



# Countries

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*All countries information is updated until 01.04.2020*

# Introduction

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

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

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

*All countries information is updated until 01.04.2020*

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## General measures

- Measure:** Closing **until the end of the epidemic caused by COVID-19, of:**
  - Facilities that provide night club services;
  - Indoor facilities dedicated to entertaining children and youth;
  - Activity of gyms, sports centers, swimming pools;
  - Activity of internet centers;
  - Activity of cultural and entertainment centers.**Legal Act:** (Order No. 156, of the Ministry of Health and Social Protection, dated 10.03.2020).  
**Amendment:** Amended by Order No. 223 dated 01.04.2020 “To take special measures to prevent the spread of COVID-19 infection until the end of the epidemic situation caused by Covid-19”
- Measure:** Prohibition **until the end of the epidemic caused by COVID-19** of staff recruitment procedures.  
**Legal Act:** (Order No. 156, of the Ministry of Health and Social Protection, dated 10.03.2020).  
**Amendment:** Amended by Order No. 223 dated 01.04.2020 “To take special measures to prevent the spread of COVID-19 infection until the end of the epidemic situation caused by Covid-19”
- Measure:** Prohibition of public and private transport, including private vehicles, within Tirana and Durrës and from Tirana and Durrës to other areas of the country and vice versa. Prohibition of circulation of public and private transport, including private vehicles, in Shkodra, Lezha, Elbasan, Lushnje, Fier and Vlora. Vehicles transporting goods shall be an exception to the abovementioned rules.  
**Legal Act:** (Order of Ministry of Health and Social Protection dated 11.03.2020). Amended by Order No. 223 dated 01.04.2020 “To take special measures to prevent the spread of COVID-19 infection until the end of the epidemic situation caused by Covid-19”
- Measure:** Closing of the activity for all entities that exercise their commercial activity as bars, restaurants, nightclubs, in Tirana and Durrës, until further notice. A fine of ALL 2,000,000 (two million) for failing to take the necessary measures to comply with the above order, or for reopening their activity contrary to the provisions of this order.  
**Legal Act:** (Order of Ministry of Health and Social Protection dated 11.03.2020).  
**Amendment:** Order 217 “For the closure of bars, restaurants and bars, fast-food and the restriction of services provided by accommodation structures that provide service to customers until the end of the epidemic situation caused by COVID-19”
- Measure:** Closing of bars, restaurants, fast food, coffee shops and other facilities that provide customer services in the entire country, **until the end of the epidemic caused by COVID-19.** The exception to the rule set out above shall be only for home delivery, which must be carried out in accordance with approved hygiene rules.  
**Legal Act:** Order no. 164, dated 12 March 2020 “On the closure of bars, restaurants, coffee shops, fast-food and the restriction of services of Accommodation Structures that provide customer service”.  
**Amendment:** Order 217 “For the closure of bars, restaurants and bars, fast-food and the restriction of services provided by accommodation structures that provide service to customers until the end of the epidemic situation caused by COVID-19”
- Measure:** Bars and restaurants services of the accommodation structures shall be used and offered only for citizens accommodated in relevant accommodation structures, **until the end of the epidemic caused by COVID-19.** Accommodation structures are prohibited from offering bar and restaurant services to citizens who are not clients of the accommodation structure, **until the end of the epidemic caused by COVID-19.**  
**Legal Act:** (Order no. 164, dated 12 March 2020 “On the closure of bars, restaurants, coffee shops, fast-food and the restriction of services of Accommodation Structures that provide customer service”).  
**Amendment:** Order 217 “For the closure of bars, restaurants and bars, fast-food and the restriction of services provided by accommodation structures that provide service to customers until the end of the epidemic situation caused by COVID-19”

## Economic / Fiscal Measures

- Measure:** The Ministry of Finance and Economy is monitoring the market behaviour through its structures, aiming to avoid any possible abusive pricing. The toll-free number 0800 14 14 is available for this purpose, where anyone can report any abusive pricing cases.  
**Legal Act:** (Notice of the Ministry of Finance and Economy, dated 14.03.2020).
- Measure:** The Supervisory Council of the Bank of Albania decided on 14.03.2020 that a **temporary provision** is added to each regulation which facilitates banks and non-bank financial institutions, as well as savings and loan associations and their unions for the period March - May 2020, that in cases of insolvency of the borrowers, they shall not be subject to the application of the requirements of these Regulations that relate primarily to the classification and creation of provisioning funds.
- Legal Act:** Decision of the Supervisory Council of Albania dated 14.03.2020.
- Measure:** the Bank of Albania decided to reschedule loan instalments enter into force on 13 March 2020 and last until 31 May 2020:
  - During this period, those borrowers, individuals and businesses, whose financial situation is deteriorated from the current situation, may benefit from a delay of up to 3 months in paying the instalments of their loans received from the licensed financial institutions by the Bank of Albania, i.e. banks, non-bank financial institutions, and savings and loan associations.
  - The process only makes possible to reschedule the borrowers’ obligations, but does not constitute a waiver of such obligations.
  - Opening of the preliminary investigation procedure in the wholesale and retail market of paramedical materials.
  - Preliminary investigation shall cover the period from 1 January 2020 to 31 May 2020.
  - The preliminary investigation report shall be submitted to the Competition Commission no later than 2 (two) months after the end of the investigation period.
- Legal Act:** Decision of the Competition Commission no. 684, dated 18.03.2020 “On the opening of a preliminary investigation regarding the wholesale and retail market of paramedical materials”
- Measure:** The Competition Commission has decided taking the following interim measures
  - Prohibition of the conduct of undertakings operating in the wholesale and retail network (importer, pharmaceutical warehouse and pharmacy) of paramedical materials, which directly or indirectly impose unfair trading prices or conditions.
  - In order to avoid abuse in the trading chain, forcing all enterprises operating in the import and wholesale market of paramedical materials to be transparent when deciding the market price of sanitizing materials, alcohol and masks.
  - Applying cost-oriented pricing and publishing it on official enterprise websites or other communication channels.
  - The interim measure shall be effective for a period of time until the conclusion of the investigative procedure (According to Decision No. 684 dated 18.03.2020).

## Employment law and social protection measures

- Measure:** Due to the closure of kindergartens and educational institutions, the Council of Ministers calls on all private employers to find opportunities to give their employees who have children in custody, paid leaves.
- Legal Act:** (Decision of Council of Ministers no. 208, dated 10.03.2020).
- Measure:** Obligation for private institutions to draft within 11.03.2020 a plan of measures to ensure the provision of priority services, prioritizing the category of service primarily through online service, teleworking and only when necessary to provide service through physical contact.
- Legal Act:** (Order No. 156, of the Ministry of Health and Social Protection, dated 10.03.2020 Amended by Order 223 dated 01.04.2020 “To take special measures to prevent the spread of COVID-19 infection until the end of the epidemic situation caused by Covid-19”).
- Measure:** For all businesses and private employers that cannot close their activity in order to sustain the economic chain, they must take measures to establish a safety distance between employees of 1.5 meters and to provide employees with protective equipment in order to maintain their health.
- Legal Act:** (Official notice of Ministry of Health and Social Protection dated 11.03.2020).
- Measure:** For Call Center businesses, the obligation to reduce as much as possible the staff in the workplace and to act appropriately to guarantee the distances and protective hygiene conditions for each employee.
- Legal Act:** (Official Notice of Ministry of Health and Social Protection dated 11.03.2020).
- Other Measures on Social protection:**
  - Increase of the reserve fund from ALL 1.7 billion to ALL 9.2 billion, that shall be used by the Council of Ministers on the following:
    - ALL 6.5 billion as contingency for social package anti COVID-19;
    - ALL 1 billion for other emergencies in the context of anti COVID-19 measures; and
    - ALL 1.7 billion for unpredicted situations of the general governmental units;
  - Health insurance budget increased, among which an amount of ALL 2.5 billion will be used for current and capital expenditure as a fund for antiCOVID-19 measures.
  - Additionally, through the Decision of Council of Ministers No. 240, dated 21.03.2020 “On an addition to fund in the state budget of the year 2020, approved for the Ministry of Health and Social Protection, on measures for the fulfilment of preliminary necessities as a result of COVID-19 outbreak”, a fund of 46,105,800 ALL (forty six million and a hundred and five thousand and eight hundred) has been accorded to the Ministry of Health and Social Protection in the programme “Planning, management and administration” for the measures for the fulfilments of preliminary necessities as a result of COVID-19 outbreak, in the current expenses category.
- Legal Act:** Normative Act no. 6, dated 21.03.2020 “On some additions and amendments to the law 88/2019 “On the state budget for year 2020”

## Criminal law measures

## Next Steps



## General measures

- **Measures:**
  - Entities or individuals which export medicinal and medical equipment without a proper authorization from the Minister of Health may be subject to a penalty ALL 5,000,000 (five million) and the seizure of medicinal and or medical equipment. In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;
  - Entities or individuals which organize public gathering events may be subject to a penalty ALL 5.000.000 (five million);
  - The entry of the family members of the patients in the premises of the medical urgency service without the authorization of the Hospital Directorate is subject to a penalty of ALL 500,000 (five hundred thousand). This penalty is imposed toward the individual member of the family and the person in charge with the application of such limitation;
  - A penalty of ALL 700,000 (seven hundred thousand) is imposed to the following:
  - Any citizen who does not declare entering the Republic of Albania from a country affected with COVID-19; Any person infected with COVID-19 who does not comply with the obligation to self-quarantine himself.
  - Private or public education institutions and/or kindergartens which do not comply with the obligation to suspend their activity may be subject to a penalty ALL 5,000,000 (five million) for education institutions and ALL 1,000,000 (one million) for kindergartens. In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;
  - Entities or individuals exercising activities in closed entertainment premises for children and young persons, gyms, sport centers, internet centers, and cultural centers which do not comply with the orders of the competent authorities for their suspension are subject to a penalty of ALL 1,000,000 (one million). In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;
  - Entities or individuals which do not comply with the orders of the competent authorities for the suspension of the activity for bars, restaurant and clubs are subject to a penalty of ALL 1,000,000 (one million). In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;
  - Postal services should regularly continue their services and should take adequate measures for the limitation of the contact of the public with employees. Breaches of this provision will be subject to penalty of ALL 1,000,000 (one million); Drivers of vehicles who do not comply with the limitations set out by the competent authorities for the circulation of vehicles in the areas and timeslots defined by the competent authorities, will be subject to the suspension of the driving license for a period of 3 years and the seizure of the vehicle;
  - The increase of the sale price of food products, medicinal, medical equipment or services compared to their regular price in the foregoing months (for seasonal products in the foregoing years) which are not a result of the increase of the import price are subject to a penalty of ALL 5,000,000 (five million) for wholesale traders and ALL 1,000,000 (one million) for retail traders. In case of repeated breach this will be accompanied with the suspension of the activity for a period of 6 months;
  - All television programs having more than two people in the same studio will be subject to a penalty of ALL 1,000,000 (one million) and in case of repeated breach the full or partial blocking of the transmission;
  - Drugstores, medicinal traders and or producers which offer services by not applying the safety criteria set out by the competent authorities will be subject to a penalty of ALL 10,000,000 (ten million) for wholesale and ALL 50,000 (fifty thousand) for retail traders. In case of repeated breach all the product quantity will be seized and the activity will be suspended for a period of 3 years;
  - Entities/individuals engaged in wholesale and retail of food products which offer services by not applying the safety criteria set out by the competent authorities will be subject to a penalty of ALL 10,000,000 (ten million) for wholesale and ALL 50,000 (fifty thousand) for retail traders. In case of repeated breach all the product quantity will be seized and the activity will be suspended for a period of 3 years;
  - Depending on the spreading dynamics of COVID-19, in case of necessity, upon order of the Ministry of Health, all private hospitals, health and hotel structures as well as ambulances along with the relevant staff will be placed on the disposal of the patients infected with COVID-19. Failure to comply with such order will be subject to a penalty of ALL 5,000,000 (five million) for structure and ALL 100,000 (one hundred thousand) for medical personnel. In case of repeated breach, for the structure will be applied the suspension of the activity and will be forcibly placed at the disposal of the public health service while for medical personnel will be prohibited the exercise of the profession for a period of 10 years.
- **Legal Act:** Normative Act no. 3, dated 15.03.2020 "On Special Administrative Measures During the Infection Period caused by COVID-19".
- **Measure:** The suspension of the services provided near the regional tax directorates' service desks and offices from March 17, 2020 until further notice. During this period, the services will be provided to the taxpayers through the online platforms.
- **Act:** Notice of The General Directorate of Taxes (GDT)

## Economic / Fiscal Measures

- In case of non-enforcement of the decision on interim measures referred to in point (1) of this Decision, the undertakings found to be in breach shall be fined up to 10% of the annual turnover for a serious breach of competition pursuant to Article 74, point 1, letter b) of law no. 9121/2003.**
- Legal Act:** Competition Commission's decision No. 685, dated 18.03.2020 "On the provisional measure for establishing competition in the wholesale and retail market of paramedical materials",
- **Measure:** Increase in central government units guarantee to the benefit of third parties, by ALL 11 billion, which are intended to be allocated to the private sector in the form of sovereign guarantee, for companies that will face difficulties in paying their employees' salaries.
  - **Legal Act:** Normative Act no. 6, dated 21.03.2020 "On some additions and amendments to the law 88/2019 "On the state budget for year 2020".
  - **Measure:** Deferral of the deadline for the submission of the financial statements for the year ended on 31 December 2019 along with the legal audit report (where applicable) in the e-tax system of the tax authorities from 31st of March 2020 (regular legal deadline) to 31 July 2020 (exceptional deadline applicable). Deferral of the deadline for the settlement of corporate income tax liabilities for taxpayers subject to corporate income tax regulated by Law no. 8438, dated 28.12.1998 "On income tax" and with an annual turnover up to ALL 14 million (approx. EUR 110k), as follows:
    - CIT liabilities for the year ended on 31 December 2019 to be paid anytime between the 1st of July 2020 and the 31st of December 2020; whereas,
    - The prepayments of quarterly Corporate Income Tax installments for year 2020 by the abovementioned taxpayers to be paid anytime within 31 December 2020.
  - **Legal Act:** Normative Act no. 10, dated 26.03.2020 "On one addition to the Law no. 8438, dated 28.12.1998 'On income tax', as amended".
  - **Measure:** Provision of financial assistance to self-employed persons and employees employed in business entities with annual income up to ALL 14 million that have interrupted their economic activity based on the orders of the Ministry for Health and Social Protection. The following categories shall benefit a monthly financial assistance amounting up to ALL 26,000 (approx. EUR 210):
    - Self-employed natural persons;
    - Unpaid family employees of a commercial natural person;
    - Individuals employed in commercial natural persons;
    - Individuals employed in legal entities.
 In addition to the above, individuals, beneficiaries of economic aid and beneficiaries of unemployment income or individuals that have applied to obtain such benefits before the 10.03.2020 shall obtain a economic assistance of ALL 52,000 (approx. EUR 420).
  - **Legal Act:** Decision of the Council of Ministers no. 254, dated 27.03.2020 "On determination of procedures, documentation and the amount of financial assistance for employees employed in business entities with annual income up to ALL 14 million, payment of economic aid and unemployment benefit during the period of natural disaster, declared as consequence of COVID-19".
  - **Measure:** The Prime Minister, the Deputy Prime Minister and the Ministers, during the period of the epidemic caused by COVID-19 shall receive a net monthly salary of 50% of the current net monthly salary. Also, members of councils, boards or committees of state administration institutions, for the period from April 1, 2020 until the end of the epidemic caused by COVID-19, but for no more than three months, shall not receive the relevant monthly remuneration.
  - **Legal Act:** Decision of Council of Ministers No. 267, dated 31.3.2020 "On temporary financial treatment of some Officials and employees of the State Administration, during the epidemic caused by COVID-19"

## Employment law and social protection measures

## Criminal law measures

## Next Steps



## General measures

## Economic / Fiscal Measures

## Employment law and social protection measures

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## Next Steps

- Measure:** Starting from 05:00 on 24.03.2020, only the following private activities shall be allowed to operate during the time period 5:00 -13:00: <https://shendetesia.gov.al/wp-content/uploads/2020/03/Tabela-e-aktiviteteve-telejuara-dhe-te-ndaluar.pdf>
- Employees of financial institutions, food and beverage supply businesses, and any permitted activities, according to the table shown in the above link, shall be allowed to circulate only for the home-work itinerary, after obtaining authorization from the State Police.
 

