:

The Federal Ministry of Labour and Social Affairs has introduced strict and binding occupational health and

**Public Gatherings / Travel:** People are required to stay at home. More than 2 people shall not meet in public unless they are part of the same household. Leaving home shall be limited to commute to work or to provide emergency care, shopping for essentials, doctors' appointments, attendance of necessary appointments/examinations, assistance for others or individual outdoor sports and exercise.

Border controls remain in place for at least 20 more days (as of April 15, 2020).

**Business Closures:** Businesses open to the public have to be closed such as shops, restaurants, cafes and pubs, gyms, service providers in the personal care sector etc. Retailers smaller than 800 sqm may open under physical distancing rules on April 20, 2020. Certain other businesses may open on May 4, 2020 if sufficient social distancing rules are observed. Groceries, drugstores, necessary medical treatments, workshops, delivery and taken away are still permitted.

**Events:** Large events are prohibited until August 31, 2020.

The decree issued by the German Ministry of Economic Affairs and Energy on March 12, 2020 imposing an export licensing requirement on certain personal protective equipment (including protective safety glasses, masks, gloves and garments as well as face shields and protective spectacles or visors) has been revoked as of March 19, 2020 in favor of the EU Commission's Implementing Regulation (EU) 2020/402 of March 14, 2020 (in effect since March 15, 2020).

This regulation implements an export licensing requirement for the export of medical protective equipment to countries outside the EU. Deliveries within the EU (including EFTA states) are not affected by the regulation's export licensing requirement.

However, the federal government reserves the right to evaluate the situation on a regular basis, both with

### General Overview:

For further detail including further references see the weekly updated newsletters on

<https://www.pplaw.com/en/covid-19-law-and-tax>

### Economic Measures:

[https://ec.europa.eu/commission/press-corner/detail/en/IP\\_20\\_504](https://ec.europa.eu/commission/press-corner/detail/en/IP_20_504)

<https://www.pplaw.com/sites/default/files/article/downloads/covid-19-state-aid-affected-companies-overview/covid-19-state-aid-affected-companies-overview-update.pdf>

<https://www.pplaw.com/sites/default/files/article/downloads/ma-covid-19-wire-ii/client-information-ma-covid-19-telegramm-2-ma-covid-19-wire-2.pdf>

### Labor & Employment Measures:

<https://www.dw.com/en/short-time-work-a-vital-tool-in-germanys-economic-armory-against-coronavirus/a-52952657>

<https://www.reuters.com/article/health-coronavirus-germany-labour/around-470000-firms-in-germany-applied-for-short-time-work-labour-office-idUSS8N2BH00U>



launched by the government-owned KfW to provide liquidity to companies. The program aims to support all companies (irrespective of turnover thresholds) which ran into financial difficulties as a result of the corona crisis. Under the KfW Special Program 2020 the conditions of existing promotional loan programs have been modified and extended. The loans under the program are issued by the (German) house bank of the company and are backed by KfW.

**Tax:** Deferral on Tax and Social Security payments are granted upon request.

### Laws to Mitigate the Consequences of the COVID-19 Pandemic:

- Certain amendments to Bankruptcy Law have been made, including a limited suspension of the obligation to file for insolvency until September 30, 2020, a temporarily simplification and reduction of potential claw backs from creditors of an insolvent company and a facilitation for managements to make payments in the status of insolvency (otherwise prohibited).

safety standards (e.g. safety distance of 1.5 m where possible, hygiene routines) which apply during the Covid-19 pandemic. Fines may be imposed for non-compliance.

**Schools:** Schools will gradually (last year student first) re-open on May 4, 2020 under a strict hygiene regime.

**Protective masks:** The use of protective masks in public transportation or shops is “strongly recommended”, but not mandatory

Certain states, local governments and cities have taken various (stricter) measures, such as lockdowns or wearing face masks.

regard to further developments in the internal market and with regard to the necessary EU-wide uniform approach to the licensing of exports to third countries on the basis of the Implementing Regulation (EU) 2020/402.

<https://www.pplaw.com/sites/default/files/article/downloads/ma-covid-19-wire-ii/client-information-ma-covid-19-telegramm-2-ma-covid-19-wire-2.pdf>

<https://www.spiegel.de/wirtschaft/unternehmen/kurzarbeit-wegen-corona-knapp-89-prozent-der-antraege-kommen-von-kleineren-betrieben-a-b4c79baf-81ea-4831-b0f7-2271b03cbece> (in German)

<https://www.bmas.de/DE/Presse/Pressemitteilungen/2020/einheitlicher-arbeitsschutz-gegen-coronavirus.html> (in German)

Health & Safety Measures:

<https://www.bundesregierung.de/breg-de/themen/coronavirus/statement-chancellor-1733322>

<https://www.dw.com/en/coronavirus-what-are-germanys-updated-lockdown-measures/a-53139313>

Export Control Measures:  
Overview (in German):

[https://www.bafa.de/DE/Aussenwirtschaft/Ausfuhrkontrolle/Coronavirus\\_Schutztausruestung/coronavirus\\_schutztausruestung.html?nn=8065706](https://www.bafa.de/DE/Aussenwirtschaft/Ausfuhrkontrolle/Coronavirus_Schutztausruestung/coronavirus_schutztausruestung.html?nn=8065706)

Regulation (EU) 2020/402:



- Simplification of requirements in corporate law, in particular for convening general meetings and passing shareholders' resolutions.
- Changes to contract law regulations, including a right to refuse performance, the exclusion of termination rights for landlords as well as protections of consumer loans.

<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R0402&from=DE>

## Guatemala



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*Updated as of  
April 20, 2020*

**Tax:** The payment of the Solidarity Tax for the second quarter of 2020 due on April 30, 2020 can be delayed until September 30, 2020. To get such benefit, the taxpayer must not fire any employee during such period, except if a justified cause is proven in accordance with the Guatemalan labor law.

The Tax Administration has deferred the terms prescribed by Guatemalan tax law related to the compliance of tax obligations such as appearing in administrative hearings, filing of administrative motions for reversal, attending to subpoenas, fulfillment of the tax information injunction, and the terms of the administrative processes initiated or to be initiated are deferred. For such purpose, the following days were declared as non-working days for tax matters: March 24 to 31, 2020;

**Force Majeure:** On April 7, 2020, the Official Gazette published the Ministerial Agreement 140-2020 of the Ministry of Labor and Social Provision, acknowledging that the state of Public Calamity due to the COVID-19 Pandemic constitutes a case of force majeure and creates the electronic procedure for the registration, control and authorization of total suspensions of labor agreements, that is, without payment of salaries.

**Business Closures:** Work and activities of the Private Sector has been suspended until April 27, 2020; however, teleworking must be allowed and encouraged. Key industries and essential services do not have to telework but must ensure that the social distancing and health and safety rules are respected.

**Curfew:** Restrictions on the freedom of locomotion (i.e. curfew), are in force from Monday, March 30, 2020 to Monday, April 27, 2020. During the curfew, the traffic and circulation of people, crew, passengers, vehicles and all types of private terrestrial transport and passengers will be limited between 4:00pm and 4:00am of the following day.

**Travel Restrictions:** Air, land and sea borders are closed throughout the

<http://ariaslaw.com/boletines/PUBLICACIONES%202020/GT%20General%20Practical%20Guidance%20COVID%2019.pdf>



and April 1, 2, 3, 6, 7,8, 13 and 14, 2020.

Consequently, payments and withholdings deadlines for the following taxes have changed: 2019 Annual Income Tax Return, Value Added Tax Return, Income Tax and Value Added Tax withholdings, Distribution Tax on Crude Oil and Petroleum-Derived Fuels and the Tobacco Tax and its Products. Also, the rendering Transfer Pricing Studies and Audit Reports will not be an obligation until April 15, 2020. And the filing of the report related to the transformation coefficient of the production process required by Decree 29-89 is delayed until April 15, 2020.

**Administrative:**

The legal terms for the administrative processes are suspended for three months from April 2nd except for the terms related to constitutional matters, Access to Public Information Law and any other process of payment of legal childcare or maintenance, minimum guarantees and fundamental rights.

national territory. Entry is permitted only for the following: a) Guatemalans; b) permanent residents; c) diplomatic corps; and, d) exceptional cases previously approved.

# COVID-19 Government Measures Guide\*

Updated as of April 22, 2020

THOMPSON  
HINE



## Honduras



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*Updated as of  
April 20, 2020*

**Loan Facilities:** All institutions regulated under the National Banking and Securities Commission (CNBS) have agreed to implement a temporary economic alleviation mechanism. Individuals and businesses whose cashflow was impacted by the COVID-19 measures can request a grace period to make payments on debts and renegotiate or refinance loans without affecting credit history or having to pay late fees or other penalties. Customers need to approach their financial institutions for information on these benefits.

**Paid Leaves:** On March 26, 2020, the Ministry of Labor and Social Security (STSS) issued an authorization so that, with prior agreement between employees and employers, National Holidays can be applied as vacation during the period of the State of Emergency.

**Curfew:** In application of the Decree of Restriction of Constitutional Guarantees, as of March 15 of this year from 11:59 p.m., a national curfew was decreed (with some exceptions) for 7 days, which has been extended in relation to the evolution of the virus and it is currently extended until April 26, 2020.

**Travel Restrictions:** Government announced all borders (air, land, and sea) would be closed as of Sunday, March 15, 2020, until further notice. Travelers should communicate directly with individual air carriers to confirm flight options.

<http://ariaslaw.com/boletines/PUBLICACIONES%202020/HN%20General%20Practical%20Guidance%20COVID%2019.pdf>

## India



**Loan Facilities:** Lending institutions permitted to grant moratorium of 3 months for payment of current dues falling between March 1, 2020 and May 31, 2020. The 90-days NPA norm shall exclude the moratorium period.

Lending institutions are also permitted to defer interest recovery on working

**Extensions for Filing Deadlines:** The Ministry of Labor and Employment, Government of India has announced extension of time for Indian businesses for filing returns on account of Covid-19.

The period of filing Employees' State Insurance (ESI) contribution for the months of February 2020 and March 2020 was extended to

**Lockdown:** On April 14, 2020 the Government of India extended the nationwide lockdown till May 3, 2020.

The Government of India has issued the revised consolidated guidelines ("Guidelines") for the extension of the country-wide lockdown till May 3, 2020, which permit select activities to operate from April 20, 2020. However, no activity permitted under the

### Export Control

**Suspension:** As of April 6, 2020, the Ministry of Commerce and Industry Directorate General of Foreign Trade lifted the export restriction on 12 active pharmaceutical ingredients and its formulations.

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NOT186B27003E9DB3D4FB49BDDF955F4289D68.PDF>

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/206APDIR71005D031FF2461BAD5E81AF6FA82395.PDF>

<https://economictimes.indiatimes.com/news/economy/policy/tax-and-duty-relief-likely-in-package-for-industry/articleshow/74900681.cms?from=mdr>





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Updated as of  
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capital facilities during the period from March 1, 2020 to May 31, 2020.

The date of commencement for commercial operations in respect of loans by banks or NBFCs to commercial real estate projects delayed for reasons beyond the control of promoters can be extended by an additional 1 year, without treating the same as restructuring.

**Exports:** Reserve Bank of India has increased the period of realization and repatriation to India of the amount representing the full export value of goods or software or services exported by the Indian exporters, from 9 months to 15 months from the date of export, for the exports made up to or on July 31, 2020.

The existing Foreign Trade Policy dated April 1, 2015 has been extended until March 31, 2021. Several compliance relaxations of validity period are also introduced.

**Insolvency:** The threshold for triggering insolvency cases for defaulting debtors was raised to INR 10,000,000 (\$133,333) from INR 100,000 (\$1,333).

April 15, 2020 and May 15, 2020. The period for filing ESI contribution for the month of February has been further extended till May 15, 2020.

Extension of the last date for filing of Unified Annual Return under eight labour laws for the year 2019 up to April 30, 2020.

The due date for filing of Electronic Challan Cum Return (ECR) for wage month March 2020 is extended up to May 15, 2020 for employers who have paid wages to their employees for March 2020.

Submission of notices, returns and other forms required under the provisions of different rules and regulations framed under the Mines Act, 1952 and due for submission in the month of March and April 2020 has been relaxed, for a period of one month from the respective due dates.

**Termination of Labor Contracts:** The Ministry of Labor and Employment, Government of India vide circular dated March 20, 2020 has advised employers of all public and private establishments to extend their cooperation by not

Guidelines will be allowed in the 'containment zones.' In addition, the State Governments are empowered to impose stricter measures than mentioned in the Guidelines for the establishments operating in the relevant State.

The Guidelines state *inter alia*, that industrial establishments not located within any 'containment zones' and located in rural areas (outside the limits of municipal corporations and municipalities) or located in designated industrial zones will be permitted to operate from April 20, 2020, subject to compliance with health and hygiene requirements specified in the Guidelines.

The Guidelines mandate wearing of face cover in all public places and workplaces.

**Travel Restrictions:** In light of the extended lockdown, all passenger movement by domestic and international air travel and trains have been cancelled till May 3, 2020 with a few exceptions including security purposes.

India has extended the suspension of all existing visas granted to

### Export Controls:

Paracetamol and Hydroxychloroquine are kept in a licensed category and their export and import require the prior approval of the National Drug Controller. Their demand positions are continuously monitored and are released on a case to case basis.

India has banned the export of surgical masks/ disposable masks (2/3 ply masks), textile raw materials for masks and overalls, sanitizers, all ventilators including any artificial respiratory apparatus or oxygen therapy apparatus or any other breathing appliance/ device and diagnostic kits (diagnostic or laboratory reagents on a backing, preparation diagnostic or laboratory reagents).