**Legal Act:** Order of the Ministry of Health and Social Protection no. 193 dated 20.03.2020 “On the closure or restriction of movements in the Republic of Albania”.
- Measure:** The High Judicial Council has decided to continue the suspension of the activity and judicial services of general and special jurisdiction in all courts of the country for an additional period of 2 weeks, from 25.03.2020 to 07.04.2020. Exception to this rule shall continue to be the following cases:  
 Judicial actions and services related to matters of an urgent nature, assessed as such, on a case-by-case basis by the judge.
  - Hearings regarding the assessment of security measures.
  - Hearings at which arrest security measures are sought or enforced, and where the detainees, defendants, or their defence attorneys expressly request to proceed with the examination.
  - Due to the risk of COVID-19 spreading, the court should in any case avoid public presence during court hearings.

**Legal Act:** Decision of the High Judicial Council No.128 dated 24.04.2020.
- Measure:** Declaration of the state of natural disaster throughout the Republic of Albania due to the epidemic caused by COVID-19 and the restriction of some constitutional rights to the extent considered necessary to achieve the protection of the health of citizens. The rights that can be restricted are exactly:
  - The inviolability of residence (article 37);
  - The right to choose residence and freedom of movement (article 38);
  - Expropriation for a just reward (article 41, paragraph 4);
  - The right to freely choose a profession (article 49);
  - The right to strike (article 51).

This Decision provides for specific obligations for public institutions, civil defence system operational structures, private entities and all citizens.

**Legal Act:** Decision of Council of Ministers no. 243, dated 24.03.2020 “On the Declaration of the State of Natural Disaster”.
- Measures:**
  - Apart from hospitals, health and hotel structures, upon proposal of the Minister of Health and the Minister for Reconstruction any other structure considered indispensable is placed at the disposal of the emergency situation caused from COVID-19. Individuals who do not comply with circulation limitations in the daily hours set from the authorities and without accompanying persons may be subject to a penalty of ALL 10.000, exclusion from the benefits deriving from alleviating financial measures related to the emergency and the seizure of the vehicle (if any) for a period of 3 months.
  - All entities engaged in the wholesale of food and other products indispensable for the situation of the epidemic emergency caused from COVID 19, should take the necessary actions for assuring a trading stock of 3 months or in accordance with the expiration terms of the products. In case that the epidemic emergency ends, and the wholesale traders have not sold the stock accumulated under this provision, upon their request may sell the remaining stock to the General Directorate of State Reserves in accordance with the purchase invoice of the goods.
  - All entities engaged in the wholesale and production of medicines/medical devices and entities that provide health services, should be prepared and should undertake all measures needed to secure the supplies of medicinals and medical devices and to provide necessary health services, in order to tackle the situation of the epidemic emergency situation caused by COVID-19.
  - Failure to comply with the obligations described in points 3 and 4 above may be subject to a penalty of ALL 5.000.000 and the expulsion for 3 years from procedures of public procurement.

**Legal Act:** Normative Act no. 8, dated 24.03.2020.
- Measure:** On the official Gazette no. 50, is published the Normative Act of the Council of Ministers no. 9, dated 25.03.2020 “On special measures in the field of judicial activity during the infection period caused by Covid-19” (**Normative Act 9**).  
 The Normative Act 9, under article “Special measures and effects in the field of judicial activity”, inter alia provides for the following:
  01. Court hearings on administrative, civil and criminal cases, scheduled in all courts, are postponed until the end of the state of epidemic emergency caused by the proliferation of COVID-19.
  02. From the date of entry into force of this normative act until the end of the epidemic emergency caused by the proliferation of COVID-19, the deadlines for filing lawsuits and submission of appeals are suspended as well as any procedural action in administrative, civil, and criminal cases, as provided in this normative act. In case deadlines start during the suspension period, they are postponed until the end of the epidemic emergency.

The above rules do not apply in the following cases:

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

As per article 4, during the term of the epidemic emergency, the participation in the trial of sentenced individuals, individuals under the precautionary measure of “imprisonment” and their lawyers, should be assured, when possible, through online video connection with the use of appropriate computer programs.  
 Normative Act no. 9 shall enter into force immediately.

**Legal Act: Normative Act no.9, dated 25.03.2020**



## General measures

### • Interruption of time limits in court proceedings

In court proceedings (civil proceedings, non-contentious proceedings, land register and commercial register proceedings, execution proceedings and insolvency proceedings), pending statutory and judicial time limits are interrupted until the end of 30 April 2020. The time limits shall restart on 1 May 2020. In addition, the period from 23 March 2020 until the end of 30 April 2020 shall not be included in the period in which an action or application is to be brought before a court or a declaration is to be made. This concerns in particular limitation periods.

### • Reduction of court operations

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

### • Suspension of deadlines in tax and fiscal penal law procedures

As further facilitation for taxpayers in connection with the COVID-19-pandemic, the Austrian Parliament adopted a suspension for certain – explicitly defined – deadlines in tax as well as fiscal penal law procedures. This includes, in particular, deadlines for filing appeals (“Beschwerden”), objections (“Einsprüche”), requests of referral (“Vorlageanträge”), etc. Furthermore, the deadline for tax returns 2018, that have not yet been filed, will be extended until 31 August 2020. Not included – according to the current level of information – are deadlines for filing an application for deferred payment as well as the deadline for filing an application for the annulment of a tax assessment pursuant to Sec. 299 Austrian Fiscal Code (within one year after notification). Whether or not additional measures in this connection will be announced, remains to be seen.

### • Interruption of time limits in other administrative procedures

On 22 March 2020 the Federal Act on accompanying measures to COVID-19 in administrative proceedings, in proceedings of the administrative courts and in proceedings of the Administrative Court and the Constitutional Court entered into force, which will expire at the end of 31 December 2020. The act provides for the following regulations regarding the interruption of time limits in administrative proceedings: In pending administrative proceedings of the administrative authorities to which the administrative procedure acts (“AVG”, “VStG” and “VVG”) are applicable, all time limits whose triggering event falls within the period after the entry into force of this act, as well as time limits which have not yet expired by the time this act enters into force, shall be interrupted until the end of 30 April 2020. The time limits shall restart on 1 May 2020. This also applies to limitation periods (Sec. 31 VStG), but not to maximum periods laid down in the Constitutional Law and to periods under the Epidemic Law. In certain cases (averting a danger to life, safety and freedom or to prevent a substantial and irretrievable damage to a party, etc.) the authority may declare in the respective proceedings that a period is not interrupted. At the same time, the authority must set a new reasonable time limit. The time from the entry into force of the act until the end of 30 April 2020 shall not be included in the period in which an application to initiate proceedings (Sec. 13 para. 8 AVG) is to be filed. The Federal Chancellor is authorised to extend or shorten the interruption of time limits or to provide for further general exceptions to the interruption by regulation, insofar as this is necessary to prevent and combat the spread of COVID-19. These provisions shall also apply to the proceedings of the administrative courts, if at least the AVG is also applicable to the respective proceedings, as well as to the proceedings of the Administrative Court and the Constitutional Court.

### • Extension of the time limit for petitions for insolvency

Pursuant to Sec. 69 of the Austrian Insolvency code (“IO”), a debtor is obliged to apply for the opening of insolvency proceedings no later than 60 days after the occurrence of illiquidity. In the event of illiquidity caused by a natural disaster, this period is extended to 120 days. In Sec. 69 IO it is now expressly clarified that an epidemic and a pandemic also fall under the term natural disaster. This extends the period for applying for the opening of insolvency proceedings to 120 days after the event of insolvency if caused by the COVID-19-pandemic.

### • Measures regarding company law

Along with the second COVID-19 legislative package, the new COVID-19 Corporate Law Act (“COVID-19-GesG”) entered into force, which will expire at the end of 31 December 2020. The law provides for the following new regulations in the area of company law: For the duration of measures taken to prevent the spread of COVID-19 according to the COVID-19 Measures Act (“COVID-19-Maßnahmengesetz”), meetings of shareholders and members of corporate bodies of a corporation, a partnership, a cooperative, a private foundation or association, a mutual insurance association or a small insurance association may be held without the physical presence of the participants (e.g. by means of a video conference) in accordance with a regulation to be issued by the Federal Ministry of Justice. In addition, notwithstanding Sec. 104 para. 1 of the Austrian Stock Corporation Act, ordinary general meetings of a stock corporation may be held within the first twelve months of the financial year of the company concerned. Both the provisions regarding the holding of meetings of shareholders and members of corporate bodies and the longer period for ordinary general meetings take precedence – as special statutory provisions – over any deviating provisions in articles of association.

## Economic / Fiscal Measures

Austria has committed, by a federal law, budget funds of up to EUR 4 billion for mitigating the economic consequences of the COVID-19-pandemic. The government has further announced its plan to increase the funds’ capital up to 38 billion EUR given the critical economic consequences that still might surface. These funds are intended to finance, inter alia, the following measures:

### • Hardship fund

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

### • Bridge financing

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

### • Guarantees;

### • Deferral of (tax-) prepayments

In case companies experience liquidity problems caused by the COVID-19-pandemic, the government has simplified the approach to apply for a deferral of tax prepayments, which would be due in the next upcoming months. Despite this, tax declarations have to be submitted in due time nonetheless, just the payment is deferred broadly. Regarding tax payments, taxpayers are able to apply for a deferral of payment until 30 September 2020 at the most. An already imposed late payment fine will be removed upon request. Furthermore, it is also possible to apply for a reduction of tax prepayments, in certain cases even down to EUR 0,00. Applications have to be filed by 31 October 2020.

### • Extended deadlines for tax declarations

The deadlines for all tax returns concerning income tax, corporate tax as well as the determination of income (e.g. for partnerships) have been extended to 31 August 2020. Moreover, all tax authorities have been instructed to restrain from levying any administrative fines for the filing of declarations that would have been regarded as “delayed” under the previous provisions.

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

## Employment law and social protection measures

### • Working-time reduction model (“Corona-Kurzarbeit”)

Under a new, more flexible, short-time work regime, companies are able to reduce the working hours down to 0% of the normal working hours, with the limitation that within a 3-months’ period of time, at least 10% of the normal working hours have to be actually carried out on average. Despite the reduction of working hours, employees still receive up to 90% of their net salary. Hereby, the employer pays the salary equivalent to the actual working hours, whereas the government pays the difference up to 90% (e.g., if the employer reduces the working hours of an employee down to 20%, the employer will have to cover such 20% and the government will pay the remaining up to 70%).

Pursuant to the Second Act on COVID-19, the Public Labour Office (“Arbeitsmarktservice” – “AMS”) will now also refund the employer’s contributions to the social security provider. It is not a binding prerequisite anymore for employees to consume remaining vacation and overtime entitlements; instead, consumption of overtime and vacation entitlements may be regulated by company agreement. The Act also clarified that working-time reduction can also apply to apprentices and members of the executive body, if they are covered by the Social Security Act (“Allgemeines Sozialversicherungsgesetz” – “ASVG”). There are also slight changes regarding the application procedure. Employers shall send the company agreement or individual agreement(s) (in companies without a works council) directly to the competent social partners, together with a statement regarding the economic necessity of the working-time reduction. After the social partners have signed the agreement(s), the employer has to fill in the new application form for working-time reduction and send all of the documents to the AMS. Moreover, the Second Act on COVID-19 has raised the fund for the working-time reduction measures to EUR 400 million.

### • Businesses with entry-ban – consumption of vacation entitlements

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

### • Deferrals of an employer’s social security contributions

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

### • Further employment law amendments

For the public sector, the Act provides that if it is in the public interest, public servants and contract staff can be requested to consume remaining overtime and vacation entitlements to a maximum extent of two weeks. Other changes include provisions on pre-retirement part-time-work (“Altersteilzeit”), the extension of mandates of employee representatives, and the special care leave (“Sonderbetreuungszeit”), which can now also be requested to care for persons with disabilities. Apart from this, the Act contains provisions regarding the extension of legal time-limits.

## Criminal law measures

### • Adaptions in criminal proceedings and the penitentiary system

The Federal Minister for Justice will be authorized to issue regulations adapting the Austrian Code of Criminal Procedure (“StPO”) and the Austrian Penitentiary System Act (“StVG”) for the duration of the measures to prevent the spread of COVID-19. In criminal proceedings, for example, the local jurisdictions may be adapted more easily, the appeal deadlines are extended (attention: the appeal deadline pursuant to Sec. 294 para. 2 StPO might not be included!) and the visitation rights may be limited to telephone contact only. Furthermore, detention hearings may be suspended and decisions with regard to the possible continuation of pre-trial detention shall be taken in writing within the legal time limits. With regard to the penitentiary system, among other things, the persons infected with COVID-19 and any contact persons shall be considered unfit for detention and contact with the outside world shall be restricted (e.g. contact only by telephone). Also, the time limit for re-entering detention shall be interrupted.