**Import of In-Vitro Diagnostic Tests for Diagnosis of COVID-19:** As per the public notice issued by Central Drugs Standard

<https://labour.gov.in/extension-time-filing-returns-account-covid-19>

[https://labour.gov.in/sites/default/files/  
Central\\_Government\\_Update.pdf](https://labour.gov.in/sites/default/files/Central_Government_Update.pdf)

<https://www.mohfw.gov.in/pdf/DGSOrd04of2020.pdf>

[https://dgft.gov.in/sites/default/files/Noti%2052\\_0.pdf](https://dgft.gov.in/sites/default/files/Noti%2052_0.pdf)

[https://dgft.gov.in/sites/default/files/Noti%2053\\_0.pdf](https://dgft.gov.in/sites/default/files/Noti%2053_0.pdf)

<https://pib.gov.in/PressRelease/framePage.aspx?PRID=1612291>

[https://dgft.gov.in/sites/default/files/Noti%202%20Final\\_0.pdf](https://dgft.gov.in/sites/default/files/Noti%202%20Final_0.pdf)

<https://mea.gov.in/response-to-queries.htm?dtl/32619/Official+Spokespersons+response+to+media+queries+on+COVID19+related+drugs+and+pharmaceuticals>

[https://cdsco.gov.in/opencms/opencms/system/modules/CDSCO.WEB/elements/download\\_file\\_division.jsp?num\\_id=NTc3MA==](https://cdsco.gov.in/opencms/opencms/system/modules/CDSCO.WEB/elements/download_file_division.jsp?num_id=NTc3MA==)

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1612341>

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1614255>



**Issuance of Tax Refunds:** All pending income-tax refunds up to INR 500,000 (\$6,667) will be immediately issued. All pending Goods and Services Tax and Custom refunds will also be issued.

**Corporate:** Listed companies or companies with 1,000 shareholders or more are permitted to conduct EGM through VC/ OAVM and e-voting. Several compliance relaxations and extensions of validity periods are also introduced.

**Economic Stimulus:** The government is close to finalizing a second economic relief package s for industry sectors hit by the disruption caused by Covid-19, particularly micro, small and medium enterprises (MSMEs), services and exports.

**FDI Policy:** The Foreign Investment policy has been revised to state that an entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated or is a citizen of any such country, can make investments in India only with the prior approval of the Government of India.

terminating their employees, particularly casual or contractual workers from their jobs, or reducing their wages.

**Benefits:** During the lockdown, if the workers/employees are on leave or unable to attend to their duties or the establishment is required to be closed, then the workers/employees shall still be deemed to be on duty during the lockdown period and shall be entitled to full pay for such period of lockdown.

foreigners, except those belonging to diplomatic, official, UN/ international organizations, employment and project categories till May 3, 2020.

In light of the need for shipping services to ensure continued supply of vital goods and essential commodities, the operations of vessels and ports have not been disrupted, however, certain health measures have been put in place such as the submission of the Maritime Declaration of Health by the master of a vessel.

Control Organization dated March 19, 2020, the applications for import in-vitro diagnostic tests for diagnosis of COVID-19 would be taken up on priority for processing.

<http://164.100.117.97/WriteReadData/userfiles/15.04.2020%20Revised%20Consolidated%20Guidelines.pdf>

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1614747>

[https://www.rbi.org.in/Scripts/bs\\_viewcontent.aspx?id=3853](https://www.rbi.org.in/Scripts/bs_viewcontent.aspx?id=3853)

[https://dgft.gov.in/sites/default/files/Notification%20No.%2003%20dt%2017.04.2020\\_0.pdf](https://dgft.gov.in/sites/default/files/Notification%20No.%2003%20dt%2017.04.2020_0.pdf)

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1613365>

[https://dipp.gov.in/sites/default/files/pn3\\_2020.pdf](https://dipp.gov.in/sites/default/files/pn3_2020.pdf)

[http://164.100.117.97/WriteReadData/userfiles/MHA%20Order%20-%20Exempt%20activities%20req%20Minor%20Forest%20Produce.%20Plantations,%20NBFCs,%20Cooperative%20Credit%20Societies%20and%20Construction%20in%20Rural%20Areas\(1\).pdf](http://164.100.117.97/WriteReadData/userfiles/MHA%20Order%20-%20Exempt%20activities%20req%20Minor%20Forest%20Produce.%20Plantations,%20NBFCs,%20Cooperative%20Credit%20Societies%20and%20Construction%20in%20Rural%20Areas(1).pdf)

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1615500>



## Indonesia

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*Updated as of  
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**Loan Facilities:** The Indonesian Financial Services Authority (OJK) issued Regulation No. 11/POJK.03/2020 (March 16, 2020), which relaxes the loan quality assessment and restructuring requirements for borrowers affected by COVID-19 until March 31, 2021. Loans of up to IDR 10 billion are now assessed only according to a borrower's timeliness in paying the relevant principal amount, interest or margin/profit sharing/ujrah ("fee" under Sharia law).

**Tax Exemptions / Refunds:** On March 21, 2020, the Minister of Finance issued Regulation No. 23/PMK.03/2020 on Tax Incentives for Taxpayers who are Affected by the Outbreak of the Coronavirus Disease, effective March 23, 2020, which provides (i) an exemption from Income Tax under Article 21; (ii) an exemption from Income Tax under Article 22 on imports; (iii) a 30% reduction in Income Tax instalments under Article 25; and (iv) a paid In-Advance Value Added Tax Refund of up to IDR 5 billion.

On March 31, 2020, the Government issued Regulation in Lieu of Law No. 1 of 2020 which reduces corporate

**Employee Wage Protection:** On March 17, 2020, the Minister of Manpower issued Circular Letter No. M/3/HK.04/III/2020, which requires Governors to ensure wage protection for employees with the following conditions:

1. Persons Under Supervision related to COVID-19 according to their doctor and cannot go to work for 14 days or based on the Ministry of Health's standards, must be paid in full;
2. Persons suspected with COVID-19 and quarantined by a doctor, must be paid in full while they are in isolation/quarantine;
3. Employees who cannot go to work because they are infected with COVID-19 as proved by a doctor, must be paid in accordance with the law; and
4. Employees working for companies which limit their business activities because of regional policies and regulations, which cause at least half of their employees not to come to work while maintaining the continuity of their business

On April 13, 2020, the President issued Presidential Decree 12/2020 declaring the non-natural disaster caused by COVID-19 a 'national disaster'. With this, further measures by the Government to contain the spread of COVID-19 are expected.

**Lockdown:** On March 31, 2020, the Government issued Government Regulation No. 21 of 2020 on Large Scale Social Restrictions ("LSSR") in Order to Accelerate the Handling of COVID-19.

Under GR 21/2020, the LSSR, ie restrictions on certain activities of citizens in areas which are expected to be infected by COVID-19 to prevent its further spread, include the following:

- a. temporary closure of schools and offices;
- b. restrictions on religious activities; and
- c. limiting activities in public places and facilities.

The enforcement of LSSR in a particular region must be proposed by the governor/regent/mayor and determined by the Minister of Health ("MOH"), with considerations of the Head of the COVID-19 Task Force.

**Export Restrictions:** The Minister of Trade issued Regulation No. 23 of 2020 (as amended), effective March 17, 2020, which temporarily restricts exports of antiseptics, mask raw materials, personal self-protection equipment and masks until June 30, 2020.

### Import Facilitation of Medical and Health

**Equipment:** The Minister of Trade issued Regulation No. 28 of 2020 which came into force on March 23, 2020, to relax import requirements for certain medical and health related products such as antiseptic products, surgical masks, infra-red thermometers and medical personal protective clothing. Specifically, importers are exempted from the Surveyor Report requirement from the country of origin or the relevant loading port, and there is no limitation on the ports of entry. However, a Bill of Lading is still required for shipments of these products. The import

### Economic Measures

<https://www.thejakartapost.com/news/2020/03/23/ojk-relaxes-debt-payment-loan-quality-assessments-amid-covid-19-pandemic.html>

<https://www.pajak.go.id/en/search/node?keys=23%2FPMK.03%2F2020>

<https://www.thejakartapost.com/news/2020/04/01/indonesias-covid-19-stimulus-playbook-explained.html>

### Labor & Employment Measures

<https://batam.tribunnews.com/2020/04/15/15099-workers-from-309-companies-in-batam-affected-by-covid-19-598-were-layoffs?page=2>

### Health & Safety Measures

<https://www.thejakartapost.com/news/2020/04/03/indonesias-strategy-to-combat-covid-19-what-we-know-so-far.html>

<https://setkab.go.id/en/moh-approves-large-scale-social-restrictions-in-jakarta/>

<https://kemlu.go.id/bern/en/news/5975/press-release-minister-of-law-and-human-rights-on-temporary-prohibitions-of-entry-travel-ban-into-indonesia-for-foreigners-in-response-to-covid-19s-outbreak>



income tax from 25% to 22% for the 2020 and 2021 Tax Years, and further to 20% for the 2022 Tax Year. Local corporate taxpayers which are publicly-listed companies with at least 40% of shares traded on the stock exchange, subject to certain requirements, may be granted a further 3% reduction for the respective Tax Years.

s, must be paid their wages as they are or the wage payment method can be changed under an agreement between the employer and the employees.

The MOH has declared under several Decrees, the imposition of LSSR in, among others, the Jakarta area and the five municipalities of Bogor and region, Bekasi and region and Depok. The LSSR in these areas will apply for 14 days and are extendable if there is still evidence of dispersion. Based on the relevant Government Regulation and Presidential Decree, some local governments in Indonesia have also issued regulations applicable to the relevant region related to COVID-19.

**Quarantine:** On March 16, 2020, the MOH issued Circular Letter HK.02.01/MENKES/202/2020 on the Protocol for Self-Isolation in the Handling of COVID-19, which requires all central and regional government leaders to instruct all units in their sectors to apply the self-isolation protocol. Self-isolation is required by anyone who suffers an illness such as a fever, a cough or other respiratory disease, and by any Persons Under Observation who already have symptoms or have been in contact with a COVID-19 patient. Before there is a laboratory examination result, self-isolation must continue for 14 days.

relaxation applies until June 30, 2020.

## Export/Import Measures on Medical Supplies

<https://setkab.go.id/en/govt-issues-regulation-to-facilitate-medical-devices-import-amidst-covid-19-outbreak/>



**Travel Restrictions:** On March 31, 2020, the Minister of Law and Human Rights issued Regulation No.11 of 2020, in effect since April 2, 2020, restricting the entry or transit of foreigners into Indonesia. The prohibition does not apply to:

- a. holders of a Limited Stay Permit or Permanent Stay Permit;
- b. holders of a Diplomatic Visa;
- c. medical and humanitarian workforce members; and
- d. foreigners working on national strategic projects.

The above foreigners may enter Indonesia if they:

- a. have a health certificate from the local health authority, written in English;
- b. have stayed in a COVID-19 free area/country for 14 days before entering; and
- c. certify that they are willing to be quarantined for 14 days upon arrival in Indonesia.





## Israel



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*Updated as of  
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**Economic Stimulus:** The Israeli Ministry of Finance announced a NIS 80 billion (approx. \$22 billion) economic relief package to address the significant economic consequences of Covid-19. The package targets 4 key areas: (i) support to the healthcare system in handling the outbreak and its consequences; (ii) social welfare support to employees and the self-employed; (iii) support to businesses in dealing with the economic impact of the coronavirus; and (iv) implementation of economic recovery and stimulus measures (e.g., the allocation of NIS 1.1 billion for the acceleration of transportation and infrastructure projects).

**Support of Businesses & Self Employed:** Within the framework of the general economic relief package, the government instituted various measures to support small, medium-sized and large businesses, as well as self-employed workers adversely affected by the crisis, including by way of direct grants, special loans and reduction and deferment of national insurance payments.  
**Support for High-Tech Sector:** Out of the total NIS 80 billion which the government has assigned to the

**Public Sector:** All nonessential employees of government agencies and government-owned corporations have been placed on vacation, on account of their accrued annual leave entitlement, until after the Passover holiday (April 16, 2020).

### Restrictions in Workplaces:

- An employer may not allow more than 10 workers or more than 15% of its total workforce (whichever is greater) to be present at the workplace simultaneously; however, if it's essential to the employer's operations, it can maintain on-site up to 30% of its workforce simultaneously, provided that it submits to the government a detailed report in the matter;
- Employees engaged in administrative, maintenance, support and other auxiliary functions may not attend the workplace except for cleaning, security or IT workers, or if otherwise essential subject to written notification to the government;

**Lockdown:** Various limitations have been imposed on individuals some of which have a direct impact on employees and the workplace:

- Organized gathering of more than 2 persons is prohibited, except for people who live in the same household and few other exceptions;
- Individuals are not permitted to leave their home except for a limited distance of 100 meters and for a limited period of time, or for certain essential needs or purposes; and
- Travel in a private vehicle, including to and from the workplace, is limited to 2 persons per vehicle, except in case of an essential need.

### Travel Restrictions:

- Any person arriving in Israel from abroad will be placed in quarantine in designated hotels or other locations converted for such purpose, for a period of 14 days. Foreign nationals from China, South Korea, Thailand, Italy, Macao, Singapore, Hong Kong, Japan and Egypt are categorically prohibited from entering Israel;

### Export Control of Therapeutic Apparatus:

The Israeli government now requires a license for the export of the following:

- Artificial respirators, ventilators and other therapeutic apparatus;
- Personal hygiene products and disinfection products that contain more than 70% Ethyl alcohol or more than 60% Isopropyl alcohol;
- Bi-PAP (bilevel positive airway pressure) and C-PAP (continuous positive airway pressure) machines.
- Alcohol solutions (not including alcoholic beverages);
- Medical oxygen;
- Medical examination sticks;
- Fabrics used for medical purposes;

<https://www.gov.il/en>

<https://govextra.gov.il/mof-gloans-corona/>

[https://www.gov.il/he/departments/news/press\\_30032020\\_b](https://www.gov.il/he/departments/news/press_30032020_b)

[https://www.gov.il/he/departments/strategy\\_of\\_environmental\\_protection](https://www.gov.il/he/departments/strategy_of_environmental_protection)



economic relief package, NIS 1.5 billion is intended to support the high-tech sector, through the Israel Innovation Authority (IIA). However, approximately half of such amount is part of the IIA's regular budget for 2020, which had been previously withheld. NIS 50 million of such amount are earmarked for Covid-19-related development projects.

### **Industrial & Environmental**

**Regulatory Measures:** The government has granted an automatic extension of regulatory licenses required by business owners, and deferred deadlines in proceedings involving monetary sanctions. The Israeli environmental authorities have postponed expiration dates of environmental and fire-safety permits and licenses, deadlines for issuance of annual pollution and emissions reports, and eased compliance with laws concerning electronic and packaging waste.

- Employers may not accept visitors at the workplace unless it's necessary to produce a vital product or service;
  - Employers must require all employees to answer a daily questionnaire, confirming that they are not presenting any Covid-19 symptoms and have not been in contact with any confirmed patient in the past two weeks. Employers must deny entry to the workplace to anyone who responds positively to the questionnaire;
  - Employers must measure temperature (by way of non-invasive means) upon entry to the workplace, where possible, and deny entry to anyone with a fever of over 38°C; and
  - In a workplace where employees cannot maintain a distance of at least 2 meters from one another, the employer must implement measures to reduce the risk of infection. Employer are also responsible for ensuring that all employees comply with the requirement to wear facemasks.
- Israeli residents are not prohibited from traveling abroad; however, employers are encouraged to avoid unnecessary travel of their employees.

**Business Closures:** All commercial establishments and leisure activities, as well as all education institutions, have been ordered to close, except for establishments selling food, pharmaceuticals and hygiene products, subject to certain conditions. Restaurants and cafés are allowed to continue operating, but by delivery only.

- Protective garments for surgical / medical use made of felt or nonwovens;
- Textile facemasks without a replaceable filter or mechanical parts, including surgical masks and disposable facemasks made of nonwoven textiles;
- Infusion pumps and other pumps;
- Batteries for medical purposes;
- Memory cards for medical purposes;
- Devices for measuring the oxygen saturation;
- Monitoring stations;



## Unemployment & Sickness

**Benefits:** The Israeli government has eased the conditions for eligibility for statutory unemployment and sickness benefits in cases involving unpaid leaves of absence or mandatory quarantine.

## Italy

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Updated as of  
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**Economic Stimulus:** Italy adopted an emergency decree (Decree March 18, 2020, no. 18) worth €25 billion (\$28 billion) to support its economy.

### Financial Support:

Italy notified the Commission a €50 million support scheme for the production and supply of medical devices and personal protection equipment under the Temporary Framework. The scheme aims at increasing the market output of such devices and protection equipment, which has proven to be insufficient as a result of the peak in demand arising from the Coronavirus outbreak.

Italy adopted a new emergency decree (Decree March 25, 2020, no. 19) setting forth:

- Loans to companies guaranteed by the state for an amount equal to €400 billion (of which €200 billion is

### Health Measures at Workplaces:

Employers are entitled to check their employee's body temperature when entering workplaces. If the employee's temperature exceeds 37.5°, she/he will be prohibited from entering the workplace.

As far as possible, entry/exit times, work shifts and canteen times should be organized in a way to avoid contacts among the employees.

Daily cleaning and periodic sanitization of premises are required. Employers are required to ensure that employees maintain a one-meter distance from each other, and that the workplace is sufficiently ventilated. If the required distance cannot be maintained due to the peculiar kind of activity, employers are required to provide employees with sanitary masks and

**Business Closures:** Different decrees have been adopted ever since the beginning of the emergency, which have been replaced ultimately by Prime Minister Decree April 10, 2020 setting forth measures now valid until May 3, 2020.

Most businesses are closed except for a few which operate in strategic/necessary fields. For instance, commercial activities are shut down except for supermarkets, groceries, drugstores, etc. Some industrial activities are also designated as strategic/necessary. Permission to operate is extended to businesses in the production chain of the listed activities.

**Travel Restrictions:** Italians are also banned from moving across municipalities other than for "non-deferrable" and proven business or

Import/export of medical devices are subject to following measures:

- Law Decree March 17, 2020, no. 18 regarding import of medical devices, and setting forth technical characteristics of sanitary masks, and of the other personal protection devices;
- Circular from the Health Ministry no. 4373 on February 12, 2020, prohibiting export of medical supplies without prior authorization.

<https://www.cocuzzaeassociati.it/en/notizie/covid-19-legal-kit-en/>

<https://www.thelocal.it/20200323/businesses-that-can-stay-open-under-italy-latest-quarantine-rules>

[https://ec.europa.eu/commission/press-corner/detail/en/ip\\_20\\_507](https://ec.europa.eu/commission/press-corner/detail/en/ip_20_507)

<https://www.theguardian.com/world/2020/mar/22/italian-pm-warns-of-worst-crisis-since-ww2-as-coronavirus-deaths-leap-by-almost-800>

<https://www.cnbc.com/2020/03/16/italy-supports-coronavirus-hit-economy-pm-hails-italian-model.html>



for the internal market, and €200 billion is for the export market);

- Suspension of the fiscal payment deadlines in April and May;
- The so-called “golden power” (i.e. government power to stop hostile take-overs) in strategic fields such as finance, banks, A.I, food, etc.

other protective devices (gloves, etc.).

Meetings in person are not allowed, unless necessary. If the meeting is necessary, the employer needs to make sure that participation is reduced, minimum social distancing measures are maintained, and premises must be cleaned. All internal events and classroom trainings are cancelled.

**Financial Measures to Labor**

All employers may request application of wage guarantee funds to their employees (as a waiver to normal laws which entitle only some selected employers to take advantage of such measure); the measure is currently limited to up to 9 weeks. This measure was introduced by Law-Decree March 17, 2020, no. 18.

health reasons or other urgent matters.



## Japan

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*Updated as of  
April 19, 2020*

**Fiscal and Financial Measures:** The government announced various fiscal and financial measures to contain the economic fallout: with government funding of 39.5 trillion yen, with an expected effect on the economy of 108.2 trillion-yen. The main initiatives are as follows:

- 1) healthcare spending measures to prevent the spread of the virus, and investment in medical care and treatment drugs;
- 2) supporting the continued operation of businesses and maintaining employment rates, including deferring and assisting with utility payments, and offering financial support for small-to-medium businesses (“SMEs”) in the form of credit guarantees, emergency loans and infrastructure investment;
- 3) investment in post-pandemic economic recovery, especially the tourism industry; and
- 4) rebuilding a strong economic structure: including supply chain improvements, facilitating and simplifying foreign investment, and encouraging businesses to lead a digital transformation within their

**Remote-Working Support:** In line with government calls for companies to transition to remote-working, financial support for the transition is offered to SMEs: including adoption of IT solutions and telework infrastructure.

**Employment Adjustment Subsidies:** Subsidies to encourage businesses to ask employees to take partial paid leave instead of laying them off. Currently, subsidy amounts are 4/5 for SMEs, 2/3 for large entities – but in case no layoffs are made, 9/10 for SMEs and 3/4 for large entities.

**Paid Leave Debate:** Under the Labour Standards Act, if an employer asks an employee to take time off work for ‘reasons attributable to the employer’, such employer must pay at least 60 percent of the employee’s average wage. The exception is commonly interpreted to mean a force majeure event and is narrowly interpreted.

While there is an ongoing debate as to the obligations of employers to pay paid leave in these circumstances, the Ministry of Health, Labour and Welfare stated

**Request for Business Closure:** On April 7, pursuant to the new act amending the Influenza and Other Diseases Act (the “Act”), the government made an emergency declaration requiring the closure of certain businesses in 7 prefectures effective until May 6. On April 16, this was extended to the whole country. Businesses subject to shut down orders include bars, pachinko parlors, universities, karaoke bars, cafes and sports centers.

**State of Emergency Declaration:** The emergency declaration empowers the government to demand the sale and distribution of food and medical supplies from businesses manufacturing, selling, storing or otherwise dealing with specific goods, as well as confiscate private property and facilities to be made available for medical purposes. Further, it may request citizens to *voluntarily* limit transportation.

**Travel Restrictions:** Travel restrictions for Japanese nationals or those who have been in Japan were instituted against 183 countries (U.S, most of Europe, China, Australia, Korea, Australia, Singapore, Thailand, etc.). No visas

**Import Tax Exemption and Expedited Processes:** For businesses importing certain goods deemed as emergency necessities, customs will be expedited, and tax exemptions will be made.

**Import and Export Certificate Validity Extensions:** Validity of import and export certificates will be extended if delays are caused by COVID-19. In addition, some import and export certificate and stamping requirements will be relaxed.

METI website:

<https://www.meti.go.jp/english/covid-19/index.html>

Ministry of Health, Labour and Welfare website:

[https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/newpage\\_00032.html](https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/newpage_00032.html)

Ministry of Justice website:

[http://www.moj.go.jp/EN/nyuukokukanri/kouhou/m\\_nyuukokukanri01\\_00003.html](http://www.moj.go.jp/EN/nyuukokukanri/kouhou/m_nyuukokukanri01_00003.html)

Tokyo Metropolitan Government website:

<https://stopcovid19.metro.tokyo.lg.jp/en/>

**Financial Services Agency website:**  
<https://www.fsa.go.jp/en/ordinary/coronavirus202001/press.html>

**For Travel:**  
<https://www.japan.travel/en/coronavirus/>





businesses. Of interest is supply chain funding given to companies that are importing raw materials or components and have their supply disrupted due to COVID-19. The Japanese government will help such companies invest in infrastructure domestically.

**Shareholders' Meetings:** Usually, shareholders' meetings must be held within 3 months after the fiscal year ends. However, the Ministry of Justice clarified that under extreme circumstances not holding shareholders' meetings before the deadline will not breach a company's articles of association or company laws. It is unclear whether the present situation in Japan is "extreme" enough to warrant delaying shareholders' meetings. Many companies are planning to hold shareholders' meetings with precautionary measures. The government is also encouraging virtual shareholders' meetings, or 'hybrid' half physical and half virtual meetings.

**Tax and Social Security:** Tax return deadlines have been extended. If certain requirements are met: 1) tax and social security payments can be

that the emergency declaration or a request by the government for businesses to shut down in itself would not amount to a force majeure event so as to exempt employers from paying paid leave. In any event, it would depend on factors such as whether such business did everything within its power to prevent the employee from having to take time off, such as implementing remote working measures or looking for alternative tasks where possible.

#### **Adjustable Working Hours**

**System:** Subject to existing agreements with labour unions, flexibility was given to employers to demand overtime or a reduced amount of work as a result of COVID-19.

Ministry of Health, Labour and Welfare clarified that some workers and businesses that may be subject to such demands are nurses and caregivers in nursing home facilities, as well as workers for companies that produce sanitizers, medical equipment and masks.

will be issued for foreigners coming into Japan until end of April at least. All people entering or re-entering Japan are required to quarantine. It includes foreign residents with Japanese residency through parents or spouse. If they exit Japan, they will be denied re-entry.

**Public Gatherings:** Public gatherings have been discouraged throughout Japan. The government especially urged night-time gatherings to be stopped, in particular to cease organizing culturally iconic karaoke parties. As part of the declaration, the government asked the public to cooperate to reduce social contact by 70% - 80% countrywide.

**Education:** All of Japan's elementary, junior high and high schools were closed from March 2, and reopening timelines have varied from region to region, with some schools having partially reopened in April, and some with staggered classes. Schools in Tokyo will be closed until mid-May at least.

**Postponement of Tokyo 2020 Olympics:** International Olympic Committee (IOC) announced the



deferred for one year, 2) corporate tax already paid may be partially returned, and 3) fixed asset tax may be reduced.

**Accounting Standards:** The Minister of Finance stated that businesses and auditors can flexibly deal with impairment accounting as to soften the blow from COVID-19.

**Extension of Listed Company Disclosure Obligations:** The authorities stated that the disclosure obligations for listed companies, including filing annual securities reports within 3 months from the fiscal year end, and filing financial statements and forecasts within 45 days from the fiscal year end, may be extended.

games will be postponed until July 2021.

**Online Medical Check-Ups:** The Ministry of Health, Labour and Welfare encouraged that preliminary medical check-ups be done online to limit the spread of the virus in hospitals.

**Malaysia**

*Updated as of  
March 27, 2020*

**Restructuring and rescheduling of loans**  
The government has asked financial institutions to provide financial relief to borrowers by rescheduling or restructuring loans, as well as offering payment moratoriums. The exemption is given from March 1, 2020, until December 31, 2020.

**Assisting the cashflow of small and medium-sized enterprises**

**Employee contributions**  
Reducing the employee contribution towards the Employee Provident Fund (EPF), a compulsory saving and retirement plan for private-sector workers in Malaysia from 11% to 4%.

**Extra funding for skills training**  
The government will provide 100 million ringgit (US\$45 million) to help businesses affected by

**Business Closures:** All religious institutions, schools, businesses and government offices will be shut until March 31. All mass gatherings will be banned and only essential services including supermarkets, banks, gas stations and pharmacies will be allowed to stay open.

**Travel Restrictions:** Malaysians will not be allowed to travel overseas, and all foreign visitors will be banned. All

**Medical Masks:** Export of the medical face masks is prohibited to all countries absent approval by the Controller of Supplies (under the Ministry of Domestic Trade and Consumer Affairs)

Control of Supplies (Prohibition on Export) (Amendment) Regulations

<https://abcnews.go.com/Health/wireStory/malaysia-bans-mass-gatherings-shuts-businesses-69620354>

<https://www.aseanbriefing.com/news/malaysia-issues-stimulus-package-combat-covid-19-impact/>

<https://www.cnn.com/2020/03/17/asia/coronavirus-covid-19-update-intl-hnk/index.html>

[http://www.federalgazette.agc.gov.my/output/pua\\_20200317\\_PUA88.pdf](http://www.federalgazette.agc.gov.my/output/pua_20200317_PUA88.pdf)



Bank Negara Malaysia (BNM), the country's central bank, will provide loans for small and medium-sized enterprises (SMEs). The funds will be distributed through commercial banks at an interest rate capped at 3.75 percent per annum.

Each SME will be eligible to receive up to 1 million ringgit (US\$226,000) with a tenure of 5.5 years – this includes a 6-months payment moratorium. The government will provide banks with an 80 percent guarantee on the loans.

#### **Tax exemptions and deferments**

Travel agencies, hotels, airlines, as well as businesses in the tourism industry, will be given a deferment of their monthly tax installments for six months. Government has prepared a 200 million ringgit 500 million ringgit (US\$43 million) micro-credit scheme for small businesses in the tourism industry. Hotels will also be exempt from service tax until August 31, 2020. The government will offer travel discount vouchers per person, starting March 2020; and increase tourism Malaysian tourism in the Middle East, Europe, ASEAN, and South Asia.

COVID-19 to upgrade the skills of its workers. This includes for sectors, such as retail, hospitality, and tourism in addition to electrical, electronic, and automotive manufacturing.