## Next Steps



# Bosnia and Herzegovina (1/3)

## Federation of Bosnia and Herzegovina



### General measures

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

### Economic / Fiscal Measures

- **Deadlines for filing tax** returns and salary specifications have been extended to 30 April 2020
- All products in jurisdiction of the canton, city and municipality, prescribed within Article 9 of the Law on Price Control, as well as other essential groceries and basic hygiene supplies, **should not have a price higher than the price they had on 5 March 2020**
- Decisions of the Federal Banking Agency regulate that **banks and non-depository financial institutions** can approve to clients special measures: a moratorium, a grace period of up to 6 months, granting of an additional amount of exposure to overcome liquidity difficulties
- **Decreasing the lease amount** (i.e. rent) for 50%, for business premises managed by the Office for joint affairs of FBiH authorities and bodies; it is suggested that, if the pandemic would last longer, payment of rent should be completely suspended as of 1 April 2020 until the state of disaster ceases to exist
- **Decreasing health contributions** for employees who work abroad (i.e. seconded workers) for BAM 10, and decrease of other social security contributions for seconded workers per BAM 10

### Employment law and social protection measures

- **Series of recommendations**  
The Government of FBiH has adopted a series of labor **recommendations**:
  - Implement **special protection measures** to prevent the adverse effects on employees' health, by shortening working hours, if possible due to work process requirements
  - Employers who employ a large number of employees should **reorganize their working hours**, if possible due to work process requirements; labor that is performed in one shift should be split in two shifts, to avoid the concentration of more workers in one place.
  - Provide employees with the instructions for **work from home**, if possible due to the nature of work, i.e. work process requirements
  - Allow employees to take **annual leave**, as well as to use leave according to the law, collective agreement or labor rulebook
  - Allow employees, parents of children under 10 years, **absence from work** to one parent, in case both parents are employed
  - **Cancel all business trips**, in the country and abroad, especially business trips of workers with diagnosed chronic diseases.
  - Employers are obliged to, pursuant to labor-protection regulations, ensure regular and intensive implementation of **hygiene measures**
  - **Cancel meetings** organized for a larger number of participants. Meetings which are necessary to be held, should be organized in as large area as possible, ensuring distance between participants (1 – 2 meters)

### Criminal law measures

- **Criminal Code of the Federation of BiH**
  - **Transmission of Contagious Disease**  
Whoever fails to comply with regulations or ordinances whereby a competent health care body orders medical **examinations, disinfecting, quarantine** or other measures for the suppression or prevention of a contagious disease with people, and where consequently a danger of the spreading of a contagious disease occurs, shall be punished by **imprisonment for a term not exceeding one year.**
  - **Failure to Comply with Sanitary Regulations during an Epidemic**  
Whoever at the time of an epidemic of a contagious disease fails to comply with ordinances and decisions passed on the basis of regulations of competent body which regulations establish measures for the suppression or prevention of the epidemic, shall be punished by **imprisonment for a term not exceeding one year.**
  - **Employing Persons Suffering from Contagious Disease**  
Whoever, in a hospital, maternity hospital, boarding school, school, business enterprise or another legal entity, or with an individual as an entrepreneur, in a business activity in which foodstuffs are handled or that provides cleaning services or in a similar activity, in contravention of sanitary regulations employs or keeps employed a person suffering from a contagious disease, and where consequently a danger of transmission of a contagious disease occurs, shall be punished by **imprisonment for a term not exceeding one year.**

### Next Steps

- Establishment of a **special fund for stabilizing the economy**, with the aim to support business entities affected by spread of coronavirus
- The Government of FBiH is currently preparing the **set of measures for remediation of economy**, which shall be published soon

# Bosnia and Herzegovina (2/3)

## Republika Srpska



### General measures

- **Movement of citizens**
  - Movement of persons from the age of 65 and over is prohibited (except on Tuesdays and Fridays from 7 AM to 10 AM) as well as moving of all persons on public surfaces from 8 PM to 5 AM, except for domestic and foreign drivers who transport goods in road traffic, who hold the evidence on transport operations
  - Public transport of persons in road traffic on republic bus routes over 50 kilometers is suspended
- **Activities of business entities**
  - Measures for business entities aiming to prevent the spread of virus disease “COVID-19” are stipulated within the Conclusion of the Republican Emergency Management Staff as of 17 March 2020; they refer to prohibition of performing activities of numerous categories of business entities, and to time limitation of working hours of business entities

### Economic / Fiscal Measures

- The Decree on Return of Prices to the Previous Level, i.e. to the **level as of 5 March 2020**, is adopted
- Urgent payment of tax and social security contributions **refund**, for increase of salaries in 2019, has begun on 16 March 2020
- **Deadline for filing** annual tax returns has been extended to 30 April 2020, pursuant to Decision as of 20 March 2020
- **Deferral of payment** of corporate income tax and all liabilities under the final account for 2019 is enabled until 30 June 2020, as well as payment in installments until the end of 2020; the Tax Authority of RS has issued an announcement on submitting the statement for deferred payment of tax liability
- **Lump-sum payment of tax** on the total income of small entrepreneurs with one or two employees is **decreased for 60%**
- Pursuant to Decision as of 20 March 2020, all borrowers from IRB-managed funds have been granted a **three-month repayment moratorium**, commencing as of 1 April 2020
- Pursuant to Decision as of 20 March 2020, **banks** can approve to clients special measures: a moratorium at least until the end of extraordinary situation, a grace period of up to 6 months, granting of an additional amount of exposure to overcome liquidity difficulties; similar decision has been adopted for **microcredit organizations**
- The Government of RS has announced that:
  - Funds raised the **Solidarity Fund** from voluntary payments of public sector employees should be used solely to assist employees in the real sector, affected by extraordinary measures
  - **The Government will pay taxes and social security contributions** to employees of entities directly affected by Government decisions (e.g. catering, retail, small entrepreneurs) under condition that their employers pay out net salary
  - It will actively work on establishing the **Fund for economy aid**, which should be operational in May
- The Ministry of Agriculture, Water Management and Forestry of RS has diverted **BAM 2.2 million** of current IFAD Project loan funds, to encourage agriculture production

### Employment law and social protection measures

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

### Criminal law measures

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

### Next Steps

- The Ministry of Finance has announced **set of measures** for business entities affected by coronavirus spreading, which are to be officially published

# Bosnia and Herzegovina (3/3)

## Brčko District of BiH



### General measures

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

### Economic / Fiscal Measures

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

### Employment law and social protection measures

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

### Criminal law measures

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

### Next Steps

- Measures for April 2020 are yet to be announced



## General measures

## Economic / Fiscal Measures

## Employment law and social protection measures

## Criminal law measures

## Next Steps

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

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

- Notarial certifications are limited to only to urgent and non-delayable certifications, observing the health and hygiene requirements. The Notary Chamber ensures the availability of notaries on duty under a ratio of at least one notary per 50,000 inhabitants in the respective area. Full list of the notaries on duty in all judicial districts can be found [here](#).
- The servicemen of the armed forces, jointly and/ or in coordination with other authorities, may participate in the implementation of anti-epidemic measures and restrictions under conditions and in order determined by an act of the Council of Ministers.
- The possibility of distance education is established. Currently all educational institutions are closed and the courses are carried through on-line.
- Traveling and training sessions on business purposes are suspended.

The Measures and Actions during a State of Emergency Act also provides for cease or extension of general statutory and administrative terms. As of 13th March, 2020 until the lifting of the state of emergency, the below terms cease to run:

- Procedural time-limits for judicial, arbitral and enforcement proceedings, with the exception of time-limits: for criminal proceedings; under the extradition act; under the European arrest warrant; and for proceedings related to duress measures;
- Prescription periods and other periods provided for in the statutory acts, on expiry of which rights are terminated or extinguished or obligations arise for individuals and private entities, except for the time-limits under the criminal code and the administrative violations and sanctions act;
- The terms for implementation of instructions issued by an administrative authority to parties or interested persons in proceedings, except for the proceedings under the management of resources from the European structural and investment funds act.

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

- The terms beyond those explicitly specified in the act, which expire during the state of emergency and are related to the exercise of rights or the fulfillment of obligations of individuals and private entities;
- The effect of administrative acts which is restricted by a time-limit and expires during the period of the state of emergency.

The Measures and Actions during a State of Emergency Act provides for different measures with respect to administrative deadlines, taxation and annual closing:

- The deadline for filing annual tax returns under the Corporate Income Tax Act (CITA) and the Personal Income Tax Act (PITA) (for merchants and individuals – sole traders) for 2019 and payment of taxes, including tax on expenses and the deadline for usage of 5% discount when pre-paying the tax on real estate and/or vehicle for the whole year are extended until 30 June 2020.
- The deadline for usage of 5% discount when filing the annual tax return under PITA and the term for additional payment of the due tax shall be extended until 31 May 2020 (for merchants and individuals – sole traders).
- The due advance contributions for the period from January to June 2020 shall be determined by a declaration until 15 April 2020, in case the enterprises did not file an annual tax return prior to the entry into force of the Act. The deadlines for payment of the down payments remain unchanged.
- The term for filling the annual financial statements, consolidated financial statements and annual reports of the enterprises shall be extended up to 30 September 2020.
- The signing of the annual financial statements for 2019 could be made by means of qualified electronic signatures.
- The deadline for filing a declaration that an enterprise has not operated during the reporting period shall be extended to 30 June 2020.
- Until the state of emergency is lifted, the prescription period under the Tax and Social Security Procedure Code (TSSPC) ceases to run, and the absolute prescription period for the payment of public claims under TSSPC will not apply.

Other economic measures include:

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

The Measures and Actions during a State of Emergency Act provides numerous measures with respect to protection of employees and socially vulnerable persons. During the state of emergency, but for no more than three months, the National Social Security Institute will pay 60% of employees' remunerations for January 2020 to insurers/ employers whose businesses are critically affected by the epidemic measures. The application process is open from 31.03.2020 and can be completed online. It takes place before the Employment Bureau and the funds are paid by the National Social Security Institute. Basically there are three categories of employers who may benefit from the aid:

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

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

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

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

- The penalty for some crimes related to the state of emergency is increased.
- The time-limits under the Criminal Code and the Administrative Violations and Sanctions Act continue to run.





## General measures

## Economic / Fiscal Measures

## Employment law and social protection measures

## Criminal law measures

## Next Steps

Measures regarding the enforcement proceedings:

- Until the state of emergency is lifted, the effects of late performance of the obligations of individuals and private entities, including interest and penalties for late payment, as well as non-monetary consequences such as early repayment, contract termination due to default and seizure of property, shall not apply. All announced public sales and entries into possession shall be suspended; after the state of emergency is lifted, they shall be re-scheduled, and no new fees and expenses shall be due.
- No enforcement proceedings shall be initiated under the Tax and Social Security Procedure Code (TSSPC) unless such initiation is necessary for the protection of important state or public interests or in case the execution of the act may be seriously impeded, or if significant damage may result from the implementation delay.
- The enforcement under TSSPC shall be suspended; after the suspension the public bailiff may not perform new enforcement actions, but may perform actions to secure the claim, as well as distribution of amounts received under the enforcement case; prior to the expiration of the term of the state emergency, the enforcement shall be resumed with an order of the public bailiff at the debtor's request for enforcement over: a) receivables and funds from banks; b) receivables from third parties; c) treasury values, including the content of safe deposits, as after the enforcement is completed, the enforcement proceedings shall be suspended.

The terms for establishment, declaring, depositing, securing and collecting duties on customs duties, taxes, excise duties and social security contributions are not changed, except in the cases explicitly listed in the Measures and Actions during a State of Emergency Act.

Social security and social protection measures:

- Bulgarian citizens planning trips abroad must sign compulsory health insurance.
- The running of the statutory time limits for insured persons and pensioners in connection with the implementation of Part One, Chapter 4-8 of the Social Security Code is suspended.
- Part of the statutory terms for pension insurance companies are extended (e.g. for the preparation of actuarial report).
- No distraints shall be imposed on the bank accounts of individuals and medical centers, salaries and pensions, no security measures shall be imposed on medical facilities and equipment, as well as no inventory shall be performed of movable property and real estate owned by individuals, except for liabilities for maintenance, for damages caused by delict and for remuneration claims from employment relations.
- The payment deadlines for the electricity supply of household customers are extended from 10 days to 20 days.
- During the operation of this law, the Customs Agency may provide free of charge confiscated and abandoned goods that can be used to protect the life and health of people, and serve medical establishments, kindergartens, schools, etc.
- Opportunities for providing funds under simplified rules and the possibility of shortening the time limits are foreseen. An opportunity for awarding grants directly to a candidate approved by a program monitoring committee after a reasoned proposal by the head of the relevant managing authority of a program with resolution in default is proposed.

Measures with respect to immigration:

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



## General measures

- As of 2 April 2020, there is a total of 1.011 affected patients, 7 patients have deceased and 88 patients have been cured.
- Emergency powers impacting workplace attendance - closure of schools According to the Prime Minister notice published on Friday 13 March 2020, classes will be suspended in all primary schools, high schools and faculties as well as in kindergartens. Classes will be organized through the TV channel and online. However, teaching personnel will come to schools and people who don't have anyone to take care for their children can bring them to school. This means that, in theory, classes' suspension shouldn't impact the people's work attendance but it is doubtful who would expose their children in these extraordinary circumstances.
  - Emergency powers impacting workplace attendance - closure of non-food related public places
  - The Croatian Civil Protection Headquarters adopted the decision limiting working hours of certain businesses and imposing public behavior restrictions:
  - Temporary limitation of working hours to maximum 5 p.m. for food retailers with compulsory abidance to the counter-epidemic measures declared by Croatian Institute for Public Health;
  - Temporary suspension for non-food related retailers, shopping centers and public markets (exceptions for certain market stores may apply);
  - Temporary suspension for all restaurants and cafes, except food producing and delivery companies as well as public kitchens, with compulsory abidance to the counter-epidemy measures declared by Croatian Institute for Public Health;
  - Temporary suspension for cinemas, theatres, museums, public libraries;
  - Temporary suspension for service-companies such as hair-dressers, cosmeticians, shavers and similar;
  - Temporary suspension for gyms, sport and fitness centres;
  - Temporary suspension for exhibitions and other fairs; viii. Temporary suspension for dance schools, child workshops and other workshops;
  - Temporary suspension for night clubs.
- This restriction results in all the people employed within the above listed restricted objects will be restricted from their workplace attendance.
- For now, the borders are entirely closed for natural persons, except for e.g. diplomats, health-related staff and certain types of transportation.