Another 50 million ringgit (US\$11 million) will be provided to finance short courses, in particular, to improve the digital skills of employees, and 20 million ringgit (US\$4.5 million) will be allocated to fund short courses for employees in the manufacturing sector.

Malaysians returning from overseas will have to self-quarantine for 14 days.

2020, in force from 12 March 2020

[http://www.federalgazette.agc.gov.my/output/pua\\_20200319\\_PUA92\\_2020.pdf](http://www.federalgazette.agc.gov.my/output/pua_20200319_PUA92_2020.pdf)

Customs (Prohibition of Exports) (Amendment) (No. 2) Order 2020, in force from 20 March 2020



## **Financial assistance**

Financial assistance to low-income households. Low-income households will begin receiving a monthly payment of 200 ringgit (US\$45) scheduled for May to be paid in March. Families will also receive an additional one-off payment of 100 ringgit (US\$22).

## **Infrastructure**

Implementing small scale infrastructure projects maintaining roads, bridges, streetlights, drainage systems, and water supplies, among others, at the federal, state, and local government level.

## **Agrofood**

BNM has allocated a loan scheme for SMEs involved in the food production industry and SMEs in the agriculture sector. This fund will be used to enable SMEs to sell their products on e-commerce platforms and therefore to a larger pool of consumers.

## **Sales tax and import duty exemption on equipment and machinery**

This incentive is exclusive for port operators who need to import machinery or equipment, used in port operations.



## Mexico

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*Updated as of  
April 13, 2020*

**Force Majeure:** On March 23, 2020, Mexico recognized SARS-CoV2 (COVID-19) as a critical illness and on March 30, 2020, as a force majeure health emergency. Mexico is still in phase 2.

**Government Procurement:** On April 3, 2020, an agreement was published in the Mexican Official Gazette, stating that the Mexican Ministries of Health, National Defense, and Navy, as well as the Institute of Health for Welfare, the Mexican Institute of Social Security, and the Institute of Security and Social Services for State Workers, are the authorized governmental entities to purchase and, if needed, to import drugs, medical equipment, diagnostic agents, reagents, surgical and curative supplies and, hygienic products, as well as all types of goods and services, goods and objects necessary to face and manage COVID-19.

Due to the existing sanitary emergency, the referred Agreement establishes that the above-mentioned purchases will not be subject to the normal government procurement procedure. Instead, the Mexican Ministries of Health, National

**Business Closures:** Non-essential activities are suspended from March 30 to April 30, 2020.

**Essential activities:** Those that are directly necessary to attend to the health emergency (COVID-19), such as the work activities related to medical, paramedical, administrative and support branches throughout the National Health System, as well as, those involved in their supply chain, i.e., drugstores, the manufacture of inputs, medical equipment, and technologies for health care; those involved in the proper disposal of infectious biological hazardous waste, as well as the cleaning and sanitation of medical units;

those involved in public security and citizen protection; the procurement and delivery of justice; as well as legislative activity at the federal and state levels;

those related to the fundamental sectors of the economy: financial, tax collection, distribution and sale of energy, gas stations and gas, generation and distribution of drinking water, food and non-alcoholic beverages industry, food markets, supermarkets, self-service stores,

[http://www.dof.gob.mx/nota\\_detalle.php?codigo=5590914&fecha=31/03/2020](http://www.dof.gob.mx/nota_detalle.php?codigo=5590914&fecha=31/03/2020)

[http://www.dof.gob.mx/nota\\_detalle.php?codigo=5590914&fecha=31/03/2020](http://www.dof.gob.mx/nota_detalle.php?codigo=5590914&fecha=31/03/2020)

[http://www.dof.gob.mx/nota\\_detalle.php?codigo=5591156&fecha=03/04/2020](http://www.dof.gob.mx/nota_detalle.php?codigo=5591156&fecha=03/04/2020)

[http://www.dof.gob.mx/nota\\_detalle.php?codigo=5590161&fecha=23/03/2020](http://www.dof.gob.mx/nota_detalle.php?codigo=5590161&fecha=23/03/2020)

<https://data.consejeria.cdmx.gob.mx/index.php/gaceta>

<https://periodicooficial.jalisco.gob.mx/sites/periodicooficial.jalisco.gob.mx/files/03-24-20-iv.pdf>

[http://sgi.nl.gob.mx/Transparencia\\_2015/Archivos/AC\\_0001\\_0007\\_00168404\\_000001.pdf](http://sgi.nl.gob.mx/Transparencia_2015/Archivos/AC_0001_0007_00168404_000001.pdf)

[http://www.dof.gob.mx/nota\\_detalle.php?codigo=5591156&fecha=03/04/2020](http://www.dof.gob.mx/nota_detalle.php?codigo=5591156&fecha=03/04/2020)





Defense, and Navy, as well as the Institute of Health for Welfare, the Mexican Institute of Social Security, and the Institute of Security and Social Services for State Workers are authorized to and could acquire the goods and services through direct adjudications or acquisitions, without going through the standard statutory public tender procedures.

There have not been any Federal economic stimulus packages, corporate tax related measures, loan facilities, direct income supports and any industry specific subsidies. However, certain Mexican State Governors have granted economic stimulus to their local or State constituencies. Below are a few examples:

**Local Fiscal Measures:**

Mexico City:

- a) Deadlines for compliance with fiscal obligations contained in the Mexico City Fiscal Code are extended until April 30, 2020.
- b) The government of Mexico City will grant 50 thousand microcredits of approximately \$415.00 US dollars, without interest, to be paid in a term of 2 years and with a period of 4 months to pay the first payment.

grocery stores and sale of prepared foods;

transport of passengers and cargo;

agricultural, fishing and livestock production, agro-industry, chemical industry, food products, and cleaning; hardware stores, courier services, guards in private security work; nurseries and rooms children's homes, nursing homes and homes for the elderly, shelters and centers for women victims of violence, their children;

telecommunications and media;

private emergency services, funeral and burial services, storage services and cold chain for essential supplies;

logistics (airports, ports, and railways), as well as activities whose suspension may have effects irreversible for its continuation, i.e. production of steel, cement and glass that have current contracts with the federal government, will continue the activities that allow them to comply with the short-term commitments exclusively for the projects of Dos Bocas, Tren Maya, Felipe Ángeles Airport, Transisthmian Corridor; as



## Nuevo Leon:

a) The payment of the Payroll Tax corresponding to the months of March, April and May of this fiscal year is exempted to the individuals and companies whose gross income, for purposes of the Income Tax related to fiscal year 2019, does not exceed approximately \$166,667.00, and that have a labor force of 1 to 10 direct employees.

b) Restaurants, restaurant-bars, hotels, casinos, gyms, theatres, bars, cinemas and entertainment services are exempted from the payment of the Payroll Tax corresponding to the months of March, April and May of fiscal year 2020, and are exempted from the payment of the Payroll Tax to individuals and companies that engage in the following activities: restaurants, restaurant-bars, hotels, casinos, gyms, theatres, bars, cinemas and entertainment services.

## **Local Stimulus Package:** Jalisco:

The Jalisco COVID-19 Plan was created, which will be endowed with Ps. \$1,000,000,000.00 Mex.Cy. and will be used as follows:

a) Ps. \$400,000,000.00 Mex.Cy to the informal economic activities, in a self-employed or underemployed

well as the existing contracts considered as indispensable for PEMEX and the Federal Electricity Commission;

those directly related to the operation of government social programs; and

those necessary for the conservation, maintenance, and repair of the critical infrastructure that ensures the production and distribution of indispensable services: drinking water, electric power, gas, oil, gasoline, jet fuel, basic sanitation, public transportation, hospital, and medical infrastructure, among others that could be listed in this category.

**Government Closures:** Mexican administrations that are not considered essential will be closed from March 30, 2020, to April 30, 2020, and, in this regard, the essential ones will continue operations, i.e. Ministry of Health, Tax Administration Service, Ministry of Finance and Public Credit, among others.

**Public Gatherings:** On March 31, 2020, the government established that all residents in Mexican territory, including those who arrive from



scenario, who will be assigned community service tasks during the contingency.

b) Ps. \$450,000,000.00 Mex.Cy to micro and small businesses, so they can keep their employees' jobs.

c) Ps. \$150,000,000.00 Mex.Cy to protect the income of corn producers, as part of the food security strategy

abroad and do not participate in essential work activities, are urged to comply with co-responsible housekeeping from March 30, 2020, to April 30, 2020. It is understood that home protection is co-responsible for the voluntary limitation of mobility, remaining in the private home or place other than the public space, as long as possible.

**Education:** Schools are closed from March 23 until at least April 30, 2020 (up to this date).



## Netherlands

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*Updated as of  
April 13, 2020*

### Compensation for Entrepreneurs in Affected Sectors

(in Dutch: *Tegemoetkoming Ondernemers Getroffen Sectoren COVID 19*, or TOGS): All qualifying companies affected by the COVID-19 pandemic, including the hospitality and travel industries, will receive a fixed one-time compensation of €4,000 for a period of three months.

**Loan Facilities:** The government extended measures for all companies through which they can borrow money at favorable rates. This expands the scope of the BMKB (Borgstelling MKB-kredieten) program for SMEs and the GO program (Garantie Ondernemingsfinanciering) for larger companies.

### Tax:

#### Payment extension

Dutch companies affected by the economic consequences of COVID-19 are eligible to request an extraordinary payment extension for certain taxes for a period of 3 months. Most relevant taxes include corporate income tax (CIT), value added tax (VAT) and payroll taxes, while no payment extension is granted for dividend withholding tax.

### Wage Costs Compensation:

Employers that are expecting a decrease in revenue of at least 20% over three consecutive calendar months in the period from March 1 to July 31, can apply with the Employee Insurance Agency for a compensation of the wage costs for its employees. Up to a maximum of 90% of the wage costs can be compensated, depending on the percentage of the loss of turnover. The compensation can be requested (with retroactive effect) as of March 1, 2020 and for a period of 3 months with a possibility for an extension – potentially on other conditions – for another 3 months.

Employers must commit not to apply for a dismissal permit for its employees on business economic grounds during the compensation period and they have a best-efforts obligation to keep the total wage sum at the same level. Within 2 to 4 weeks, employers can receive an advance payment of 80% of the expected compensation. Within 24 weeks, the definitive compensation amount is established and will be paid out, after deducting the advance payment. If the definitive

**Business Closures:** Named businesses, including restaurants, bars and coffee shops will be closed until April 28, 2020. Schools and childcare centres will remain closed until May 3, 2020. Public places such as museums, concert halls and cinemas are closed.

All those in contact-based roles must stop performing their jobs until April 28 (inclusive), unless it is possible to maintain a distance of 1.5 meters from clients at all times. An exception has been made for those providing treatment in medical or paramedical roles, but only if there is a specific medical reason and the relevant hygiene measures are taken.

**Public Gatherings:** Events that require a permit are banned until June 1. Other types of gatherings are banned until April 28, 2020. However, there are several exceptions.

(Please see the export controls on medical supplies mentioned under the European Union)

<https://www.government.nl/topics/coronavirus-covid-19/tackling-new-coronavirus-in-the-netherlands>

<https://english.rvo.nl/subsidies-programmes/reimbursement-economic-loss-due-covid-19>

<https://business.gov.nl/the-coronavirus-and-your-company/>

<https://www.nautadutilh.com/en/coronavirus>



Taxpayers can apply for an additional extension on top of the initial three-month period, but only if they are able to adequately substantiate their request (e.g. with an auditor's opinion). The request can be filed via letter or through the Dutch tax authorities' website (see References) and should be filed before June 19, 2020.

#### No penalties

For the time being, the Dutch tax authorities will not impose any penalties for the late payment of taxes, and any penalties already established need no longer be paid.

#### Revision of preliminary assessments

Preliminary corporate income tax assessments for 2020 may be reduced if lower profits are expected due to the COVID-19 crisis.

#### Lowering of interest rates

The interest rate on unpaid taxes (*belastingrente*) and the recovery interest rate (*invorderingsrente*) are temporarily lowered to 0.01%.

amount is lower than the advance payment, the excess can be claimed back.

#### **Childcare for Key Workers:**

Childcare will be provided for the children of key workers at no extra cost, so that these parents can continue going to work. Key workers are people who work in healthcare, public transport, the police and fire services and other crucial sectors.





## Panama



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*Updated as of  
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**Loans:** Banking entities can modify the previously-agreed conditions of loans, to allow debtors to comply with their obligations, due to the changed situation (actual or potential) caused by COVID-19, without making a credit restructuring.

**Tax:** After declaring a state of emergency, the government of Panama enacted Law No. 134 of 2020 ("Law 134"), which allows the Executive Branch to suspend totally or partially the application of tributes of any kind, and defer their payment temporarily. Furthermore, the Ministry of Economy and Finance issued Executive Decree no. 251 of 2020, which grants a term of 120 days following the enforcement of Law No. 134 for the payment of any tax under the competence of the Directorate General of Revenue, without interest, surcharges or fines being triggered. Taxes required to be withheld at source are, however, excluded from this provision. Additionally, the term for filing the Income Tax Return for the fiscal year 2019 is extended until May 30, 2020 for both individuals and legal entities. In said tax returns, the estimated Income Tax taxpayers would have to calculate for fiscal year

**Labor Contracts:** By Decree No. 81 of March 20, the government issued extraordinary measures to allow for labor contracts to be suspended due to force majeure as a result of the COVID-19 health crisis. The suspension may be applied by already shutdown businesses, after obtaining appropriate validation from the Ministry of Labor. This measure exempts employers from paying workers' salary, without termination of the employment relationship.

**Quarantine:** The government ordered indefinite mandatory quarantine throughout the Panamanian territory starting on March 25, 2020. Aiming to reduce mobility by 50%, authorities have tightened measures; thus, from Wednesday, April 1, women and men will move on different days, prohibiting absolute mobilization on Sunday. In other words, movement restriction is applicable to the entire population, who may circulate exclusively to purchase food and/or medicines for a maximum period of 2 hours a day, men on different days than women.

<http://ariaslaw.com/boletines/PUBLICACIONES%202020/PN%20General%20Practical%20Guidance%20COVID%2019.pdf>



2020 may be lower than that of 2019, but no less than 70% thereof.