## Economic / Fiscal Measures

Currently applicable tax measures:

- Deferral of payment of taxes (corporate income tax, personal income tax, and other tax liabilities), social security contributions and other public charges (fees, concession fees, fines for tax offenses and any charges that are determined and / or collected and / or supervised under special regulations within the jurisdiction of the tax authority). Subject to deferral are all liabilities due within 3 months from 20 March 2020, with possibility of extension to additional 3 months. Taxpayers liable to settle the deferred tax liability at maturity can request installment payment without any interest. Late penalty interest would not be charged during that period and statute of limitation does not run. As an exception, only VAT payers that determine VAT liability per invoiced supplies that have not recorded more than HRK 7,500,000 (excluding VAT) of supplies in previous year can request deferral of VAT liability that becomes due from 1 April 2020 (i.e. March 2020 liability).
- Individuals will be entitled to an early personal income tax refund. Under the present legislation, a personal income tax refund based on an annual tax assessment is made upon expiry of the deadline for objection to the provisional notice of assessment issued in June, which was usually during August of the current year. The tax refund procedure has been changed so that the refund will be made at the time of delivery of the provisional assessment notice to the individual, who remains entitled to the objection rights. Based on this new measure, the individuals will receive their personal income tax refund for 2019 during June 2020
- Croatian Employment Service has issued measures that would preserve jobs due to the special circumstances of COVID-19 pandemic – entrepreneurs will receive an aid amounting up to HRK 3,250 per employee monthly starting from March 1, 2020 and further, up to three months, subject to prescribed conditions.
- Grants to self-employed individuals used to alleviate the effect of the current crisis would not be regarded as taxable receipts (i.e. they will not be subject to personal income tax from self-employed activity);
- Companies receiving grants to alleviate the effect of the current crisis will be exempt from paying corporate income tax on such grants.
- The Government also proposed financial and other measures outlined below.
  - Granting interest free loans to municipalities, cities and counties, Croatian Health Insurance Fund and Croatian Pension Insurance Institute, up to the amount of personal income tax, surtax and contributions payments which has been deferred and/or payment in instalments was granted;
  - Reprogramming of existing loan obligations with an introduction of a grace period in repayment of the loan principal. This measure will be available to all beneficiaries of HBOR loans, regardless of whether the loan is approved directly or through commercial banks
  - Granting new liquidity loans to economic operators for financing salaries and other basic operating expenses, in cooperation with commercial banks;
  - Granting guarantees (insurance policies) to commercial banks of exporters and to HBOR under the export guarantee fund with the aim of granting new loans for working capital - liquidity
  - Increasing the scope of the export guarantee fund by including the tourism sector with the aim of enabling the issuance of guarantees (insurance policies) for loans to banks and HBOR, for additional liquidity funds to exporters and the tourism sector.
  - Provide for the possibility of introducing, through the Amendments to the Investment Promotion Act, the extension of deadlines for the implementation of investment projects and the introduction of an additional grace period of three years for preserving jobs;
  - Intervention purchase of surpluses in livestock and crop production, fruit and vegetables, and other products from potentially endangered industrial and agricultural producers;
  - Interventional procurement of disinfectants, soaps and detergents, indoor disinfectants, disinfectants for hospitals and other facilities, and protective equipment to combat coronavirus, other products from potentially vulnerable industrial and agricultural producers, and their inclusion in the Balance Sheet of Strategic Commodities.
  - Increasing the rate of HAMAG-BICRO's guarantee from 65% to 80% of the loan principal
  - More favorable terms of ESIF Micro working capital loans of up to EUR 25,000 with faster processing, with a maximum interest rate of 1%
  - More favorable terms for ESIF Micro and Small Investment Loans, with a maximum interest rate of 0,5%L. Moratorium on all installments of ESIF (EU) Micro and Small Loans by 31DEC2020
  - The possibility of mobilizing part of the budget as a contribution to sectoral intervention grants to entrepreneurs (national grant);
  - Introduction of the Stand still, i.e. suspension of execution of all enforcement against all debtors (legal or natural persons) for a period of three months;
  - Loans for liquidity and working capital (salaries and working capital excluding liabilities towards financial institutions) with maturity of up to three years;
  - Conducting reprogramming by credit institutions to designated clients in an expedited manner without reclassification to default;
  - New FI - Micro loan for rural development for working capital of up to EUR 25,000, with a maximum interest rate of 0,5% Q. New FI - „COVID-19 loan“, up to EUR 100,000 – conditions TBD
  - New FI - „COVID-19 loan“ to provide additional liquidity for SMEs, up to HRK 750,000, with a maximum interest rate of 0,25%
  - A three-month moratorium on all loan related obligations due after 29FEB2020. After the end of the moratorium, clients will be able to pay commitment that are due, interest free, in 12 equal monthly installments
  - Prolongation of term of use, repayment periods and moratorium on repayment of loans / leases guaranteed by the guarantee programs of HAMMAG-BICRO
  - Micro and small loans for rural development. Interest rates lowered from 0.5 - 1.0% to 0.1% - 0.25%

## Employment law and social protection measures

- Aid for preserving jobs in coronavirus affected sectors;
- Interim measure of suspension of self-employment and employment grants with aim of securing additional funding for job retention in coronavirus affected sectors;
- Extension of duration of permanent season worker measure;
- Ensuring payment of minimum wages for persons with disabilities with aim of employment retention, and deferral of payment of financial compensation for all employers of the quota for employment of persons with disabilities;
- Deferral of payment of tourist membership fees for business entities and private renters;
- Deferral of payment of sojourn tax for private renters
- (flat rate);
- Working ban for hospitality facilities (cafés, restaurants etc.);
- The new draft Law on the Regulation of the Employment Relationships in the COVID-19 Crisis Circumstances has been proposed and is currently undergoing public discussion. Its main terms are the following:
  - The employer's unilateral right to decrease the salaries down to the mandatory minimum salaries pursuant to the employment by-law, and to restrict payment of other material contributions
  - The employer's unilateral right to suspend application of certain terms of the collective bargaining agreement
  - The employer's unilateral right to decrease the working hours
  - The employment's unilateral right to change the employee's working place
- Collective Bargaining Agreement for Tourism has been suspended and the employers are not obliged to comply with its provisions during the crisis

## Criminal law measures

## Next Steps

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



## General measures

## Economic / Fiscal Measures

## Employment law and social protection measures

## Criminal law measures

## Next Steps

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

- Based on the decision of the Croatian Financial Services Supervisory Agency (HANFA), the insurance companies operating in Croatia, as well as the Raiffeisen Pension Insurance Company (MOD), are prohibited to use retained earnings for dividend payments all until 30 April 2021 (which date may be prolonged).The prohibition relates to retained earnings from 2019 and previous years. According to HANFA, such decision is aimed to straighten the liquidity of affected companies under the ongoing COVID-19 pandemic, and shall result in an amount of approx. HRK 4 billion staying in Croatia, on the affected companies' balance sheets;
- The Croatian National Bank has modified the means of its supervisory access to the business of credit institutions in order to make it easier for the banks to provide liquidity and thus support the maintenance of economic activity and the preservation of jobs
- During the session of 2 April 2020, the Government of the Republic of Croatia has announced the following economic measures related to the Coronavirus epidemic (it is important to emphasize that details will be published subsequently in bylaws):
  - Amount of the aid related to Coronavirus epidemic from the Croatian Employment Agency for preservation of the employment is increased and amounts to HRK 4,000 for April and May 2020
  - Employers which benefit from the aid of the Croatian Employment Agency will be exempt from obligatory contributions related to these salaries.
  - All taxpayers whose businesses are suspended or distressed will be completely or partially exempt from payment of public charges which are due during April, May and June 2020
  - Payment of VAT can be postponed until issued invoices are settled
  - Deadline for submission of the tax returns, forms and reports related to the annual reporting will be postponed (as announced, to 30 June 2020) – possibility of postponement of other deadlines during the epidemic is prescribed
  - Instead of payment of import VAT, declaring the liability in the VAT return can be prescribed – no actual payment
  - Regulation of VAT liability related to donations during the special circumstances is enabled
  - The proposed amendments to the Accounting Act will enable the Minister of Finance to prescribe, i.e. extend, the deadlines for:
    - submission of an individual and consolidated non-financial report,
    - submission to the Financial Agency individual and consolidated annual financial reports with the accompanying audit report for the public disclosure,
    - submission of statement of inactivity,
    - submission of financial information for statistical and other purposes, and
    - reporting of parent company obligation to consolidate financial reports.
- The due dates will be prescribed by the implementing regulations and we will inform you once they are published in the Official Gazette.
- Additionally, it is proposed to permanently relieve the entrepreneurs from payment of Financial Agency fee for the publication of the annual financial statements.
- Special measures proposed for agriculture and tourism sectors
- Additionally, the following proposals relation to loans have been announced:
  - **MICRO AND SMALL LOANS FOR RURAL DEVELOPMENT**
    - More favorable interest rates for micro and small loans for rural development
    - Interest rates lowered from 0.5 - 1.0% to 0.1% - 0.25%
  - **NEW MICRO LOAN FOR RURAL DEVELOPMENT FOR WORKING CAPITAL**
    - A new instrument for working capital for rural development with an interest rate of 0.5%
    - Target group: Micro and small business entities, subject to the conditions prescribed by the EAFRD measures eligible for funding under this instrument
    - Amount of loan: From 1,000 euros to 25,000 euros in HRK equivalent at the CNB middle exchange rate on the date of application
    - Purpose of the loan: Working capital
    - Minimum repayment period: 12 months
    - Maximum repayment period: 3 years
    - Interest rate: 0.5%
    - Request processing fee: 0%
    - Grace period: Up to 12 months if the repayment period is at least 2 years
    - Collateral: Promissory note, other security instruments risk assessment
  - **COVID-19 LOAN FOR WORKING CAPITAL**
    - New program to provide additional liquidity to micro, small and medium-sized businesses affected by the COVID-19 pandemic. A prerequisite for entrepreneurs to be able to use this instrument is a 20% decline in revenue in the first quarter, or a forecast in the coming quarters. It is important to note that these funds will not be able to be used to refinance existing loan commitments or to pay off commitments made before 2020
    - Target group: Micro, small and medium-sized small business entities
    - Loan amount: Up to HRK 750,000.00
    - Purpose of the loan: Working capital
    - Maximum repayment period: Up to 5 years including grace period
    - Interest rate: 0.25%
    - Request processing fee: 0%
    - Duration: Up to 6 months
    - Grace period: Up to 12 months if the repayment period is at least 2 years
    - Collateral: Promissory note



## General measures

## Economic / Fiscal Measures

## Employment law and social protection measures

## Criminal law measures

## Next Steps

- As of 12 March, the state of emergency was declared.
- As of 13 March, all schools were closed. All sport, cultural, religious and other activities of more than 30 people are forbidden with the exception of funerals.
- As of 16 March 2020, Czech citizens and foreigners resident in the Czech Republic are not allowed to leave the country with certain exceptions. Similar ban applies to foreigners who would like to come to the Czech Republic and do not have permanent or long-term temporary residence.
- As of 14 March 2020, all shops were closed except from shops selling foodstuffs, sanitary goods, pharmacies, fuels, telecommunications technology and electronics, tobacco, pet food supplies, newspapers and magazines, laundry services, and sales via Internet. As of 26 March 2020, additional exceptions were made.
- As of 16 March, free movement was limited with the exception of travel to and from work and necessary travels to ensure basic human needs. Providing accommodating services was forbidden, except from accommodating guests for the purpose of their work or business.
- As of 19 March 2020, all persons must wear face masks covering nose and mouth while outside of their residence.
- As of 25 March, all gatherings of more than two people in public were forbidden. Shops are only open for seniors and disabled persons in specific hours.

- No penalty and late-payment interest will apply for late filing of income tax return as long as filed by 1 July 2020.
- Late filing of the control statements or other tax filings will not be subject to penalties, provided that delay was caused by COVID-19.
- All taxpayers will be exempted from penalty of CZK 1,000 for late filing of the VAT control statement, without connection with COVID-19 and waiver of penalties in connection with VAT control statement was granted if proved the connection with COVID-19.
- Loans without any interest if businessperson was harmed by COVID-19 will be granted.
- General remission of personal and corporate income tax prepayments due on 15 June 2020.
- General remission of sanctions for late filing of tax returns on real estate acquisition with retrospective effect until 31 July 2020.
- Possibility to apply a 2020 tax loss against a tax liability for 2018 and 2019.
- Postponement of the obligation of electronic sales records to 3 months after the end of the state of emergency.
- Exemption from custom duties on the import of selected medical supplies.
- Support to SME companies and sole traders by guarantees for loans from commercial banks.
- CZK 5 billion is allocated to the guarantee programme (COVID loan I and II), which anticipates CZK 30-35 billion of loans granted to businesses by commercial banks.

- Some students in social work and health care area might be obliged to secure provision of care in social services facilities.
- The Antivirus Programme
  - Quarantine ordered to employees will receive salary compensations at 60%.
  - Impossibility to assign work to employees due to the Government measures amount to full salary compensations to employees. Employers will receive contributions at 80% of compensation paid.
  - Limited supplies of inputs needed for an employer's activities amount to compensation of salaries paid to employees at 80%. Employers will receive contributions at 50% of compensation paid.
  - Reduction of demand for services, products - salary compensation at 60% to employees. Employers will receive contributions at 50% of compensation paid.
- Remission of pension and health insurance payments for sole traders up to the minimum payment amount and for six months proposed.
- Financial contribution to self-employed persons due to childcare proposed.

- Government approved the Decree amending to the Criminal Code, as regards definition of contagious human diseases, contagious animal diseases, contagious plant diseases, and pest crops. The SARSCoV-2 coronavirus was added to the list. This means that anyone who deliberately spreads the coronavirus is at risk of prosecution. Government approved the Decree amending to the Criminal Code, as regards definition of contagious human diseases, contagious animal diseases, contagious plant diseases, and pest crops. The SARSCoV-2 coronavirus was added to the list. This means that anyone who deliberately spreads the coronavirus is at risk of prosecution.

- Fiscal measures are subject to discussion.
- Updated (ongoing list of measures): <https://www.vlada.cz/en/>
- Deloitte CZ prepared a short list of additional measures: proposals how to solve the situation and tax authorities should be more open to approvals .
- Reduction of advance payments of tax including its full termination.
- Request for deferment of tax payment or division into instalments (with positive outcome in reduction of interest from 14 % + repo rate to 7 % + repo rate, which can be partly waived as well)
- Some opportunities are provided under social and health insurance regulation.
- Waiver pursuant to current methodology which states that extraordinary circumstances may lead to reduction of possible sanctions (including waivers beyond the possibilities mentioned in the methodology).





## General measures

## Economic / Fiscal Measures

## Employment law and social protection measures

## Criminal law measures

## Next Steps

- The government is entitled to adopt new rules by decrees under the period of the state of emergency in the interest of people's health, legal certainty and the stability of the economy.
- Partial lockdown is applied for the period between 28 March and 11 April. Citizens are only allowed to leave their homes and places of residence for the purpose of going to work or other essential activities.
- Municipality councils cannot be dissolved until the end of the state of emergency.
- No state/local election or referendum can be proceed until the end of the state of emergency.
- Universities, primary and secondary educational institutions are closed and the education is continued online.
- Cultural institutions (theatres, museums, cinemas) are closed.
- Only grocery stores, pharmacies, gas stations and tobacconists can operate without limitation.
- Only people above the age of 65 can enter into grocery stores and pharmacies from 9:00 to 12:00 in the morning.
- The borders are closed for all passenger transport, only Hungarian citizens can enter the country.

- Moratorium on evictions
- Suspension of enforcement procedures
- Suspension of tax enforcement procedures
- Extension of the entitlement for several maternity benefits until the end of the extraordinary situation
- Moratorium on loan payments until year-end for companies and individuals as well.
- Short-term loans of enterprises extended until July 30
- Cap on the interest of future consumer loans (taken after 18 March)
- Waiver of employers' social security liabilities in sectors particularly affected: tourism, hospitality, entertainment, sports and cultural services, taxi service, hairdressers, dentists, outpatient care, event organizers; potential reduction of employee's social security liabilities (full waiver in certain cases)
- Restriction on the cancellation of property rental agreements and on the increase of rental fees in the above mentioned sectors until 30 June 2020.

- More flexible scheduling of working time: the employer can change the schedule even within 96 hours before the start work time.
- The employer can unilaterally order home office or telecommuting.
- The employer can check the state of health of the employee.
- Flexible forms for the conclusion of employment agreements may be applied.
- Court procedures are mostly carried out without court hearings (the deadlines are not frozen, the court should mainly make its final decision out of court trials).
- Paypass limit is increased to HUF 15,000.

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

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



## General measures

Through Government of Kosovo **Decision No. 01/07**, dated 11/03/2020, the government ordered:

The suspension of the academic year in both private and public institutions until 27 March, where one parent is allowed to be freed from employment (except the parents employed in the health sector or security sector); **Amended with Decision No. 02/17 the academic year will be suspended until another governmental decision.**

The temporary suspension of the air traffic and as well as ground traffic from countries of high risk and medium risk (until further notice);

Mandatory examinations of travelers from “epidemic zones”, from the medical teams of the Center for Family Medicine, in order to detect and undertake measures to prevent the spread of the virus. These examinations will be conducted in all of the entry and exit points in the Republic of Kosova, with the support of the Kosova Police force;

Mandatory self-quarantine for all the citizens of the Republic of Kosova from “epidemic zones” with high or medium level of risk, in accordance with WHO instructions (any violation is punishable as per the “Law No. 02/L-109 on Prevention and Fighting Against Infectious Disease”). In cases where the persons cannot be self-quarantined it is recommended that these persons shall be placed in joint quarantine as designated by the Government of the Republic of Kosova;

Public activities and non-public activities may take place in closed/without the presence of an audience as in: event/sporting event, assemblies, concerts, conferences, roundtables until further notice;

The suspension of exports of medical materials, items medication from economic operators as well as producers, except with a decision from the Government.

All governmental institutions, as well as public and private organizations are obliged to undertake protective measures as well as the disinfection in all the institutions in accordance with the instructions from the Ministry of Health regarding the reinforcement of hygienic measures;

All public and private enterprises having the activity of public transportation, are obliged to disinfect their transport vehicles regularly;

Organized international travel (with bus, minibus or similar) towards and back from places with high and medium risk, is suspended;

Physical and legal persons who do not comply with this decision and disregard the recommendations within this decision shall be punished in accordance with applicable legislation.

In addition to Government of Kosovo has rendered **Decision No.01/08** “On Establishing Special Commission for Preventing infection of Corona Virus COVID -19”, dated 12/03/2020, which forms Special Committee for Preventing Corona Virus COVID – 19, composed by more than 20 members from various public institutions and it is chaired by the Prime Minister.

The Committee among others is obliged to ensure:

The necessary materials to be disbursed throughout medical centers in every municipality, police force, border police, customs, and every other emergency service;

To prepare the necessary equipment for the persons that may be affected by the virus;

The entries and exits shall be examined by the medical personnel;

The business enterprises shall conduct their services with integrity and responsibility, to not change the prices, as well as the relevant institutions shall conduct inspections on the field (grocery shops, pharmacies, other places where basic materials are obtained) in accordance with their legal rights.

To communicate with the public and private media, by contributing in correctly informing the citizens regarding the measures which to need, also by not causing panic;

To offer citizens notices and guidance from the relevant institutions.

To conduct other tasks depending on the created circumstance.

## Economic / Fiscal Measures

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

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

### Measures undertaken by the Central Bank of Kosova:

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

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

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

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

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

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

**On 24th of March 2020**, the Ministry of Finance and Transfer through **Decision No. 28/2020**, has ordered following measures:

Temporarily exempted from the payment of Value Added Tax (hereafter VAT) all imports of grain, flour as well as the production of bread and bread related products; Economic operators (and their contractors) that import flour or produce grain, bread and bread related products, will be automatically exempt from customs tax as well as VAT, with not special request needed.

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

This order has the following measures:

## Employment law and social protection measures

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

Private sector is ordered to organize their work in that way in which most of the activities from their employees to be conducted from home. This decision is not applicable for essential services such as pharmacies and groceries (Government Decision No.01/09) continue to conduct their business activities, they must ensure following measures for their employees: (i) personal equipments for prevention of COVID – 19 as guided by the Public Health Institution and (ii) to keep social distancing for their employees; and (ii) their clients.

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

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

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

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

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

Provision of a salary top-up in the amount of three hundred (€300) Euros for field workers and those exposed directly to the risk of infection in their work (not the entire staff of the institution): medical staff (doctors and nurses), members of Kosovo Police, officials (guardians) of the Correctional Services, officials (fire-fighters) of the Emergency Management Agency, KSF (soldiers) personnel, employees working at the Quarantine – Student Centre in Prishtina, officials (inspectors) of the Labour Inspectorate, officials (inspectors) of the Tax Administration of Kosovo, officials of the Kosovo Customs, officials (inspectors) of the Market Inspectorate, officials (inspectors) of respective municipal inspectorates, officials (inspectors) of Labour Medicine, for April and May, amounting up to fifteen million (€15,000,000.00) Euros.

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

## Criminal law measures

## Next Steps

The Ministry of Finance and Transfer is expected to issue the Decision or sub-legal act to implement the necessary measures for implementation of the Emergency Fiscal Package, namely terms, criteria, method of implementation and other specifications, based on the principles of management of public finances.



## General measures

On 13/03/2020, the Government of Kosovo through **Decision No. 01/09**, has imposed following measures:

The prohibition of entries and exits for citizens in the municipality of Klina;

The prohibition of entries and exits for citizens in the municipality of Viti;

The suspension of inter-urban transport within the Republic of Kosova, as well as organized international transport, with immediate effect;

The closure of land borders for travelers who wish to enter Kosova (not applicable to Kosovan citizens). The citizens who enter through these borders shall be subject to strict medical examination and with order to self-isolation with duration for 14 days; From the 16th of March 2020, 12 am, air traffic lines in Prishtina Airport will be suspended excluding military flights as well as medical emergencies (MEDIVAC). In addition airlines that are excluded from the suspension are arriving airlines with crew and without no passengers, which serve only for the departure of travelers from Kosova;

The following business activities shall be closed: Cafés, Bars, Pubs, Restaurants, Shopping Malls, excluding pharmacies and markets;

Cultural and Sporting activities have been suspended;

Animal markets and automotive markets are closed;

Public institutions are to reduce activities to essential activities as well as to reduce their staff, only to the essential staff. Excluding the medical sector and the security sector;

Private sector is ordered to organize their work in that way in which most of the activities from their employees to be conducted from home.

Recommendation: The government calls upon all of the citizens to avoid frequented environments with people as well as to abide by the measures undertaken by the Government and the recommendation provided by the National Institute of Public Health in Kosova;

The Ministry of Health and other relevant institutions are ordered to implement this decision.

Moreover, the Government of Kosovo through approval of the **Decision No. 01/10** ordered prohibition of entries and exits in the Municipality of Malisheva. Through this decision, the Ministry of Internal Affairs and Public Administration and Ministry of Health is obliged to implement this decision.

On 15/03/2020, the Government of Kosovo, through **Decision No. 01/11**, has proclaimed state of public health emergency.

Through this decision, the governmental institutions are obliged to act in accordance with Plan for national reaction and activation of supportive emergency function 8 known as FME8.

Based on the clause 3 of the Decision No.1/11, the Ministry of Health is responsible to manage the proclaimed health emergency.

**On 23/03/2020**, the Government of Kosovo with **Decision No. 01/15**, put in place new measures to deal with the virus COVID-19 and its prevention:

As of 24th of March 2020, the circulation of private vehicle and citizens is prohibited from 10:00 to 16:00 and from 20:00 to 06:00, with an exception for medical needs, production, supply purposes as well as the sale of essential goods (food and medication for persons, and animals/birds). Also activities and services that are correlated with the management of the pandemic (management and essential governmental and municipal personnel, from the medical, security and state administration sector are excluded from these measures) are exempt.

The free movement of economic operators classified as important in accordance with NACE codes from the Ministry of Economy, Employment, Trade, Industry, Entrepreneurship and Strategic Investments allows these operators to continue their work in this emergency period of COVID-19. Additionally the transportation of goods/services in order to ensure the supply chain is also allowed to operate regularly. For more information which economic activities are allowed to operate and move freely during the during hours of restriction movement based on Ministry of Economy, Employment, Trade, Industry and Strategic Investments Decision No. 01/05 can be found in this link: <https://mti.rks-gov.net/Page.aspx?id=1,3,894>

The amount of people walking on the road together cannot be more than 2 persons, who have to be at least two (2) meters distance from each other.

Gatherings on all open spaces and closed premises is prohibited, with the exception for when it is necessary to conduct activities for the prevention of the pandemic where the two (2) meter distance is allowed with the other persons. In cases of death, only close family members and the persons provide the burial service can be part of the funeral.

Other public institutions are ordered to undertake all necessary measures to implement this decision.

## Economic / Fiscal Measures

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

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

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

Hairdressing activities are to be closed, as well as esthetical treatments, gyms, and similar activities in accordance with codes of "NACE" (as registered in KBRA).

Gastronomic activities in bars, pubs, cafe's, public kitchens, kebab shops, restaurants, and other similar activities in the service of providing drinks or food or servicing visiting clients (walk in clients). These operators are subject to the following conditions:

Takeaway is not allowed;

They are allowed to provide products/services by delivery;

Shops, food markets, bakeries, medical and agricultural pharmacies, gas stations, car wash, utilities and financial services, and any other activities that are permitted to work have to:

Gas stations and car washes, their food market, lubricants and accessories shop are permitted to work, but will have to close their gastronomic activity (drinks and food) as well as "Take-away". Vending machines will have to be removed, nevertheless the delivery of ordered products/services is permitted.

Food and beverage service are prohibited inside the dining halls, nevertheless the employers must ensure the distribution of suitable foods to be consumed at the workplace/workspace.

All gastronomy activities in hotels are prohibited. Guests can be served with suitable food for consumption in their rooms. The hotel must ensure that it has accurate customer information, including the country of origin. The hotel must take action in accordance with the instructions provided by the Ministry of Health.

Manufacturers, Constructors and other business activities not mentioned in this order may continue to operate their economic activity including during the timing of restriction of movement imposed by the Government Decision No. 15/01, if they fulfil following conditions: (i) disinfection of business premises, (ii) equipment of employees with personal preventing measures as its is guided by Public Health Insitute ; and (iii) guided social distance for their clients and employees.

It is important to note that the distribution of printed promotional materials, such as leaflets, coupons, catalogs, etc. are prohibited.

The mobile sale of food, beverage and vending machines is prohibited in public places and within the premises of various economic operators.

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

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

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

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

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

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

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

## Employment law and social protection measures

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

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

Payment of monthly assistance in the amount of one hundred and thirty (€130) Euros to citizens living under poor social conditions, declared as unemployed in the competent institution and who are not beneficiaries of any monthly income from the Kosovo budget, for April, May and June, amounting up to three million (€3,000,000.00) Euros;