## Philippines



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*Updated as of  
April 13, 2020*

**Grant of Emergency Powers:** RA 11469 or the Bayanihan Act was enacted to grant the President powers to address the pandemic, such as to:

- direct the grant of grace period for loans and residential lease, regulate the operation of all sectors of transportation;
- require businesses to prioritize and accept fair and reasonable contracts for materials and services necessary to promote the declared national policy; and
- direct the operation of private hospitals, medical facilities, and other establishments to house health workers.

### Tax Filings and Payment:

In view of the extension of the ECQ period, the deadlines for the filing of tax returns, and submission of documents and the payment of various national taxes were further extended, except for those where the due dates that were extended prior to the ECQ extension falls on a day that is after the lifting of the ECQ.

### Employee Benefits:

Private sector employers are “encouraged to adopt a work arrangement that will not require physically reporting for work.” They “should extend financial assistance to their employees” and “may grant prorated 13th month pay.”

Private sector employers “should not terminate their employees by reason only of not reporting for work because of the [COVID-19] situation.” The Philippine government will provide social amelioration packages for those affected by the work stoppage.

**Paid Leave:** The government will provide “[a] one-time financial assistance [of] PhP 5,000 ... to ... formal sector workers, ... regardless of employment status” who are: (i) receiving reduced regular wage due to the adoption of flexible work arrangements, or (ii) affected by the temporary closure of the employer’s establishment.

### Business Closures:

Government offices and private establishments were ordered closed in connection with the declaration of enhanced community quarantine over Luzon and other parts of the country. The following however were allowed to continue to operate, subject to the use of skeleton staff and the observation of health and safety measures: (a) establishments providing basic necessities such as hospitals, groceries, pharmacies, banks, and telecommunications facilities, and (b) business process outsourcing companies (BPOs) and export-oriented enterprises.

**Lockdown:** A strict home quarantine is observed and public mass transport is suspended. The Enhanced Community Quarantine (ECQ) was extended over the entire Luzon until April 30, 2020.

### Travel Restrictions:

**Travel Ban:** A general travel ban into and out of Metro Manila is imposed.

**Visas:** Visa issuance to foreign nationals and visa-free privileges are suspended except for foreign spouses

### Export Control

**Suspensions:** The government requires manufacturers of certain medical products (which are registered as export enterprises and enjoy tax incentives under special laws administered by Investment Promotion Agencies) to supply at least 80% “of their daily production to the procuring entity determined under [the Bayanihan Act].” The regulations also provide that such “local sales of such export enterprises [are] deemed and treated as “export sales”” to enable them to comply with the requirement that their export sales comprise a certain percentage of their total sales.

The Philippine Ports Authority prescribed guidelines to expedite the release of refrigerated containers containing medicines. These include

### Official Gazette

<https://www.officialgazette.gov.ph/downloads/2020/03mar/20200316-PROC-929-RRD.pdf>

<https://www.officialgazette.gov.ph/downloads/2020/03mar/20200316-MEMORANDUM-FROM-ES-RRD.pdf>

<https://www.officialgazette.gov.ph/downloads/2020/03mar/20200318-MEMORANDUM-FROM-ES-RRD.pdf>

[https://www.officialgazette.gov.ph/2020/03/24/republic-act-no-11469/#\\_blank](https://www.officialgazette.gov.ph/2020/03/24/republic-act-no-11469/#_blank)

<https://www.officialgazette.gov.ph/downloads/2020/03mar/20200401-IRR-RA-11469-RRD.pdf>

### Inter-Agency Task Force for the Management of Emerging Infectious Diseases

<http://www.covid19.gov.ph/wp-content/uploads/2020/03/IATF-20200320-Reso-No-14.pdf>

<http://www.covid19.gov.ph/wp-content/uploads/2020/03/IATF-RESO-13.pdf>

### Supreme Court



The period to avail of tax amnesty for delinquencies has also been further extended to June 8, 2020.

Local government units in the National Capital Region have extended the deadline for payment of local business and real property taxes.

Credit extensions, credit restructuring and micro-lending including those obtained by pawnshops and extensions thereof during the ECQ period are exempt from documentary stamp tax.

### **Insurance Premiums and Coverage:**

Insurers are encouraged to extend the grace period for premium payments that remain unpaid during the period of March 15, 2020 to April 13, 2020, or up to a later date deemed appropriate by the company, by up to 31 days.

Insurers and health maintenance organizations (HMOs) shall extend the coverage of their policies “that will expire during the period of March 15, 2020 to April 13, 2020 for another 30 days, subject to the consent of the insured.”

and children of Filipinos. Foreign nationals may fly out of the country at any time.

International: Inbound international passengers from countries with local transmissions of the virus is not allowed.

Filipinos abroad, including their foreign spouse and children, and other permanent residents may return to the Philippines anytime, subject to quarantine upon their return.

Overseas Filipino workers (OFWs), balikbayans, and foreign nationals may leave the country anytime, provided that (1) “their departure is 24 hours from the time they leave their homes or hotels,” and (2) “[n]o sendoff party will be allowed to accompany departing passengers.”

the reduction of processing times for approval of permits and licenses for the release thereof and acceptance of online application for permits and licenses and payments of fees.

### **Tax Exemptions on Imports:**

Importation of essential health equipment and supplies are exempt from value-added tax, excise tax, and other fees.

Donations of these imported articles for government or non-profit entities created by government agencies are exempt from donor’s tax.

<http://sc.judiciary.gov.ph/11092/>

<http://sc.judiciary.gov.ph/11145/>

### **Bureau of Internal Revenue**

[https://www.bir.gov.ph/images/bir\\_files/internal\\_communications\\_1/Advisory/posted%20during%20quarantine%20march%202020/Bank%20Bulletin%20No.%202020-03.pdf](https://www.bir.gov.ph/images/bir_files/internal_communications_1/Advisory/posted%20during%20quarantine%20march%202020/Bank%20Bulletin%20No.%202020-03.pdf)

### **Securities and Exchange Commission**

<http://www.sec.gov.ph/public-information-2/investors-education-and-information/notices/>

### **Department of Trade and Industry**

[https://dtiwebfiles.s3-ap-southeast-1.amazonaws.com/Advisories/200320\\_MC20-08.pdf](https://dtiwebfiles.s3-ap-southeast-1.amazonaws.com/Advisories/200320_MC20-08.pdf)

### **Department of Foreign Affairs**

<https://www.dfa.gov.ph/covid-19-advisories/26375-travel-advisory-outbound-travel-restrictions-by-philippine-government-on-foreign-travelers>



### **Grace period for Payments of**

**Loans:** Banks, credit card companies, other lenders are required to provide a 30-day grace period for the payment of all loans, including credit card payments, falling due within March 17, 2020 to April 12, 2020, without incurring interest on interest, penalties, fees, or other charges. The initial 30-day grace period shall automatically be extended if the ECQ period is extended. However, the Central Bank has yet to issue an advisory to confirm the extension of the grace period in relation to the extension of the ECQ period over Luzon.

**Lower Lending Rates:** Effective lending rates of interest and reserve requirements of lending institutions are to be lowered to ensure the availability of credit to the productive sectors of the economy.

### **Bangko Sentral ng Pilipinas**

<https://drive.google.com/file/d/1cxL2sseLFijpgK4N54ISHxtfJ61ggOYK/view>

<https://www.ipophil.gov.ph/advisories/>

### **Insurance Commission**

[https://www.insurance.gov.ph/wp-content/uploads/2020/03/CL2020\\_18-final.pdf](https://www.insurance.gov.ph/wp-content/uploads/2020/03/CL2020_18-final.pdf)

[https://www.insurance.gov.ph/wp-content/uploads/2020/03/CL2020\\_25.pdf](https://www.insurance.gov.ph/wp-content/uploads/2020/03/CL2020_25.pdf)



## Poland

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*Updated as of  
April 10, 2020*

### Tax Relief and Postponement:

**Relief:** New regulations enable corporate income taxpayers who bear the negative consequences of COVID-19 to deduct the loss incurred in 2020 from the operating income earned in 2019.

**Postponement:** The following deadlines were postponed due to the pandemic: annual income tax returns and payment of corporate income tax deadline due for 2019 was postponed until 31 May 2020; and advance payment for income tax due to the remuneration paid in March and April was postponed until 1 June 2020.

### Loan Facilities:

**Automatic Renewal:** If the working capital loan period taken out by the entrepreneur is coming to an end, the entrepreneur shall be able to automatically renew it.

**Postponement / Suspension:** Repayment of certain loans may be suspended. The solution is addressed to bank customers who, at the time of the epidemic announcement, were characterized by proper financial credibility, documented credit history and no arrears arising from previously concluded agreements.

**Remote Work:** Employers may instruct the employee to perform work remotely for a specified period of time.

**Child Care Leave:** If the nursery, children's club, kindergarten or school is closed because of COVID-19, an insured person (e.g., employee) who is absent from work due to the necessity of taking care of a child is entitled to additional paid childcare allowance.

**Co-Financing:** Micro, small and medium-sized enterprises may obtain co-financing from local administration funds for maintaining workplaces. Moreover, the employers forced to announce the interruption of work or reducing working time which will not reduce employment may obtain financial benefit from the Guaranteed Employee Benefits Fund to co-finance the employees' remunerations.

**Employee Benefits:** The deadline for implementing of the Employee Capital Plans (PPK) in medium-sized enterprises was postponed.

### Travel Restrictions:

#### Border Crossing:

The Polish borders can only be crossed by:

- Polish citizens,
  - foreigners who are spouses or children of Polish citizens or remain under the constant care of Polish citizens,
  - people who have a Pole's Card,
  - diplomats,
  - persons with the right of permanent or temporary residence in the territory of Poland or work permit,
  - foreigners who operate a means of transport for the carriage of goods.
- Any person crossing the border is obliged to undergo quarantine for 14 days (except for professional drivers, sea and aircraft crew, and soldiers).

**Lockdown:** People are allowed to leave the house only when necessary, i.e., to go to work, to do necessary shopping, to volunteer to fight with COVID-19, etc. The distance from other pedestrians should be at least 2 meters. The minors (up to 18) cannot leave the house and be in the public places without adult supervision.

**Export Ban:** It is forbidden to export and sell respirators and cardio-monitors from the territory of Poland to anyone outside Poland.

**Export Restrictions:** During the pandemic, there are restrictions on the disposal of or exportation from Poland of specific medical products, such as PPE, including protective goggles, TYVEK type coveralls, FFP2 / FFP3 type masks, surgical masks, protectors for shoes (footwear), latex gloves, nitrile gloves, and means for disinfecting hands, surfaces and rooms.

Any entity that wishes to export or dispose of the covered products must inform voivode (local governmental authority) no later than 36 hours before the planned export/disposal. The voivode may ask the Prime Minister to ban such sale or disposal.

<http://prawo.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20200000374>

<http://dziennikustaw.gov.pl/D2020000056601.pdf>

<https://www.gov.pl/web/tarczaantykryzysowa>





**Commercial Leases:** During the prohibition on operating in large scale commercial facilities (with a sales area of over 2,000 sq.m.), the mutual obligations of the parties to the lease agreement, under which the commercial space is used, may continue after expiration of the lease.

**Work Conditions:** An entrepreneur who has a decrease in turnover and who is not in arrears in settling taxes and social security contributions, may change the working conditions for employees by:  
a) limiting uninterrupted daily and weekly rest;  
b) agreeing to the introduction of an equivalent working time schedule; and  
c) agreeing to the application of less favorable employment conditions.

**Foreigners' Work Permits:** The period of validity of work permits for foreigners was extended by law until the end of the 30th day following the end of the epidemic.

**Education:** All schools and the universities are closed, as well as the children's clubs and kindergartens.

**Business Closures:** Most commercial establishments and hotels are temporarily closed. Exceptions are restricted to establishments providing essential goods and services like those for shops selling food and beverages, pharmaceutical, cleaning products, restaurants offering only takeout meals, post office, medical establishments, automotive fuel, banks, laundries.

**Public Gatherings:** All gatherings, meetings, events and assemblies of more than 2 persons are prohibited, unless they are part of the same household (workplaces are excluded from that rule).

Russia

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**Loan and Credit Referrals:** On April 03, 2020, the government adopted a List of industries most affected by COVID-19, which includes transport (automobile, aviation and airports), culture and entertainment, sport and recreation, tourism, hotels, restaurants, extended and private education, event management, personal services (repair, beauty shops, hair shops, etc.). These

**Remote Work:** Employees of continuously operating organizations, as well as organizations listed in the previous paragraphs, can continue working during the non-working week in ordinary regimes. The company shall properly formalize its decision and report to the authorities. Employees of organizations that are not related to organizations that

**Business Closures:** The period from March 30th until April 30th is a "non-working period" with nationwide paid days-off in order to minimize the consequences of COVID-19. The following companies can continue working during the non-working period:

- continuously operating organizations;

**Disinfectants:** On March 24, 2020 the EEC adopted the resolution on restrictions of export from the EAEU of individual protective means, disinfecting means and medical products. This restriction will be effective until September 30, 2020.

<http://government.ru/en/news/>





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*Updated as of  
April 6, 2020*

companies may apply to the banks for credit payment deferral till September 30, 2020.

**Stress Testing for Guarantees:** As of April 2020, the government is planning to hold stress-tests of essential enterprises (the List includes 600 companies) in order to check their sustainability for the case of further expansion of COVID-19 and the Ruble's fall. The anti-crisis plan provides for allotting 500 billion Rubles in government guarantees to essential enterprises.

**Ban on Insolvency Cases:** On April 3, 2020 the government introduced a half-year ban on opening insolvency cases against specific companies and industries:

- essential enterprises,
- strategic companies, and
- small-and-medium enterprises (SME) strongly affected by COVID-19.

**Lease of Property:** On March 31, 2020, the Bill was approved by Russian Parliament and sent to the President for signature, obliging the property owners upon requests of lessees to conclude the additional agreements to the lease contracts

continue working during the non-working regime cannot be obliged to work during the non-working week, however they can work remotely upon mutual consent. The employee's transfer to the remote work during the non-working week shall be duly formalized and reported.