## Criminal law measures

## Next Steps



<p><b>On 28/03/2020</b>, the Government of Kosovo in charge has issued the Decision <b>No. 01/18</b>, within framework of undertaken measures for prevention of Corona Virus COVID – 19, has decided as following to extend the term of validity up to 6 April 2020. for following:</p> <p>Decision No. 01/07, dated 11/03/2020 (amended and supplemented with Decision No. 02/17, dated 26/03/2020);</p> <p>Decision No. 01/09, dated 13/03/2020;</p> <p>Decision No. 01/10, dated 14/03/2020;</p> <p>Decision No. 01/11, dated 15/03/2020;</p> <p>Decision No. 01/15, dated 23/03/2020 (amended and supplement with the Decision No. 02/17, dated 27/02/2020.</p>	<p><b>On 18 March 2020</b>, the Ministry of Finance and Transfers through <b>Decision No. 25/2020</b> has postponed up to 30 June 2020, declaration and submission of:</p> <p>The declarations for previous financial year with Kosovo Council for Financial Reporting (“KCFR”) for passive business organizations which they did not conduct business activities and did not register any data on assets and liabilities in the accounting books, based on Article 18, paragraph of the Law No.96/L-32 “On Accounting, Financial Reporting and Auditing.</p> <p>The submission of annual financial statements and consolidated annual financial statements with KCFR, management report, consolidated audited financial statements by the business organizations as it is provided in Article 18, paragraph 1.1, of Law No. 06/L-32 on “Accounting, Financial Reporting and Auditing”.</p> <p>The submission with KCFR of annual Financial statements, respectively consolidated annual financial statements and revised report of consolidated financial statements from business organizations as it is provided in Article 17, paragraph 1, of the Law No.06/L-32 “On Accounting, Financial Reporting and Auditing”.</p> <p>The Submission with KCFR of audited financial statements in accordance with ISA, and their submission in the Ministry of Trade and Industry as Provided in Article 17, paragraph 1, of Law No. 06/L-31 “On Accounting, Financial Reporting and Auditing”.</p> <p>The submission with the Kosovo Agency of Statistics and KCFR of position of financial statements, accounts of profits and losses and additional information for previous financial year for statistical and other purposes in accordance with Article 19, paragraph 1, of the Law No.06/L-32 “On Accounting Financial Reporting and Auditing”</p> <p><b>On 30/03/2020</b>, the Government of Kosovo through the <b>Decision No. 01/19</b> has enacted Emergency Fiscal package with purpose of provision financial support for the business organizations, employees and individuals that are facing financial difficulties due to the public health emergency as consequence of Covid – 19. The Fiscal Emergency Package consists in amount of 179,6 Millions EUR, which envisages following measures:</p> <p>Double payment of the social assistance scheme to all beneficiaries of social assistance schemes for April and May, a measure amounting to seven million six hundred fifty thousand (€7,650,000.00) Euros, including payments executed for March;</p> <p>Payment of an additional sum of thirty (€30) Euros per month to all beneficiaries of social assistance and pension schemes who receive a monthly payment lower than one-hundred (€100) Euros, for April, May and June, provided that they are beneficiaries of only one scheme; and reinstatement into the list of beneficiaries of all persons who, as a result of the failure to appear or lack of assessment for the period January-March 2020, have not had their entitlements renewed. This measure amounts to thirteen million (€13,000,000.00) Euros;</p> <p>Financial support for business organisation under financial distress due to the downfall of their business activity that resulted from the public health emergency situation, as follows:</p> <p>Covering of expenditures for the monthly salaries in the amount of one hundred seventy (€170) Euros for April and May, a measure amounting to forty-one million (€41,000,000.00) Euros;</p> <p>Rent subsidy up to fifty percent (50%) of the rent value for small and medium enterprises for April and May, a measure amounting to twelve million (€12,000,000.00) Euros; and</p> <p>Covering of the value of pension contributions with regard to the measures foreseen under this Decision for April and May, amounting to eight million (€ 8,000,000.00) Euros;</p> <p>Provision of interest-free loans to publicly-owned enterprises facing financial difficulties due to the public health emergency situation, aiming to ensure their temporary liquidity, with maturity period until 31.12.2020, amounting up to twenty million (€20,000,000.00) Eur</p> <p>Provision of additional financial support for Municipalities of the Republic of Kosovo affected by the pandemic, if so required due to the eventual extension of the public health emergency situation, amounting up to ten million (€10,000,000.00) Euros;</p> <p>Provision of a salary top-up in the amount of three hundred (€300) Euros for field workers and those exposed directly to the risk of infection in their work (not the entire staff of the institution): medical staff (doctors and nurses), members of Kosovo Police, officials (guardians) of the Correctional Services, officials (fire-fighters) of the Emergency Management Agency, KSF (soldiers) personnel, employees working at the Quarantine – Student Centre in Prishtina, officials (inspectors) of the Labour Inspectorate, officials (inspectors) of the Tax Administration of Kosovo, officials of the Kosovo Customs, officials (inspectors) of the Market Inspectorate, officials (inspectors) of respective municipal inspectorates, officials (inspectors) of Labour Medicine, for April and May, amounting up to fifteen million (€15,000,000.00) Euros;</p> <p>Additional payment in the amount of one hundred (€100) Euros to employees of grocery stores, bakeries and pharmacies for April and May, amounting up to three million (€3,000,000.00) Euros;</p> <p>Payment of monthly assistance in the amount of one hundred and thirty (€130) Euros to citizens who lose their jobs due to the public health emergency situation, for April, May and June, amounting up to four million (€4,000,000.00) Euros;</p> <p>Support to initiatives and projects aimed at improving the lives of non-majority communities in the Republic of Kosovo that have been hit hardest by the public health emergency situation, amounting up to two million (€2,000,000.00) Euros;</p> <p>Provision of financial liquidity for:</p> <p>Micro-enterprises and the self-employed through certain programs of the Kosovo Credit Guarantee Fund, in the amount of ten thousand (€10,000) Euros for a period of 24 months, amounting up to fifteen million (€15,000,000.00) Euros; and</p> <p>Business Organizations/Companies authorized to provide basic services (similar to those of Publicly-Owned Enterprises) on return by 31.12.2020, within the value specified in 1.4 of this Decision.</p> <p>Increase of budget for grants and subsidies to the Ministry of Agriculture, Forestry and Rural Development in order to increase agricultural production, amounting to five million (€5,000,000.00) Euros;</p> <p>Increase of budget for grants and subsidies to the Ministry of Culture, Youth and Sports in order to avoid the situation created by the public health emergency in sports and cultural activities, amounting to five million (€5,000,000.00) Euros;</p> <p>Support to exporters in the Republic of Kosovo after the public health emergency situation ends, amounting to ten million (€10,000,000.00) Euros;</p> <p>Financial support to business organizations registering employees with at least one (1) year employment contract during the period of public health emergency situation, with one hundred and thirty (€130) Euros for the following two months after registration, amounting up to six million (€6,000,000.00) Euros; and</p> <p>Payment of monthly assistance in the amount of one hundred and thirty (€130) Euros to citizens living under poor social conditions, declared as unemployed in the competent institution and who are not beneficiaries of any monthly income from the Kosovo budget, for April, May and June, amounting up to three million (€3,000,000.00) Euros;</p>			
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## General measures

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- Government announced Quarantine at least until 13th of April.
- The activities of shops, commercial and/or entertainment centers (other than food, veterinary, pharmacy and opticians), as well as the activities of markets other than food, are prohibited. This prohibition does not apply to online trading and the goods that are delivered to customer.
- Operation of bars, restaurants, cafes (with the exception of take-away), SPAs, beauty salons, gyms are prohibited.
- Municipalities are given the rights to prohibit hotels' operations.
- All the air and sea transportation of passengers to and from Lithuania is prohibited unless the carrier has special authorization.
- More info and updates: <https://www2.deloitte.com/lt/en/pages/legal/articles/covid-19-crisis--guidelines-and-restrictions.html>

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

- The State shall contribute, jointly and severally to three months, to the employers' efforts to preserve jobs by covering partial downtime or downtime in proportion to workers. The worker must be guaranteed at least a minimum monthly salary. The share of public funds is 60% but not more than minimum wage. 90% for employers operating in sectors which operations are prohibited during quarantine.
- Sickness benefits for carers and persons with disabilities are available when establishing a restrictive regime for the spread of infections in educational establishments or social care and employment centers.
- Self-employed persons who do not have tax debts prior to the declaration of quarantine shall receive a fixed amount of EUR 257 per month.
- Period of suspension of the payment of mortgage deposits (other than interest) is extended from 3 to 6 months, with the provision of a State guarantee.
- More info (and updates): <https://www2.deloitte.com/lt/en/pages/legal/articles/covid-19-crisis--employment-law-in-lithuania.html>

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

- Next week (04.06-04.12) the Parliament will debate:
  - Criminal measures for breach of quarantine;
  - Increase in subsidies for employers for downtime;
  - Salary increase for medical personnel.
- Next week (04.06-04.12) the government will introduce additional incentive measures for SMEs.



## General measures

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

### Entering Polish territory:

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

### Quarantine

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

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

### Commuting restrictions

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

- It is generally forbidden to commute except e.g. in order to go to work, satisfy the necessary day-to-day needs, performing voluntary and unpaid services to counteract the effects of COVID-19;
- It is obliged to keep distance of 2m between pedestrians (this restriction does not apply to situations when it is necessary to take care of a child under 13 years old or the disabled people is necessary);
- Non-adults (individuals under 18 years old) are not allowed to move without their parents'/guardians'/other adults' companion till 11 April 2020;
- There are limitations in means of public transport (limited number of passengers per one vehicle);
- Public gatherings are generally prohibited (with some exceptions);
- City bikes are banned from using;
- All parks, boulevards, promenades, boardwalks, botanical gardens, beaches and other commons are closed till 11 April 2020.

## Economic / Fiscal Measures

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

### Financial incentives

- Possibility to deduct tax loss suffered in 2020 from income achieved in 2019;
- Entitlement for Local Authority to introduce exemption from Real Estate Tax to certain groups of entrepreneurs;
- Entitlement for Local Authority to grant to a self-employed person not employing any employees, co-financing of part of costs of business activity in case of drop of economic turnover due to COVID-19;
- Possible one-off loan covering ongoing costs of business activity of a microentrepreneur - under certain conditions it may be canceled;
- Entitlement for self-employed persons and persons engaged based on civil-law agreements to obtain a one-off "stand-by benefit" in the amount of 80% of the minimum wage for 2020 under certain conditions;
- Possibility to deduct from income tax base the donations to selected entities of certain goods to counteract COVID-19;
- Exemption from PIT for "stand-by-payments" to employees;
- Possibility for the authorities to cease in part or in whole collection of penalty interests for late tax payments,;
- Non-application of provisions concerning additional income on certain "bad debts";
- Possibility for small taxpayers to resign from simplified form of advance payments if they bear negative economic consequences due to COVID-19;
- 0% VAT rate for donation of certain products aimed at counteracting COVID-19;
- Non-application of prolongation fee (reduced interests) to certain authorities' decisions;
- Entitlement for the authorities to suspend administrative execution of cash receivables.

### Deadline postponements

- New deadline for submission of annual CIT return and related payment for 2019 until 31 May (instead of 31 March);
- Entitlement for the Government to postpone deadlines for submission of financial statements and other selected information, declarations, reports, applications, referred;
- Postponement of PIT advance payments remittable in March and April 2020 related to employees till 1 June 2020;
- Postponement of deadline of payment of tax on specific assets ("hypermarket tax") for months March-May 2020 till 20 June 2020 under certain conditions,
- Postponement of retail sales tax' applicability till 1 January 2021;
- Postponement of new SAF-T obligations for large entrepreneurs till 1 July 2020;
- Postponement of new provisions regarding reduced VAT rate matrix;
- Postponement of the deadline for annual payment of perpetual usufruct right for 2020.
- Changes in Mandatory Disclosure Rules (MDR) deadlines;
- Postponement of deadlines for submission of TP information for certain entities;
- Prolongation of deadline for notification that the payment was made to other bank account than announced on the so-called Whitelist;
- Changes in majority of the deadlines resulting from administrative law - deadlines do not start and are suspended if started;
- Changes in procedural and judicial deadlines in majority of the proceedings (i. a.: court proceedings, administrative proceedings, tax proceedings, customs controls, enforcement proceedings) - deadlines do not start and are suspended if started;
- Prolongation of the deadlines for issuance of individual ruling (up to six months with the possibility to further postponement);
- Postponement of deadline for implementing Employee Capital Plan (PPK) for medium entrepreneurs.

## Employment law and social protection measures

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

- Additional care payments for caregivers (e.g. parents) for no longer than 14 days if the facility such as school/ kindergarten is closed;
- Suspension of application of provisions concerning obligatory periodic medical examinations,
- Possibility for an entrepreneurs to obtain (under certain conditions) benefits for protection of workplaces, covering co-financing of wages of employees being at economic standby or with shortened work time;
- Entitlement for local authority to grant to an entrepreneur co-financing of part of wage costs of employees (and social security contributions) in case of drop of economic turnover due to COVID-19;
- Possibility for entrepreneurs to decrease agreed work time and consequently related wages while these wages may be co-financed from the State Fund (certain limitations and conditions apply);
- Exemption from social security payments for microentrepreneurs in the period from 1 March 2020 to 31 May 2020 under certain conditions;
- Specific provisions (including more flexibility with respect to Labor Law application e.g. worktime/rest hours etc.) for entrepreneurs whose activity is key to functioning of "critical infrastructure" – with some additional PIT and social security reliefs regarding benefits in the form of food and housing for their employees.

## Criminal law measures

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

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

## Next Steps

It is likely that the currently implemented measures will be adjusted/ extended in the near future. Furthermore, selected Ministries may issue execution regulation in this respect. General updates are published on government's website concerning COVID-19: <https://www.gov.pl/web/koronawirus>



## General measures

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### Education:

- Activities at schools, kindergartens, nurseries and at higher education institutions are suspended till 10 April 2020.
- Online teaching is introduced in case of both schools and universities.

### Good and services:

- There is a ban on export/transfer of some medical equipment (e.g. respirators);
- An obligation to report an intention to export/transfer some medical equipment is imposed (e.g. surgical masks, latex gloves);
- Restaurants, cafes and bars may continue to sell food but orders may be only taken out or delivered;
- Gyms, swimming pools, dance clubs, fitness clubs, museums, libraries and cinemas are closed;
- All hotels are closed with few exceptions (which concern mainly places where quarantine is held);
- Restrictions on the operation of shopping centers (only limited types of shops may be opened, such as: grocery stores, pharmacies, chemist's stores, laundrettes, bank and financial service);
- Performing rehabilitation services are generally suspended;
- There are restrictions concerning religious activities: till 11 April 2020 only 5 people can take part in these activities and as of 12 April 2020 this limit is increased to 50 people;
- Sale of building materials in trade objects over 2k m2 in which mostly these goods are sold is forbidden on Saturdays and Sundays from 1 April 2020 until 11 April 2020;
- Introduction of additional restrictions in trade till 11 April 2020:
  - limit of 3 persons per one cash desks/market stand is imposed;
  - between 10:00-12:00 AM only persons over 65 years old are allowed to stay in retail/service facilities;
  - it is obligatory to provide sanitizers and disposable gloves in retail/service facilities;
- In post office limit of 2 people per one operating station is imposed;
- Remote work is generally recommended, however, in the places where it is not possible, it is required to provide the employees with sanitizers and disposable gloves and the distance between work stands needs to equal at least 1.5m;
- Close-down of tattoo and piercing studios, beauty salons and hairdressers.

### Other measures

- Non-application of Law on Public Tenders to i.a. certain orders for services necessary for counteracting COVID-19;
- Suspension of the ban on trade on Sundays for selected activities;
- Entitlement for the respective ministers to set maximum prices or maximum wholesale and retail margins used in the sale of goods or services of significant importance for health protection or human safety or household maintenance costs;
- Determination (limitations in) of calculation of the amount of non-interest costs in consumer loan;
- Possibility to limit verification activities concerning goods subject to excise duty, based on authorities decision;
- No rent is paid by the tenants in trade objects of space over 2k m2 during the ban on commercial activities in these objects (expiration of mutual obligations of the parties of the lease, tenancy or similar contracts);
- Entitlement for banks to change conditions / deadlines of credit repayment with respect to credit / cash loan granted to microentrepreneur, small or medium entrepreneur, under certain conditions;
- Remote seating/participation/voting in Management/Advisory Board Meetings.



## General measures

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### Introductory Reference:

- Since the outbreak of COVID-19, several legal measures have been adopted in Portugal by the relevant authorities, including the President of the Republic of Portugal, the Government and the Parliament, aiming, (i) at preventing, containing, mitigating and treating the epidemiological infection by COVID-19 and, furthermore (ii) at supporting and protecting citizens, businesses, employees, employers and the economy as a whole.
- The website of the Portuguese Official Gazette includes a specific updated section with all new legislation approved related to the epidemiological infection by COVID-19: <https://dre.pt/legislacao-covid-19>

### Measures related to mobility and transport restrictions:

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

### Measures related to restrictions on the performance of economic activities or others:

- mandatory closure of several establishments, locations and facilities, such as discos, bars, dance or party halls, parks for children, places for leisure sports, auditoriums, cinemas, theaters, concert halls, museums, monuments, palaces and archaeological or similar sites, libraries, bullfighting squares, art galleries, exhibition halls, congress pavilions, multipurpose rooms, conference rooms, multipurpose pavilions, gymnasiums and gyms, spas, stadiums, nautical events and exhibitions, casinos, gambling establishments, game rooms, restaurants, coffee shops and tea houses (with exceptions – v.g. takeaway is allowed), bars, vending machines;
- mandatory suspension of retail trade activities (with exceptions – v.g. sale of essential goods is allowed or take away and home delivery);

### Measures to support the sustainability of the Economy and businesses:

- creation of a €200 million credit line to support companies' treasury;
- measures to accelerate payments to companies by the Public Administration;
- payment of incentives within 30 days;
- deferral for a period of 12 months of installments falling due until 30-09-2020 related to repayable subsidies granted under the incentive systems of the National Strategic Reference Framework or Portugal 2020 without interest charges or other penalties for the beneficiary companies;
- eligibility for reimbursement of expenses proven to be borne by the beneficiaries in initiatives or actions canceled or postponed for reasons related to COVID-19, foreseen in projects approved by Portugal 2020 or other operational programs, namely in the areas of internationalization and professional training, as well as by the National Vine and Wine Institute under the measure to support the promotion of wines in third countries;
- creation of a €60 million credit line for micro-enterprises in the tourism sector;
- IEFP training scholarship;
- temporary regime of exemption from the payment of social security contributions during the lay off period by employers;
- extraordinary financial incentive to ensure the regular normalization phase of the activity (up to a Minimum Wage per worker);
- exceptional and temporary regime for compliance with tax obligations and social contributions, including postponing of mensal payments and payments on six instalments without interests, penalties or guarantees;
- suspension of any enforcement procedures to collect taxes and social contributions, until 30-06-2020;
- installment plans in progress for debts to the Tax Authorities or to Social Security suspended, 30-06-2020;
- Tax obligations: extending the deadlines, and also waiving any accruals or penalties: (i) Special payment on account that was due on March, until 30-06-2020; (ii) Corporate Income Tax Return related to the financial year of 2019, until de 31-07-2020; (iii) The first payment on account and the first additional payment on account that were due in July, until the 31-08-2020.
- Corporate obligations: the deadline legally established to hold the Annual General Meetings to approve the accounts extended until 30-06-2020; the certificates issued by the registry services, including the commercial extracts/certificates issued by the Commercial Register Office that would expire in March 2020 will be accepted under the same terms until 30-06-2020;
- the Public Authorities accept, for all legal purposes, the display of documents subject to renewal whose validity period expires from the date of entry into force of this decree-law or in the 15 days immediately before or after;
- the citizen's card, extracts and certificates issued by the registration and civil identification services, driving license, as well as documents and visas related to the stay in national territory, whose validity ends from the date of entry into force of this decree- law are accepted, under the same terms, until 30-06-2020;
- exceptional measures to protect the credits of families, companies, private institutions of social solidarity and other social economy entities, including:
  - prohibition of total or partial revocation of contracted credit lines or granted loans;
  - extension of contracted credits with payment of capital at the end of the contract;
  - suspension of the payment of principal, rents and interest due in respect of credits with reimbursement in installments of principal or other pecuniary obligations together with the automatic extension of the respective contractual payment plan for the installments of principal, rent, interest, commissions and other charges;
  - the possibility of the State and other legal persons governed by public law issuing personal guarantees, within the maximum limits provided for in the State Budget Law;

### Measures to protect employment:

- simplified lay off: extraordinary support for the maintenance of employment contracts in a company in a business crisis situation, in the amount of 2/3 of the remuneration, ensuring that Social Security secures payment of 70% of that amount, the remainder being borne by the employer;
- IEFP training scholarship;
- temporary regime of exemption from the payment of social security contributions during the lay off period by employers;
- extraordinary financial incentive to ensure the normalization phase of the activity (up to a Minimum Wage per worker).
- Measures to support the social protection of workers and their families:
- financial support for employees who have to stay at home to accompany their children (up to 12 years old), in the amount of 66% of the basic remuneration (33% paid by the employer, 33% paid by Social Security);
- exceptional financial support for self-employed workers who have to stay at home to accompany their children (up to 12 years old), in the amount of 1/3 of the average salary;
- extraordinary support for self-employed workers affected by reducing levels of economic activity and social security contributions deferrals;
- support for professional training, in the amount of 50% of the worker's remuneration up to the limit of the National Minimum Wage, plus the cost of training, for the situations of workers not employed in productive activities for considerable periods;
- guarantee of social protection for trainees and trainers in the course of training actions, as well as for beneficiaries engaged in active employment policies who are prevented from attending training actions;
- prophylactic isolation (for 14 days) being compared as a normal illness for the purposes of social protection measures. With this change, workers who are decreed, by the health authority, of need for prophylactic isolation will have ensured the payment of 100% of the reference remuneration during the respective period.

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

- On 18-03-2020, the President of the Republic ordered the State of Emergency based on the verification of a public calamity situation with effectiveness from 19-03-2020 until 02-04-2020.
- Additional restricted rules are expected under the extended State of Emergency period ordered on April 2;





## General measures

- mandatory suspension of service activities in establishments open to the public (with exceptions – v.g. provision of essential services is allowed);
- prohibition of religious celebrations involving the agglomeration of people;
- mandatory suspension of face-to-face teaching and non-teaching activities;
- mandatory suspension of dentistry and stomatology activities, with the exception of situations that prove to be urgent.

On April 2 the President of the Republic of Portugal extended for more 15 days the State of Emergency period and established more restricted rules namely on circulation during the Easter period – April 9 until April 13;

### Relevant legislation:

- Decree of the President of the Republic no. 14-A/2020, of 18 March Declares the state of emergency, sustained on public calamity;
- Decree no. 2-A/2020, of 20 March Executes the state of emergency, declared by decree no. 14-A/2020, of 18 March;
- Order no. 3186-D/2020, of 10 March Suspends flights from or to Italy;
- Order no. 3298-C/2020, of 13 March Forbids landing and land licenses for passengers and crew members of cruise ships in national ports;
- Order no. 3301-A/2020, of 15 March Suspends any dentistry and stomatology activity, except for proven urgent and not-postponable situations;
- Order no. 3301-B/2020, of 15 March Extraordinary and temporary measures regarding the suspension of driving instruction and on-site training of professional certification in order to mitigate the COVID-19 pandemic;
- Resolution of the Council of Ministers no. 10-B/2020, of 16 March Restores as an extraordinary and temporary measure the control of persons at the boards within the scope of the new coronavirus SARS-CoV-2 and COVID-19 disease epidemiological situation;
- Order no. 3427-A/2020, of 18 March Forbids the air traffic to and from Portugal of all flights to and from European Union third countries, with some exceptions;
- Order no. 3659-B/2020, of 24 March Extension of the suspension of flights from and to Italy;
- Law no. 1-A/2020, of 26 March Establishes extraordinary and temporary measures to deal with the epidemiological situation caused by coronavirus SARS-CoV-2 and by the disease COVID-19;
- Resolution from the Government Council no. 90/2020, of 1 April Approves set of measures for the Regional Educational System within the scope of COVID-19 pandemic.
- Decree from President of Republic of Portugal 17-A/2020 of April 2 ordered the extension of the State of Emergency period D2-B/2020, Council Ministers order, 02-04-2020: rules the renewal of the State of Emergency period ordered by the President of the Republic of Portugal.

## Economic / Fiscal Measures

- exceptional and temporary measures to promote the acceptance of payments by card, including:
  - suspension of the collection of the fixed component of any commission for a card payment transaction carried out at automatic payment terminals;
  - prohibition of increases in the variable components of fees due for the use of automatic payment terminals in card payment transactions;
  - prohibition of the creation of new fixed or variable commissions related to the acceptance of card payment transactions carried out in automatic payment terminals;
  - additionally, the beneficiaries of card payments that provide automatic payment terminals cannot refuse or limit the acceptance of cards for payment of any goods or services, regardless of the value of the transaction.
- exceptional and transitional regime regarding deadlines and proceedings, and a set of extraordinary rules for the protection of lessees;
- enforcement of the judicial vacation regime to the procedural acts that must be performed within the scope of the processes and procedures, pending in the judicial, administrative and tax courts, Constitutional Court, Court of Auditors and other jurisdictions, arbitral courts and Justice of the peace, alternative dispute resolution entities and tax enforcement bodies; Limitation and prescription periods regarding to all types of processes and proceedings are also suspended; legal processes with priority nature are admitted exceptions to the suspension of deadlines rule

### Relevant legislation:

- Order no. 2875-A/2020, of 3 March Adopts measure to safeguard the social protection of beneficiaries who are temporarily prevented from performing their professional activity by order of the health authority, due to the risk of infection by COVID-19;
- Resolution of the Council of Ministers no. 11-A/2020, of 23 March Extends the postponement of due payments under the National Strategic Reference Framework or Portugal 2020 to all companies, due to the new Coronavirus – COVID-19 epidemiological situation;
- Order no. 4/2020, of 18 March published in 25 March Establishes a financial support line, in order to address the cash requirements of tourist micro-companies whose activity is strongly affected by the economic effects arising from the COVID-19 outbreak and settles the relevant financing conditions;
- Decree-Law no. 10-F/2020, of 26 March Establishes extraordinary and temporary regime regarding the compliance with tax obligations and social contributions, within the scope of the COVID-19 pandemic;
- Decree-Law no. 10-G/2020, of 26 March Establishes extraordinary and temporary measures to protect employment, within the scope of the COVID-19 pandemic;
- Decree-Law no. 10-H/2020, of 26 March Establishes extraordinary and temporary measures to encourage the acceptance of cad-based payments, within the scope of the COVID-19 pandemic;
- Decree-Law no. 10-I/2020, of 26 March Establishes extraordinary and temporary measures as a reaction to the COVID-19 pandemic in the cultural and artistic sector, specially with regard to non-performed shows;
- Decree-Law no. 10-J/2020, of 26 March Establishes extraordinary measures to protect the credits of families, companies, private institutions of social solidarity and other entities of the social economy, as well as a special regime of personal guarantees by the State, within the scope of the COVID-19 pandemic;
- Decree-Law no. 10-K/2020, of 26 March Establishes an extraordinary and temporary regime of justified absences to provide family support or to work as a volunteer firefighter with employment agreement with a private or social sector employer, within the scope of COVID-19 pandemic;
- Decree-Law no. 10-L/2020, of 26 March Amends the general rules for implementation of operational and development programs financed by the European funds, in order to anticipate payment applications;
- Order no. 104/2020 – XXII of the Secretary of State for Fiscal Affairs, of 9 March Extends the deadlines for voluntary compliance with tax obligations;
- Order no. 129/2020 – XXII of the Secretary of State for Fiscal Affairs, of 27 March Establishes guidelines for the periodic VAT declarations for the month of February.

## Employment law and social protection measures

### Relevant legislation:

- Order no. 2875-A/2020, of 3 March Adopts measure to safeguard the social protection of beneficiaries who are temporarily prevented from performing their professional activity by order of the health authority, due to the risk of infection by COVID-19;
- Decree-Law no. 10-G/2020, of 26 March Establishes extraordinary and temporary measures to protect employment, within the scope of the COVID-19 pandemic;
- Decree-Law no. 10-K/2020, of 26 March Establishes an extraordinary and temporary regime of justified absences to provide family support or to work as a volunteer firefighter with employment agreement with a private or social sector employer, within the scope of COVID-19 pandemic.

## Criminal law measures

## Next Steps



## General measures

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

Through Military Ordinance no. 6, multiple quarantine measures concerning Suceava county were established, such as: traffic restrictions to this area; no train tickets are issued for access in this area. Also, the access to the international airport "Stefan cel Mare" Suceava is allowed only for flights performed by state aircraft, freight and mail flights, humanitarian or providing emergency medical services, as well as non-commercial technical landings.

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

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

## Economic / Fiscal Measures

- During the entire period of state of emergency as well as for a period of 30 days from its termination, interest and late payment penalties for the fiscal obligations due after the date of entry into force of the GEO are not calculated and due; these will not be considered as outstanding obligations.
- the suspension or, as the case may be, the non-commencement of enforced recovery of budgetary debts by garnishee order, with the exception of receivables established by rulings in penal matters (established before the state emergency)
- the validity of the documents issued by the public authorities that expire during the state of emergency shall be extended for 90 days as of termination date of the state of emergency.
- the beneficiaries of European funds which are affected by the adoption of the measures provided in the Decree for enacting the state of emergency may decide, together with the managing authorities/ intermediary bodies, to suspend the financing contracts concluded according to the law
- the claw back tax for the first quarter of 2020 is capped at the level of the fourth quarter of 2019.
- suspension of controls by the Territorial Labour Inspectorate during the state of emergency, except for checks regarding compliance with the provisions of the National Committee for Special Emergency Situations.
- the possibility of the taxpayers who apply the system of advance payments for the income tax to pay for the first quarter of 2020 based on the real profit. The system remains valid throughout 2020 (for all quarters). The measure also applies to taxpayers who have a modified fiscal year.
- the deadline for submitting the declaration regarding the real beneficiary is postponed by 3 months after the cessation of the emergency state.
- the penalties stipulated for delays in the execution of obligations arising from the contracts concluded with the public authorities by SMEs that have totally or partially interrupted their activity and that hold the emergency situation certificate, are not due for the duration of the state of emergency.
- Companies whose activity was affected under the context of pandemic SARS-CoV-2 and which are legally entitled according with the legal provisions issued under the context of state of emergency, might ask the issuance of the Emergency Situation Certificate (ESC). There are two types of certificates: (i) TYPE 1 certificate (the blue one) – is issued to companies whose activity was affected by total or partial interruption of activity, following decisions issued by the authorities and (ii) TYPE 2 certificate (the yellow one) – is issued to companies whose activity was affected through a decrease of at least 25% of the cash collections recorded in March 2020 compared with the average of the cash collections recorded in January and February 2020. The company justifies the fulfillment of the conditions through an affidavit. A company might request only one certificate. The certificate states, based on the affidavit, the reduction of revenues or receipts by at least 25% in March 2020 compared to the average of January and February 2020 or the partial or total interruption of the activity as a result of the decisions issued by the competent public authorities during the decreed state of emergency.
- Taxpayers who pay the tax on profit, irrespective of the declaration and payment system provided by art. 41 of the Fiscal Code, who pay the profit tax due for the first quarter of 2020 or, respectively, make the advanced payment for the same quarter until the deadline of 25th of April 2020, benefit from a tax discount from the profit tax due as follows: 5% for large taxpayers and 10% for other taxpayers. Taxpayers who fall under the provisions of art. 16 (5) of the Fiscal Code also benefit from the discount provided above if they pay the tax due for the quarter / quarterly advance payment until the deadline set between April 25-June 25, 2020. For payment of the tax on the income of micro-enterprises for the first quarter of 2020 until the 25th of April, taxpayers benefit from a 10% discount calculated on the tax due for that quarter. The profit tax / tax on the income of micro-enterprises is determined by deducting from the tax due the discount calculated according to this article.
- Taxable persons registered for VAT purposes importing medicines, protective equipment, other devices or medical equipment and sanitary materials that can be used in the prevention, limitation, treatment and control of COVID-19, provided in the annex to the GEO, shall not make any effective payment of VAT to the customs bodies and the customs bodies shall not request the payment of VAT. ((n.b. a postponement of the VAT payment shall be applied for imports –i.e, reverse taxation

## Employment law and social protection measures

### • Measure 1:

It was decided that all employees who have children up to 12 years of age / 18 years (in case of disabled children), are entitled to paid days off (in case it is not possible for them to telework) during the time schools are closed, due to exceptional situations, decided by the competent authorities. In this case, only one parent is entitled to days off (the other parent has to fill a declaration attesting that he does not benefit from days off).