- medical and pharmacy;
- food and essential goods;
- emergency work in emergency situations;
- with activities related to the protection of public health and the prevention of the spread of coronavirus infection;
- production and consumption waste management;
- housing and communal services to the population;
- petroleum products supply systems; organizations that provide financial services in terms of emergency functions);
- organizations engaged in emergency repair and urgent loading/uploading works and carry out transport services for the population;

Other organizations can continue operations based on regional regulations. In Moscow, work can be continued by organizations and individual entrepreneurs, which are not directly prohibited to work during the "non-working period".

**Regional Level of Dealing with COVID-19:** According to the President's public announcement as of April 2, all relevant restrictions are

On April 3, 2020 the EAEU approved the list of so-called "critical imports" which will be released from import duties up to June 30, 2020. The list includes agriculture products, certain medicines and medical equipment.

On April 3, 2020 the EAEU also decided on a temporary basis to simplify the use of CoO certificates issued by the developing countries.



providing the deferral on lease payments for 2020. The Bill had not yet entered into force.

**Additional Measures for SME**

(introduced in March – April 2020):

- reduction of insurance premium payments from 30% to 15%;
- deferral on lease payments on federal property;
- suspension of audit and inspections, and others.

taken at the level of the Federal Regions.

**Self-Isolation at Federal Level and in Moscow:**

The President announced on March 25 (as updated in his announcement as of April 2) that all the business days until April 30 inclusive are non-working.

According to the Decree all people of age 65 and older, as well as people with chronic diseases, the list of which is attached to the Decree, must be self-isolated at their homes.

All people must not leave their place of residence or stay, with the exception of cases of need for emergency medical care, moving to or from work, or relocation directly related to the implementation of activities that are not suspended.

Otherwise, the only good cause for leaving a house is visiting the nearest place of purchase of goods, works, services, pet walking at a distance not exceeding 100 meters from the place of residence or stay, waste disposal to the nearest waste storage sites.

Social distancing of 1.5 meters.



Currently, most of the measures in the Decree are established until April 30.

## South Africa



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*Updated as of  
April 21, 2020*

**Stimulus Package:** The Industrial Development Corporation (IDC), with the Department of Trade, Industry and Competition, has put a package together of more than R3 billion for industrial funding to: assist vulnerable firms; fast-track financing for companies critical to efforts to fight the virus and its economic impact (IDC COVID-19 Essential Supplies Intervention). The relief comes in the form of trade finance to import essential medical products and working capital and equipment and machinery. Priority areas for funding include: food security by prioritizing support to agriculture and food value chains; tourism sector support for working capital; bridging finance to support supply chain interruptions; working capital to ensure energy security by supporting suppliers of primary energy; and working capital and bridging finance to SMEs that provide components to car-makers. IDC is engaging industry players to address surges in demand.

**Liquidity Strategy:** The Central Bank (South African Reserve Bank)

**Employee Benefits:** If an employer temporarily shuts down its operations or part of its operations for a period of 3 months or less as a result of the COVID-19 pandemic, the employer will qualify for temporary relief benefits for its employees. Affected employees will qualify to receive salary benefits from the UIF during the temporary closure of the company. The salary to be taken into account in calculating the benefit will be capped at a maximum of ZAR17 712 per month per employee. The employer must be registered with the Unemployment Insurance Fund (UIF) and must comply with the application procedure

The UIF also has a 'reduced working time' benefit which was introduced in 2018. "A contributor employed in any sector who loses his or her income due to reduced working time, despite being employed, is entitled to benefits if the contributor's total income falls below the benefit level that the contributor would have received if he or she had become wholly

**Travel restrictions:** All borders are closed during the period of lockdown, except for designated ports of entry for the transportation of fuel, cargo and goods during the lockdown period, and flights which are specifically authorized for the repatriation of South African citizens to South Africa, and the repatriation of foreign nationals in South Africa, to their home countries. Prohibition against movement between provinces, metropolitan and district areas, subject to limited exceptions.

Prohibition of public transport except for public transport services necessary for purposes of rendering essential services, obtaining essential goods or services, seeking medical attention, funeral services or collecting payment of grants and pensions, subject to capacity restrictions.

**Public Gatherings:** Gatherings (except for funerals subject to restrictions) and the assembly of more than 50 persons at premises where liquor is sold and consumed

**Export Controls:** As of March 27, 2020, the Minister of Trade, Industry and Competition imposed a permit requirement on the export of alcohol-based hand sanitizer, face masks, including gas masks, hydroxychloroquine, human albumin and a number of vaccines.

Regulations in terms of section 27(2) of the Disaster Management Act, 2002 (published under GG 43107 dated 18/03/2020 and including amendments under GG 43148 dated 25/03/2020, GG 43168 dated 26/03/2020, GG 43199 dated 02/04/2020, GG 43232 dated 16/04/2020 and GG43240 dated 20/04/2020)

<https://www.gov.za/Coronavirus>

<https://www.resbank.co.z>

<https://www.solidarityfund.co.za>



announced that it will restructure its market liquidity management strategy, which will give some relief to banks and funding markets impacted by COVID-19. It will begin buying an unspecified amount of government bonds to ease the severe liquidity crunch.

The South African Reserve Banks also issued a 'Joint Communication' setting out the responses by the Prudential Authority and the Financial Sector Conduct Authority to the COVID-19 pandemic, and observed and predicted impacts it has, or is likely to have, on the economy and the insurance industry. The Joint Communication outlines some of the regulatory and supervisory actions that the Authorities are implementing.

**Solidarity Fund:** The Solidarity Fund is a public-private donations-based initiative which aims to take action to prevent the spread of COVID-19, detect and understand the magnitude of the disease, care for persons in hospital or needing medical care as a result of the virus, and support those whose lives have been disrupted by the pandemic. The Fund has been established as a vehicle through which individuals and organizations

unemployed, subject to that contributor having enough credits.”

If an employee is quarantined for 14 days due to COVID-19, the employee will qualify for illness benefits.

**Workers Compensation:** On 20 March 2020, COVID-19 was classified as an occupationally acquired disease under the Compensation for Occupational Injuries and Diseases Act, 1993. Therefore, employees who contract COVID-19 arising out of and in the course of their employment may claim compensation from the Compensation Fund.

**Employee Tax:**

The President of South Africa announced that the government was considering taking the following tax measures:

- a tax subsidy, Employment Tax Incentive (“ETI”), of up to ZAR500 per month for the next 4 months for private sector employees who earn under ZAR6 500;
- accelerated payments of employment tax incentive

(although total closure of such premises is required during lockdown), is prohibited.

**Education:** Schools and partial care facilities closed from March 18, 2020 to April 30, 2020, subject to extension.

**Lockdown:** Countrywide lockdown initially for 21 days from midnight on 6 March 26, was now extended until April 30, 2020. Only certain categories of businesses can remain open. Any place not involved in the provision of an essential goods or services must remain closed to all persons for the duration of the lockdown.

**Essential Goods:**

Food products, including non-alcoholic beverages, excluding hot cooked food, alcohol, animal food and chemicals, packaging and ancillary products used in the production of food;  
Cleaning and hygiene products;  
Medical supplies, equipment and PPE, items required for baby and toddler care, personal toiletries;  
Fuel, including coal, wood and gas;  
Basic goods including airtime, electricity and cash;



will be able to support these efforts through secure, tax-deductible donations. The Fund will operate with the highest principles of corporate governance and through an independent Board. The activities of the Solidarity Fund are intended to complement State interventions and provide critical gap funding to accelerate the delivery of critical interventions benefitting the most vulnerable.

- reimbursements by the South African Revenue Service (“SARS”) from twice a year to monthly; and
- tax deferment of 20 % of the employee’s tax liabilities over 4 months and a portion of their provisional corporate income tax payments without penalties or interest over the next six month for compliant businesses with a turnover of less than ZAR50-million.

On March 29, 2020, the National Treasury released a draft document containing explanatory notes on the proposed tax measures in light of the national state of disaster.

Draft Bills to give effect to the above measures, are expected to be released for public comment soon.

Hardware, components and supplies required by any entity engaged in the provision of essential services for any project related to the provision of water, electricity or other essential services; and  
Emergency vehicle repairs= components where such vehicle is used. by a person engaged in essential services work.

**Essential Services:**

Medical, Health (including Mental Health), Laboratory, the National Institute for Communicable Diseases; Disaster Management, Fire Prevention, Fire Fighting and Emergency services;  
Services necessary to maintain the functioning of a financial system when the operation of a place of business or entity is necessary to continue to perform those services (not including debt collection services); Services necessary for the provision of designated social grants; Production and sale of the goods listed as essential goods, above;  
Grocery stores and wholesale produce markets and permitted informal food traders; Electricity (including vital demand management



services), water gas and fuel production, supply and maintenance;

Critical jobs for essential government services as determined by Government;

Essential municipal services;

Care services and social relief of distress provided to older persons, mentally ill, persons with disabilities, the sick, and children;

Funeral and cremation services;

Wildlife Management, Anti-poaching, Animal Care and Veterinary services;

Newspaper, broadcasting and telecommunication infrastructure and services;

Production and sale of any chemicals, hygiene products, pharmaceuticals for the medical or retail sector;  
Cleaning, sanitation, pest control, sewerage, waste and refuse removal services;

Services related to the essential functioning of courts;





Essential defined revenue services;

Police, peace officers, traffic officers,  
military medical personnel and  
soldiers,

correctional services officials and  
traffic management services;

Postal services and courier services  
related to transport of medical  
products;

Private security services;

Air-traffic Navigation, Civil Aviation  
Authority, air charters, Cargo  
Shipping and

dockyard services;

Gold, gold refinery, coal and mining;

Accommodation used for persons  
rendering essential services,  
quarantine, isolation;  
Production, manufacturing, supply,  
logistics, transport, delivery, critical  
maintenance

and repair in relation to the rendering  
of essential services including  
components and



equipment;

Transport services for persons rendering essential services and goods, and

transportation of patients;

Services rendered by the Executive, members of Parliament and members of other Government agencies and NGOs;

Transport and logistics in respect of cargo and goods listed as essential goods, above to

neighbouring countries;

Tow trucks and vehicle recovery services;

Call centres necessary to provide health, safety, social support, government and

financial services;  
Harvesting and storage activities essential to prevent the wastage of primary

agricultural goods;

Implementation of payroll systems s;



Critical maintenance services which cannot be delayed for more than 21 days;

Trades necessary for the rendering of emergency repair work;

Trades necessary for emergency automobile repairs for persons rendering essential services;  
Information and Communication Technology services rendered to entities and

institutions engaged in delivering essential services in terms of these Regulations.

## South Korea

*Updated as of  
March 27, 2020*

**Tax deduction and refunds:** Car purchases will be reduced by 70 percent from March to June; taxes on card spending will be doubled to 30 to 80 percent for credit and debit cards over the same period. Buyers of high-efficiency home appliances will receive a refund of 10 percent.

For landlords who temporarily lower rents for small and mid-sized businesses affected by the virus outbreak, the government will give them a tax deduction of 50 percent of the rent reductions they give their tenants.

**Subsidies:** Working parents with children under eight years old will be given government subsidies, if and when childcare leave is used due to the shutdown of daycare centers to prevent the spread of the virus.

**Travel restrictions:** Visitors who have been in China's Hubei Province in the past 14 days, and passport holders from that region, are not permitted entry.

Korean visas issued by the Wuhan Consulate in the Hubei Province are invalidated, as are visas issued to nationals of Japan (at Korean Diplomatic Missions in Japan) before March 9, 2020.

All visitors are to undergo a temperature check when entering the country. Those exhibiting symptoms

[http://world.kbs.co.kr/service/contents\\_view.htm?lang=e&menu\\_cate=business&board\\_seq=380636](http://world.kbs.co.kr/service/contents_view.htm?lang=e&menu_cate=business&board_seq=380636)

[http://fsc.go.kr/eng/new\\_press/release\\_s.jsp?menu=01&bbsid=BBS0048&selYear=2020#37838](http://fsc.go.kr/eng/new_press/release_s.jsp?menu=01&bbsid=BBS0048&selYear=2020#37838)



**Corporate taxes:** For businesses with annual sales of 50-thousand dollars or less, value-added tax will be cut to the level of that imposed on simplified taxpayers until the end of next year.

**Subsidies** To encourage spending, the government will issue "regional gift vouchers" worth 5 billion dollars and provide 2.5 billion dollars in cash vouchers that can be used at traditional markets.

**Loan and credit guarantees:** SMEs emergency funding, guarantee, debt purchasing incentives

**Market incentives:** Changes to bond market, short term money markets, and stock markets to incentivize investment.

will be required to take a diagnostic test and quarantine for 14 days.

South Korea says it will test every person entering the country from Europe for coronavirus, starting March 22, the country's health ministry has announced

## Spain

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Updated as of

**Bank Guarantees:** The European Commission has approved a temporary framework for state aid measures to support the economy. In this context, one of the measures announced in Royal Decree-Law 8/2020 of March 17 is on urgent extraordinary measures to deal with the economic and social impact of COVID-19. The government also announced the implementation of a line of bank guarantees (avales) by

**Prohibition of Dismissal:** Royal Decree 9/2020 was adopted as of March 27, by which complementary measures are adopted, in the labour field to mitigate the effects derived from COVID-19. This new Royal Decree-law outlines, corrects and adds new provisions in the framework of the health alert. The main resolution is the "prohibition" of dismissals for reasons linked to force majeure and/or for economic,

**Lockdown Lifted:** As of April 12, the lockdown of all non-essential activity is terminated. Nevertheless, many business activities remain restricted such as general retail, leisure and hospitality. However, free movement of persons remains forbidden. The state of alarm is extended until May 9.

**Corporate Meetings:** It is allowed for unlisted companies to hold online and

**Medical Masks:** Resolution of March 20, 2020, from the General Secretariat for Industry and Small and Medium-sized Enterprises ("BOE" No. 77, March 20, 2020), supports alternative specifications to EPI masks with marking European CE. Consequently, and exceptionally, the commercialization of masks

<http://www.mscbs.gob.es/en>

<https://www.ga-p.com/en/publications/analysis-of-the-state-aid-approved-by-the-spanish-autonomous-communities-to-try-to-mitigate-the-impact-of-covid-19/>

<https://www.ga-p.com/en/publications/covid-19-y-efectos-contractuales-2/>



April 13, 2020

the State for financing granted by financial entities, for an amount of up to €100 billion.

The first tranche of this line of bank guarantees, which will be managed by the Spanish Official Institute of Credit (Instituto de Crédito Oficial) (“ICO”) and amounts to €20 billion, was approved by the Spanish Council of Ministers on March 24, 2020 and authorized by the European Commission on the same date.

#### **Suspension of Deregulation**

**Scheme:** Royal Decree-law 8/2020, of March 17, introduced a new Art. 7 bis in the Capital Movements and Financial Transactions with Foreign Countries Act 19/2003 of July 4, modifying in certain cases the model for screening foreign investments, changing in such cases the current general system of deregulation by requiring express ex ante authorization to carry out such investments.

**Tax Deferment:** Entities with a volume of transactions below €6,010,121.04 in 2019 may defer their tax debts (including withholdings, Value Added Tax, and Corporate Income Tax instalments) of less than

productive, organizational or technical reasons linked to COVID-19.

#### **Non-Essential Employee**

**Benefits:** Royal Decree-Law 10/2020, of March 29, the non-essential employees to whom this rule is applicable enjoy a recoverable paid leave, mandatory, between March 30 and April 9, 2020, inclusive.

Royal Decree-law 9/2020, of 27 March, adopted supplementary measures that correct and add new employment provisions in the context of the health emergency.

phone general meetings and board meetings.

without CE marking is accepted, but that meets the conditions set forth in the aforementioned resolution.

#### **Hydroxychloroquine and Chloroquine Phosphate:**

The Spanish Agency for Medicines and Health Products (AEMPS) controls the distribution of hydroxychloroquine and chloroquine phosphate for COVID-19 in the Hospitals in order to control its stock in the face of the growing demand to treat the disease of COVID-19.

**Manufacturing:** Order SND / 326/2020, of April 6, establishes special measures for the granting of licenses to operate facilities and for the commissioning of certain medical devices (in particular, masks and surgical gowns) without CE marking.



€30,000 (in total) for a period of 6 months, without any need to provide guarantees and without interest during the first 3 months (see RDL 7/2020 in the section on state taxes), provided that such tax debts arise from tax filings whose deadline falls between March 13 and May 30, 2020.

The deadline for payment of tax debts resulting from tax filings or previously approved payment installments that could be paid but were not due as of March 18, 2020, has been extended to April 30, 2020. Deadline for tax debts due by March 18, 2020, were extended to May 20, 2020.

**Autonomous Communities:** There are a number of economic and tax measures approved by the governments of the different Spanish autonomous communities in the form of state aid in order to help companies and the self-employed mitigate the impact of the COVID-19 health crisis.

## Thailand

**Tilleke & Gibbins**

John Frangos  
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**Tax reductions:** Withholding tax reduced from 3% to 1.5% on payment for services, hire of work, certain commissions, and professional fees for payments made from April 1, 2020, to September 30, 2020, increasing to 2% from October 1,

**Reduction in Contributions:** The Board of the Social Security Office granted a three-month reduction in the level of contributions to the social security fund for both employers (reduced to

**Public Gatherings:** Public gatherings are banned under the Emergency Decree, which is in effect until April 30 and may be renewed if deemed necessary. Interprovincial travel is restricted, and curfew measures are in effect nation-wide.

**Medical Masks:** Export of masks is limited to a maximum of 500 pieces per shipment.

Import duties are exempted on goods imported by

<https://www.tilleke.com/resources/covid-19-resource-center>





*Updated as of April 13, 2020*

2020, to December 31, 2021. Individuals may claim a higher health insurance allowance.

**Tax Deductions:** Eligible small and medium enterprises (SMEs) can claim a 150% deduction for actual loan interest paid in April to December 2020. SME employers can deduct 300% of eligible salary costs paid to employees from April to July 2020.

**Tax Exemptions:** Eligible medical and public health personnel involved in the prevention or treatment of COVID-19 are granted exemptions for special pay in 2020. Debtors are granted exemption from income tax on forgiven debts, and exemption from various taxes imposed on transfers of immovable property collateral to a third party under circumstances prescribed by the director-general of the Revenue Department. Both debtors and creditors are granted exemptions from various taxes on transactions or instruments related to debt restructuring.

**Extensions and Scheduling adjustments:** Filing extensions granted for corporate income tax (limited), excise tax, and personal

4%) and employees (reduced to 1%), effective through May 2020.

**Holiday Interruption:** The public holidays marking the Songkran festival (April 13–15) have been postponed, and employers may require work at normal pay during this time.

**Wages:** Employers' responses to the crisis must comply with existing labor law: Businesses ordered to close are not required to pay employees. Employers who decide to temporarily cease operations must pay 75% wages. Unavoidable layoffs must follow the standard timing and remuneration requirements for Thailand. Other special arrangements are possible by mutual agreement between employer and employee.

**Travel Restrictions:** All incoming commercial flights are banned until April 18, 2020, and land borders are closed. Foreign nationals are not allowed into the country (other than a few very limited exceptions), and Thai citizens overseas may only enter the country if they have a medical certificate confirming fitness issued within the previous 72 hours. Visa holders already inside Thailand are granted an automatic extension until April 30, 2020.

#### **Business Closures:**

- restaurants (except take-away services);
- shopping malls (except supermarkets and pharmacies);
- markets (except for fresh markets);
- exhibition halls;
- schools and educational institutions;
- barbers, beauty salons, and tattoo shops;
- game and internet shops;
- golf courses and sports clubs;
- beauty and cosmetic clinics, spas, massage parlors, and saunas;
- theaters;

September 30, 2020, for the treatment, diagnosis, or prevention of COVID-19.



income tax. The Revenue Department will consider other tax extensions for affected businesses on a case-by-case basis. Eligible domestic businesses will receive any VAT refund owed within 15 days of filing online, or 45 days of filing manually.

**Loan Facilities:** Effective March 23, 2020, the Bank of Thailand (BOT) lowered the policy rate by 0.25 percentage points to 0.75%. On April 7, the BOT announced a six-month loan payment holiday for all SMEs with a credit line not exceeding THB 100 million. Soft loans—at a concessional rate of 2% per annum and interest-free for the first six months—are available to SMEs with a credit line not exceeding THB 500 million.

- boxing stadiums and schools and horse racing clubs; and
- other establishments similar to the above.

## Turkey

# PAE

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**Economic Stimulus:** On March 18, 2020, President Recep Tayyip announced an economic stimulus package worth 100 billion liras (approximately \$15.4 billion).

**Lease Payments:** Failure to pay rentals for commercial real estate between 13 March 2020 and 30 June 2020 will not constitute a cause for termination of the lease agreement. This provision will be implemented

**Social Security Premiums:** Social security premium payment obligations for employers in certain sectors are deferred.

**Short Term Employment Allowance:** Employee-support system which might be applied in case of temporary shortening of the work period partially or as a whole by at least one-third due to suspension of operation for at least 4 weeks caused by an economic,

**Curfew:** A curfew imposed on 30 metropolitan provinces and Zonguldak city was extended to April 10, 2020 until April 12, 2020 with the exceptions of essential services. This was again extended from April 17, 2020 to April 19, 2020.

**Stay at Home Orders:** Individuals under the age of 20, over the age of 65 and those with chronic diseases are required to stay at home. Public employees, private sector employees

On March 4, 2020, the government imposed a permit requirement on the exports of protective masks; medical and surgical masks; overalls, protective workwear and liquid proof protective aprons; safety goggles; and medical gloves.

On March 18, 2020, the government imposed a

<https://www.al-monitor.com/pulse/originals/2020/03/erdogan-speech-coronavirus.html#ixzz6HdCIUWqc>

<https://www.cnnturk.com/video/turkiye/son-dakika-cumhurbaskani-erdogan-yeni-tedbirleri-acikladi-20-yas-altina-sokaga-cikma-yasagi>

<https://www.globaltradealert.org/intervention/78802/export-licensing-requirement/turkey-the-governments-controls-the-exports-of-certain->



Updated as of  
April 13, 2020

with a retrospective effect of March 1, 2020.

**Tax:** The payment of withholding and value added tax returns and social security contributions for April, May and June have been postponed for 6 months in certain sectors including retail, shopping malls, iron & steel, automotive, logistics & transportation, cinema & theatre, accommodation, food & beverage, textile & garment and event-organizations.

Annual advertisement and environment taxes of enterprises that have been forced to close or have not been able to continue business activities, will not be collected during this period.

#### **Distribution of Dividends:**

Distribution of dividends by Turkish companies with share capital has been restricted until September 30, 2020. Companies are still allowed to distribute up to 25% of their profits for 2019 as dividends; however, the previous years' profits and the distributable reserves shall not be distributed to the shareholders nor is the general assembly allowed to authorize the company's board of directors to distribute advance

sectoral or regional crisis or a force majeure situation is activated. The scope of employees who may take benefit from the Short-term Employment Allowance system is broadened.

The applications of the Short-Term Employment Allowance will be concluded based on the statements of employers and without completing the necessary requirements for eligibility assessments for within 60 days starting from the application date. The assessment for eligibility will be concluded later and any surplus or inadequate payments made based on the incorrect information and documents provided by employers will be collected from those employers with penalty.

#### **Prohibition on Termination:**

Employment contracts may not be terminated by employers for a period of 3 months, excluding in the cases where termination is made due to actions contradictory to the ethics and goodwill rules applicable the workplace. Employers may request that employees go on unpaid leave.

who document their employment, and seasonal agricultural workers, who are between ages of 18 and 20 will be exempted from the curfew.

**Business Closures:** Certain businesses, including cafes, theaters and cinemas are closed. The restaurants are permitted to remain open, but only for home deliveries and take-away services.

**Travel Restrictions:** Overseas flights are terminated. Domestic flights to/from major cities are cancelled until April 20, 2020.

The ban which restricts all entries and exits from 30 metropolitan provinces and Zonguldak city through sea, air and roads has been extended another 15 days.

#### **Hygiene Material Disposal and Waste:**

Buildings of institutions, organizations and enterprises are required to have separate disposal units, storage, and disinfecting procedures for mask gloves, and other hygiene material.

**Public Gatherings:** Public gatherings are restricted. Other social distancing measures include maintaining 3 feet

licensing requirement on the exports of ethyl alcohol, cologne, certain disinfectants, hydrogen peroxide, and melt blown nonwoven fabric.

On March 26, 2020, the government introduced a permission requirement on the export of certain medical equipment and devices namely ventilators, intubation tubes, oxygen concentrators, etc.

[products-used-to-cope-with-the-coronavirus-pandemic](https://www.globaltradealert.org/products-used-to-cope-with-the-coronavirus-pandemic)

<https://www.globaltradealert.org/intervention/78649/export-licensing-requirement/turkey-the-government-takes-measures-to-cope-with-coronavirus>

<https://www.globaltradealert.org/state-act/43516/turkey-turkish-government-introduces-permission-requirement-on-the-export-of-certain-medical-equipment-and-devices>

<https://www.icisleri.gov.tr/2-gun-sokaga-cikma-yasagi>

<https://www.ito.org.tr/tr/duyurular/detay/sermaye-sirketlerinin-kar-payi-dagitimi-hakkinda>

<https://www.icisleri.gov.tr/sehir-giriscikis-tebirleri-ve-yas-sinirlaması>

<https://webdosya.csb.gov.tr/db/cygm/ic-erikler/gng2020-16-cov-d-19-20200408101457.pdf>

<https://www.aa.com.tr/tr/turkiye/cumhurbaşkanı-erdogan-17-19-nisanda-sokaga-cikma-yasagi-uygulanacak/1803073>

<https://www.resmigazete.gov.tr/eskiler/2020/04/20200417-2.htm>

<https://www.icisleri.gov.tr/30-buyuksehir-ve-zonguldaka-giriscikislar>



dividends. If the general assembly had already decided to distribute dividends for the 2019 fiscal year, but no payment or partial payment has been made to the shareholders, payments exceeding 25% of the net profit for the year 2019 must be postponed until September 30, 2020. The Ministry of Commerce may make exceptions to these restrictions and other principles related to implementation, by also seeking the advice of the Ministry of Treasury and Finance.

Employers who breach the abovementioned rule will be subject to an administrative fine in the amount of the gross minimum wage. Employees may not use going on unpaid leave as a just ground for unilateral terminations of their employment contract.

**Paid Leave:** The government will pay a daily monetary support of TRY 39.24 to employees who go on unpaid leave or whose contract is terminated after March 15, 2020 who are not benefiting from the short-term employment allowance, and did not previously qualify for unemployment benefit in the course of the non-working period.

distance and wearing face masks in public areas.

### **Suspension of Strike and Lockout:**

The grant of authorization assessments, collective labor agreements, the resolution of labor dispute-disagreement as well as strike and lockout within the scope of Law on Trade Unions and Collective Labour Agreements (No. 6356) have been halted for 3 months.

[daha-once-belirlenen-usul-ve-esaslara-gore-15-gun-uzatildi](#)

**United Kingdom**



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On March 26, 2020 the Chancellor set out a package of temporary, timely and targeted measures to support public services, people and businesses through this period of disruption caused by COVID-19. This includes the following:

**Small business grants:** providing £2.2 billion of funding for local authorities in England in order to provide one-off grants of up to £10,000 to certain small businesses.

**Sick Pay:** the UK government will support SMEs and employers with the additional costs of paying COVID-19 related SSP by refunding eligible SSP costs. The refund will be limited to two weeks per employee and employers with fewer than 250 employees.

**Contributions:** The tax threshold for National Insurance Contributions will rise from £8,632 to £9,500. The move, first announced in November, will take 500,000 employees out of the tax altogether.

**Business closures:** The UK government has ordered the closure of certain businesses - including pubs; cinemas and theatres; all non-essential retail stores including clothing and electronics stores; hair, beauty and nail salons; outdoor and indoor markets, excluding food markets; libraries, community centres, and youth centres; indoor and outdoor leisure facilities such as bowling alleys, arcades and soft play facilities; communal places within parks, such as playgrounds, sports courts and outdoor gyms; places of worship,

On 21 March 2020, the Department of Health and Social Care of the United Kingdom added 82 goods to the medicines that cannot be parallel exported from the UK list. The export ban was introduced on the subject goods due to anticipated shortages in the country in response to the COVID-19 outbreak. Among the medicines that cannot be parallel exported from the UK list are adrenaline,

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses>

<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>

<https://www.gov.uk/government/news/companies-to-receive-3-month-extension-period-to-file-accounts-during-covid-19>

<https://www.gov.uk/coronavirus>



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**Self-employed grants:** The Self-employed Income Support Scheme offers grants to self-employed individuals and partnerships with trading profits of less than £50,000 per year. The grant is for up to 80% of the average profits from the last three tax years, capped at £2,500 per month for three months.

**Retail, hospitality and leisure business grants:** Grants of up to £25,000 will be made available, with the level of grant depending on the rateable value of the property from which it trades.

**Tax deferrals:** Valued Added Tax (VAT) payments due between 20 March 2020 and 30 June 2020 can be deferred for three months.

Income Tax payments due in July 2020 under the Self-Assessment system may be deferred until January 2021.

**Loan and finance facilities:** A new, temporary loan scheme has been launched, delivered by the British Business Bank, to support SMEs by giving access to bank lending and overdrafts. Debt funding is provided by UK Banks by way of new term debt

**Income Support:** all UK employers with a PAYE scheme will be able to access support to continue paying part of their employees' salary for those that would otherwise have been laid off during this crisis.

This applies to employees who have been asked to stop working, but who are being kept on the pay roll, otherwise described as 'furloughed workers.' HMRC will reimburse 80% of their wages, up to £2,500 per month. This is to safeguard workers from being made redundant. It is running for 3 months initially from 1 March 2020.

except for funerals attended by immediate families; and hotels, hostels, bed and breakfasts, campsites, caravan parks, and boarding houses for commercial/leisure use (excluding permanent residents and key workers).

**Public gatherings:** The government is also stopping all public gatherings of more than two people.

**Travel restrictions:** The Foreign and Commonwealth Office has advised against all non-essential travel worldwide.

**Staying at home:** With effect from March 23, 2020 citizens are required to stay at home and only go outside for food, health reasons, work (but only if you cannot work from home) and one form of exercise a day.

insulin, ketamine, paracetamol and morphine.

**PPE:** On 28 March 2020, the Business Secretary announced a relaxation of certain administrative requirements and barriers to imports for PPE and hand sanitizer. This includes providing new guidance for local authorities and ports and borders enforcement officers on the import and safety testing of hand sanitizer.

<https://www.globaltradealert.org/intervention/78818/export-ban/united-kingdom-export-ban-imposed-on-82-medicines-in-response-to-the-covid-19-outbreak>





of up to £5m and a term of up to 6 years. The loans are interest free for 12 months. The UK government will provide lenders with an 80% guarantee on each loan.

This loan scheme has been extended to large businesses. The Coronavirus Large Business Interruption Loan Scheme will provide a government guarantee of 80% of the new debt to enable banks to make loans of up to £25 million to businesses with an annual turnover of between £45 million and £500 million.

Under the new Covid-19 Corporate Financing Facility, the Bank of England will buy short term debt from larger companies, with maturity of up to 12 months from issue.

**NHS Debt Write-off:** over £13 billion of NHS hospital historical debt will be written off.

**Pharmacy Grants:** Community pharmacies are receiving a £300 million cash boost to ensure they can continue to carry out essential services during the coronavirus outbreak.





**Business rates:** An automatic business rates holiday is to be put in place for eligible retail, hospitality and leisure businesses, and nurseries during the 2020/2021 tax year.

On 28 March 2020, the UK Business Secretary announced further measures including:

**“Wrongful trading”:** the wrongful trading provisions in the Insolvency Act 1986 will be temporarily suspended for three months retrospectively from 1 March 2020. The legislation is yet to be introduced.

**Insolvency Law Reform:** insolvency and corporate governance reform will be implemented, pushing the UK to a more debtor friendly market. The reforms include a prohibition on ipso facto clauses, a pre-insolvency moratorium and a new restructuring plan (similar to the existing scheme of arrangement but with a cross-class cram down mechanism (similar to that in a Chapter 11 in the US)).

**Annual General Meetings:** new legislation is to be introduced to ensure companies can hold AGMs safely, including by holding them online or postponing meeting.



Other measures which have been introduced include:

**Forfeiture of leases:** The forfeiture of commercial leases for non-payment of rent in England and Wales from 25 March 2020 until 30 June 2020 is now prohibited.

**Filing of company accounts:** From 25 March 2020, companies can apply for a three-month extension for filing their accounts at Companies House.

## United States



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The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), a roughly \$2 trillion coronavirus response bill signed into law on March 27, 2020, is intended to provide widespread emergency relief for Americans and the country's economy. Below is a summary of certain economic measures taken that benefit corporations:

**Trade Facilities:** The CARES Act expands State Trade Expansion Program (STEP) subsidies to states to assist small businesses in their export sales and sales in their states.

**Loans Facilities:**

**Employee Benefits:** The federal government has implemented a variety of legislative and regulatory measures, including the following:

- Requiring employer-sponsored group health plans to cover certain COVID-19 testing and related health care visits at 100% with no deductibles, coinsurance, or copays and no prior authorization, utilization review, or medical management;
- Encouraging the use of telehealth services by permitting High Deductible Health Plans to provide pre-deductible coverage for telehealth and other remote care services without disqualifying

**Stay at Home Orders:** As of April 7, 2020, 42 U.S. states, Guam, Washington, D.C., and Puerto Rico have issued stay-at-home orders, asking residents to shelter in place and go out only for essential services, like buying food and medicine. Many of these have been extended through April 30, 2020.

**Business Closures:** While each state has issued unique local executive orders on what "essential businesses" are allowed to remain open, on March 28, 2020, the U.S. Department of Homeland Security's Cyber Infrastructure Security Agency issued guidance on what essential and critical infrastructure means. The memorandum includes an advisory

**DPA:** Under the Defense Production Act of 1950 ("DPA"), on April 7, 2020, the U.S. Department of Homeland Security's Federal Emergency Management Agency issued a temporary final rule ("Rule") to establish export restrictions on certain types of personal protective equipment products ("PPE") used in the response to the COVID-19 pandemic. The PPE covered by the Rule are:

- N-95 Filtering Facepiece Respirators;

<https://www.governor.ny.gov/news/governor-cuomo-signs-new-york-state-pause-executive-order>

<https://www.cdc.gov/coronavirus/2019-ncov/community/large-events/mass-gatherings-ready-for-covid-19.html>

<https://s3.amazonaws.com/public-inspection.federalregister.gov/2020-07659.pdf>

<https://www.thompsonhine.com/publications/cares-act-implications-for-businesses>



April 13, 2020

The CARES Act sets aside \$454 billion for programs and facilities established by the Federal Reserve for businesses that have not otherwise received adequate relief through the CARES Act as well as for states and municipalities and will be administered through the U.S. Treasury's Exchange Fund.

**Financial Stimulus:**

The CARES Act provides for "stimulus payments" to certain U.S. citizen and resident individuals in 2020 equal to: \$1,200 (\$2,400 if married filing jointly), plus \$500 per dependent child. The rebate is reduced gradually for persons with adjusted gross income in excess of \$75,000 (single), \$112,500 (head of household), or \$150,000 (married filing jointly).

**Loan Guarantees:**

The CARES Act also provides \$350 billion in available funds to guarantee loans made to certain small businesses with fewer than 500 employees, hotels/motels, restaurants and service franchises with 500 or fewer employees at each physical location, sole proprietors, independent contractors, and nonprofit entities (501(c)(3)

- the Plan for Health Savings Account eligibility purposes;
- Expanding medical expenses reimbursable under Healthcare Flexible Spending Accounts, Health Savings Accounts and Health Reimbursement Accounts to include over-the-counter drugs without a prescription and menstrual care products;
  - Enhancing the ability of participants in employer-sponsored retirement plans to access their assets;
  - Providing relief to certain retirees that otherwise would be required to take distributions from retirement plans in a down market; and
  - Providing temporary funding relief for single-employer defined benefit pension plans.

**Paid/Unpaid Leaves:** The Families First Corona Response Act was passed by the Federal government. Employers with fewer than 500 employees must provide Paid Sick Leave for 14 days for COVID 19 related absences, and unpaid leave under the EFMLA for COVID-19 related reasons.

list of essential critical infrastructure sectors, workers, and functions that should continue during the COVID-19 response across all jurisdictions. The list identifies workers who are typically essential to continued critical infrastructure viability and support crucial supply chains and enable functions for critical infrastructure. The following industries are included: medical and healthcare, telecommunications, information technology systems, defense, food and agriculture, transportation and logistics, energy, water and wastewater, law enforcement, and public works. Many local state executive orders cite to this guidance to defined essential and critical businesses.

**Travel Restrictions:** On March 31, 2020, the U.S. Department of State issued a global level 4 health advisory urging U.S. citizens to avoid all international travel due to the global impact of COVID-19. In countries where commercial departure options remain available, U.S. citizens who live in the United States should arrange for immediate return to the United States, unless they are prepared to remain abroad for an indefinite period.

- Other Filtering Facepiece Respirators;
- Elastomeric, air-purifying respirators and appropriate particulate filters/cartridges;
- PPE surgical masks; and
- PPE gloves or surgical gloves.

All covered PPE shipments will be temporarily detained by U.S. Customs and Border Patrol until FEMA makes a final determination of whether it will revert the materials for domestic use, issue a rated order, or allow the export. There is a narrow exemption for shipments by or on behalf of US manufacturers with continuous export agreements with foreign customers since at least January 1, 2020, which applies only to US manufacturers with a track record of distributing at least 80% of their supply of the PPE in the United States in the past year. On April 17, 2020, 10 additional



nonprofits, 501(c)(9) veteran's organizations, Tribal businesses).

### **Payroll Tax Deferrals and Employee Retention Credits:**

The CARES Act provides a quarterly refundable payroll tax credit equal to 50% of qualified wages paid to employees during the COVID-19 crisis by employers that were carrying on a trade or business in 2020, where the employer's (1) operations were fully or partially suspended due to a COVID-19-related shutdown order or (2) gross receipts declined by more than 50% when compared to the same quarter in the previous year. The credit is provided for the first \$10,000 in compensation (i.e., up to a \$5,000 tax credit), including health benefits, paid to an eligible employee, and is provided for wages paid or incurred after March 12, 2020, through the end of the year. The payroll tax credit is not available if an employer receives a guaranteed loan described above.

The CARES Act also allows employers to defer payment of the 6.2% employer share of the Social Security tax payable through December 31, 2020, and requires that the deferred payroll tax be paid over

**Payroll Protection Measures:** The federal government implemented the Payroll Protection Program which provided enhanced unemployment compensation.

Starting with late December 2019, President Trump issued several Presidential Proclamations restricting the entry of foreign nationals from China, Iran, and most European countries, including United Kingdom and Ireland. On March 20, 2020, non-essential travel across Mexico and Canada was restricted. Centers for Disease Control and Prevention ("CDC") also issued a domestic travel advisory for New York, New Jersey, and Connecticut.

**Public Gatherings:** CDC recommends cancellation of community-wide gatherings (e.g. >250 people) and gatherings of more than 10 people for organizations that serve high-risk populations. Many State and local governments issued stay-in-shelter and stay-at-home orders prohibiting non-essential gatherings of any size (e.g., New York)

exemptions to this rule were added for certain types of exports from the U.S. of covered PPE including certain types of intercompany transfers and exports to Canada or Mexico.



the following two years, with half of the tax amount required to be paid by December 31, 2021, and the other half by December 31, 2022. An employer must cease deferring payroll tax if it receives forgiveness of a guaranteed loan, described above.

**Business Taxes:**

Net operating losses (NOLs) from 2018, 2019 or 2020 may now be carried back five years.

The CARES Act removes limitations on excess business losses applicable to non-corporate businesses such as pass-through businesses and sole proprietorships for tax years ending before January 1, 2021.

The business interest deduction limitation is increased to 50% of taxable income for tax years beginning in 2019 and 2020. Special rules apply to suspend interest disallowed at the partnership level and passed through to the partners unless the partnership elects out.

The CARES Act suspends the excise tax on alcohol used to produce hand sanitizer for production beginning after December 31, 2019, and ending before January 1, 2021.



## Vietnam

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*Updated as of  
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**Tax:** For companies and taxpayers in certain business sectors, the deadlines for payment of VAT, corporate income tax, personal income tax, and land rental have been extended by 5 months.

**Loan Facilities:** Companies who are unable to meet payroll obligations due to COVID-19 are eligible for no-collateral, zero-interest loans for up to 50% of the regional minimum wage for their employees.

**Layoff and Salary Reduction:** Vietnam's labor laws are normally very employee-protective, and unilateral termination is difficult. These regulations have now been loosened. Companies can lay off employees for restructuring purposes due to economic reasons. Temporary salary reduction can be negotiated with employees, but cannot be lower than the regional minimum wage.

**Suspension of Contributions:** Mandatory contributions for social insurance and trade union fees have been suspended until June 30 (and could be extended further). Contributions to pension and survivor funds can be suspended for up to 12 months for affected employers and employees.

**Lay-off / Leave Pay:** Employees whose contracts have been suspended due to COVID-19 are eligible for monthly payments of VND 1.8 million (about USD \$70) for up to 3 months. Those who have lost their jobs and are not covered by unemployment insurance will receive VND 1 million (about USD \$43) per month for up to 3 months.

**Public Gatherings:** The nationwide social distancing order put in place from April 1-15, has been extended to April 22 for Hanoi, Ho Chi Minh City, and other "high risk areas." Public gatherings of more than 2 people are prohibited. A minimum two-meter distance between people is required. People are to remain at home except in necessary circumstances (going to work is permitted).

Factories are required to have a safe distance between workers, facemasks must be worn, and the workplace must be sterilized.

**Business Closures:** Most businesses providing non-essential goods and services are closed, though the definition of "non-essential" varies from province to province. In general, factories are allowed to remain open, provided they apply necessary social distancing and hygiene measures.

**Education:** Schools are closed.

**Facemasks:** Facemasks must be worn in public.

<https://www.tilleke.com/resources/covid-19-resource-center>  
<http://news.chinhphu.vn/Home/2019-nCoV-combat.vgp>





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**Travel Restrictions:** Domestic air travel is extremely limited, with only a few flights each day still operating. Visas on arrival have been temporarily suspended.

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