Which it was decided that all employees who have children up to 12 years of age / 18 years (in case of disabled children), are entitled to paid days off (in case it is not possible for them to telework) during the time schools are closed, due to exceptional situations, decided by the competent authorities. In this case, only one parent is entitled to days off (the other parent has to fill a declaration attesting that he does not benefit from days off).

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

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

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

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

### • Measure 2:

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

### • Measure 3

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

### • Measure 4

During the state of emergency (30 days, starting yesterday), the viability of collective labor agreements is prolonged.

## Criminal law measures

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

## Next Steps



01. For SMEs, the Romanian State will provide guarantees covering up to 80% of the principal amounts borrowed in the form of one or more credit (s) for the realization of investments or credit lines for working capital granted by credit institutions. The maximum cumulative value of the financing granted to an SME is to be capped at RON 10 million, and there is also a sub-ceiling for the credit lines for working capital of RON 5 million (but cannot exceed the average of the expenses related to the working capital of the last two fiscal years) and finally, RON 10 million for investment loans
02. For micro-enterprises (companies which, among others, employ up to ten employees and obtain a net turnover below EUR 2 million) the state guarantees granted for working capital credit lines can be up to 90% if the principal amounts borrowed is up to RON 500,000 (but cannot exceed the average of the expenses related to the working capital of the last two fiscal years)
03. For small businesses (companies which, among others, employ up to fifty employees and obtain a net turnover below EUR 10 million), the state guarantees granted for working capital credit lines can be up to 90% if the principal amounts borrowed is up to RON 1,000,000 (but cannot exceed the average of the expenses related to the working capital of the last two fiscal years)

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

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

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

- Object - loans granted by credit institutions and non-banking financial institutions, as well as leasing contracts (although there are discussions regarding the applicability of the GEO in the case of leasing contracts). The period for which the suspension can be requested: from 1 to 9 months but no more than 31.12.2020; the maximum credit period can be extended with the suspension period. Conditions - the loan agreement has been concluded prior to the issuance of the ordinance; the agreement did not reach maturity by 30 March 2020; no payment defaults were registered on such loan as of 16 March 2020, i.e. the date when the state of emergency was declared in Romania (alternatively, the Debtor is allowed to make the overdue payments prior to making the moratorium request), the Creditor did not accelerate the loan before the date of March 30th, 2020; and.
- In addition, legal persons must (i) hold the emergency situation certificate for the total or partial interruption of the activity as a result of the decisions of the authorities or for the reduction of income by a minimum of 25% in March compared to January-February 2020 and (ii) not be insolvent at the date of requesting the suspension of the credit repayment. Implementation - the debtors must send to the creditor until, at the latest, 45 days after entry into force of the GEO, a request (either in writing or orally - by telephone) indicating the period for which the suspension is requested.
- The request will be analyzed and approved by the creditor according to the approved methodological norms, and within 30 days from the receipt of the request the creditor notifies to the debtor the contractual clauses modified for the implementation of the ordinance. The accrued interest due by the borrowers will be added to the loan balance at the end of the suspension period and thereafter be subject to interest. The increased loan balance will be paid in installments until the new maturity of the loan, after the suspension period.
- By exception, for the mortgage loans granted to individuals the interest related to the period of suspension is calculated according to the provisions of the credit agreement and represents a distinct and independent receivable in relation to the other obligations arising from the loan agreement. For this receivable the interest rate is 0% and its payment by the debtor will be made in 60 equal monthly installments, starting with the month immediately following the end of the suspension period. The Romanian state through the MPF shall guarantee the payment for 100% of the interest corresponding to the suspension period for the mortgage loans contracted by individuals. F.N.G.C.I.M.M. will be mandated to issue letters of guarantee to creditors. After payment of the value of the execution of the MFP guarantee, FNGCIMM shall draw up a debt title which identifies the payment obligations of the individuals benefiting from the facility provided in par. (1). The debt title becomes an enforcement title according to the law. The receivables arising from the payment of the granted state guarantees, respectively the amounts paid to the creditors based on the letters of guarantee, are assimilated to budgetary receivables, they constitute income to the state budget, they give rise to accessories according to the Fiscal Code and they are recovered from the debtors by the competent fiscal bodies of NAFA.

- **Measure 5**  
Labor inspections are suspended, with the exception of those aiming at verifying the observance of measures imposed by the National Committee for Emergency Special Situations, or those related to the commission of dangerous acts and work accidents.



## General measures

### State of Emergency

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

### Public Institutions (general)

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

### Judicial Institutions

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

### Post Offices

- They are still open with shorten working hours.

### Movement

- At the moment free movement in Serbia is allowed only between 5 A.M. and 5 P.M. while people older than 65 years of age (70 in rural areas) are not allowed to leave their homes at all.
- Ministry of Internal Affairs may limit any other movement based on the government Decree on Measures during the State of Emergency.

### Public gatherings

- Prohibited for more than 5 persons.

### Borders

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

### Airport(s)

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

### Schools and Universities

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

### Business

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

### Export Bans

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

### Capping Prices

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

### Statutory Deadlines

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

## Economic / Fiscal Measures

### Loans Repayment Moratorium

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

### Reference Interest Rate

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

### Payment services costs

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

### Initiative for projects financing

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

### Digital platform for services opened during the state of emergency

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

### Decree on Administrative Deadlines

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

## Employment law and social protection measures

### Decree on Employment Matters

- During the state of emergency, the employer is obliged to enable employees to dislocate from its premises, i.e. to allow remote work (teleworking and work from home), at all posts where such organization of work activities is possible. Employer whose nature of activity is such that it is not possible to organize remote work, is due to organize its business with the conditions of emergency, namely:
  - to arrange shift work, if possible and without requiring additional resources, so that as least as possible number of employees work simultaneously in one room,
  - enable all business meetings to be held electronically or by other appropriate means (video link, video call, etc.),
  - postpone official travel in the country and abroad, in accordance with the decision of the competent authority on the ban, i.e. temporary restriction of movement.
- In order to ensure the protection and health of employees and customers, the employer is obliged to provide all general, special and extraordinary measures related to the
  - hygienic safety of facilities and persons in accordance with the Law on Protection of Population from Infectious Diseases.
 For employees who are in direct contact with clients or share a work space with several persons, it is necessary to provide safety equipment in accordance with special regulations.

## Criminal law measures

Whoever, during an epidemic of a dangerous contagious disease, does not act in accordance with regulations, decisions or orders which determine measures for its suppression or prevention, shall be imprisoned up to three years.

## Next Steps

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

Implementing legislation with specifics is expected to be adopted soon.





## General measures

- Shutdown of majority of shops with exception of specified types (including notarial or attorney services/offices); even these must be closed on Sundays in order to allow sanitation and staff rest;
- Strict hygienic measures to be applied in opened shops, e.g. limited number of persons present in the shop, obligation to wear protective face mask, etc.;
- Shutdown of taxi services (with the exception of grocery deliveries) and limited operations of public transportation services;
- Restrictions in cross-border movement (entry into Slovakia is restricted with the exception of repatriation of citizens);
- Prohibition on organizing public events until further notice;
- Shutdown of schools, universities, cinemas, limitation of activity of government agencies/bodies etc.;
- Obligatory 14-days quarantine for any person coming to Slovakia from other country;
- Declaration of „exceptional status“ for all medical facilities and social services providers;
- Closure of day-care facilities for pensioners;
- Adoption of bill allowing state authorities to use localisation data from mobile operators in order to monitor quarantines;
- Obligation to wear a protective face mask in public (i.e. anywhere except home);
- Body temperature is obligatory when entering hospitals, factories or supermarkets (as of 30 March 2020);
- People are asked to keep a distance of 2 meters while standing in any line/queue in public (only recommendation, not obligation);
- Special opening hours (9:00 – 12:00) for people older than 65 years have been introduced (only recommendation, not obligation);
- Designation of some hospitals for treating COVID-19 patients only;
- Drive-through testing stations in front of hospitals;
- Recommendations for elderly not to use public transport and not to leave home unless absolutely necessary;
- People older than 65 years will be informed about important measures through text messages;
- Each Ministry shall identify the measures needed to secure postponement of relevant legal deadlines;
- Preparation of ban on export of selected drugs and protective materials from the country;
- Talks with health insurance companies to guarantee income for GP doctors in order to prevent closure of their practices.

## Economic / Fiscal Measures

- Suspension on execution of lien/pledge, guarantee or public auction until 30 April 2020;
- Option to vote and participate per rollam in general meeting of company even without relevant internal regulation;
- Suspension of legal deadlines for exercising rights from contracts or other relevant legal deadlines, which must be exercised in court from 12 March 2020 to 30 April 2020;
- Talks with banks' representatives in order to allow postponement of payments of the loan instalments without the negative effect for debtor recorded in loan registry;
- Declared intention to allow drawing of the funds from European structural and investments funds to cover COVID-19 related costs/expenses;
- Declared intention to not impose the penalty for breach of selected obligations toward the state authorities;
- Option to apply for financial aid covering 80% of salaries paid to employees in cases of obligatory closed shops/premises (up to EUR 200k/month or EUR 800k total);
- Option to apply for financial aid covering 20-80% of salaries paid to employees in cases of operating shops/premises, but with decrease in sales/turnover (up to EUR 800k total);
- Option to apply for indirect financial aid for small and medium enterprises – state may provide guarantee for bank loans or payment for bank loans' interests (up to EUR 200k);
- Further economic measures are to be expected
- All taxpayers can file their income tax returns and pay the tax due by 30 June 2020 rather than 31 March 2020. This applies even when a deadline extension notice was not filed. The government announced via Decree that penalties for this late payment will be waived. A number of uncertainties remain;
- If the extended deadline lapses before end of pandemic, the new deadline is end of month following the month, in which the pandemic has ended (Parliament approval is pending);
- VAT payers who for reasons related to the current crisis believe they will miss the VAT filing and payment deadline can request a waiver of the missed deadline. The Slovak tax authorities informed they will take into account reasoned requests for waiver of the missed deadline. We expect further steps will be announced to defer VAT payments and deadlines.
- Import VAT and customs duty exemption of goods related to treatment of COVID-19 (Parliament approval is pending);
- The Ministry of Economy has suggested extending the due date for the payment of import VAT and customs duty from 10 to 30 or 45 days. This proposal is not yet official;
- A written request to pay lower (even zero) income tax prepayments towards their 2020 tax liability provided they have justified reasons (COVID-19 impacts) without having to submit any additional documents/analysis;
- The Government has proposed that income tax prepayments could be waived for taxpayers who expect a more than 40% drop in 2020 taxable revenues. This proposal is not official yet;
- The Government has proposed that tax losses incurred since which were not utilized due to expiration or strict rules for their utilization resulting from the income tax act provision relating to tax losses utilization (proportional utilization during 4 consecutive taxation periods following the period, in which the tax loss was recorded) may be utilized in 2019 income tax return. This proposal is not official yet;
- Suspension of deadlines relating to open tax audits, which has started before pandemic (primarily with respect to any acts which presume personal contact; i.e. witnesses hearings, oral hearings, summonses and file access; or if any acts cannot be performed due to the quarantine measures) till the end of the pandemic, only if the taxpayer requests such suspension (Parliament approval is pending);
- Suspension of all deadlines due during pandemic (except filing tax return / pay tax liability) missed deadline is waived if performed until end of month following the end of pandemic (Parliament approval is pending);
- Publicly available list of a tax debtors and the list of a deleted VAT payers will not be updated;
- Suspension of tax process (except process re. tax refund), which has started before / during pandemic (Parliament approval is pending).
- Suspension of the deadline expiration of the right to assess the tax / recover the tax arrears (Parliament approval is pending);
- Any amount of due local taxes (eg property tax) is not regarded as a tax arrears, if the payment is due during the pandemic and a taxpayer will pay or levy the amount until the end of month following the month in which the pandemic ended (Parliament approval is pending);
- Suspension of all tax distrains during pandemic (Parliament approval is pending);
- Accounting deadlines are followed if the missed liabilities will be fulfilled until the end of month following the month, in which the pandemic ended (Parliament approval is pending);
- Postponement of donation allocation from paid tax to non-profit end of the month following the month, in which the pandemic ended (Parliament approval is pending);
- The Government has suggested (Parliament approval is pending) providing financial assistance through:
  - a) guarantee for loan provided by bank;
  - b) repayment of interests from the loan provided by bank “interest subsidies”;

## Employment law and social protection measures

- Recommendation to use home office;
- Amendment to Labour Code allowing both ordering or requesting home office;
- Possibility of applying for social insurance instruments, such as sick leave or treatment of family member (e.g. for parents);
- Possibility of ordering vacation by employer and modification in-advance period of required notice;
- Possibility of ordering substitute of overtime work in next 12 months for employees, who are currently not working due to obligation to close shops/premises;
- All measures related to employment law are governed by Labor Code (or employment contract) with specific amendment to it due to the COVID-19;
- Postponement of mandatory health checks required for certain professions;
- Modification of conditions for social benefit while treating a family member and for sick leave benefit, mainly claim for such social benefits are paid by the Social Insurance from the first day of situation (previously paid by the employer for first part of the period);
- Possibility to apply for sick leave benefit while being in quarantine;
- Social welfare support for self-employed persons;
- Possibility for employers to apply for financial aid covering parts of salaries in order to preserve jobs (as mentioned in economic measures);
- Postponement of some of Health and Safety at work obligations, such as notifications/ information to employees.
- The Government has proposed that Employer social security contributions could be waived for taxpayers who expect more than a 40% drop in 2020 taxable revenues. This proposal is not official yet;
- The Government will pay 55% of the gross average salary/ assessment base to employees and self-employed persons, who had to stay at home with their children due to closed schools/nursery schools or due to quarantine from the first day of quarantine (already implemented);
- The Government will pay 80% of the employee's salary to companies which are mandatorily closed (up to EUR 200k per company, up to gross salary of EUR 1.1k/ employee).

## Criminal law measures

## Next Steps

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



## General measures

## Economic / Fiscal Measures

## Employment law and social protection measures

## Criminal law measures

## Next Steps

- Closure of all educational institutions;
- Stopping of public transport,;
- Partial closure of state borders (restrictions were implemented),
- Closure of restaurants, bars and other shops (grocery, pharmacy, gasoline, bank, postal and e-commerce services are excluded);
- Self-isolation of the population, work from home, etc.;
- The Slovenian Government has adopted a Regulation, which provides for a ban on gathering people in public places (residents will only be allowed to go to grocery shops, pharmacies, gas stations and go to work). With regard to the grocery shops, it should be noted that according to the Regulation, priority is given for purchases and entry into grocery shops for vulnerable groups of people, including disabled people, pensioners and pregnant women (between 8AM and 10AM);
- Provisional Measures Act has been adopted in relation to judicial, administrative and other public law cases to control the spread of the contagious disease SARS-CoV-2 (COVID-19). Pursuant to the provisions of this Act, no deadline shall expire in the period from the entry into force of the Act until 1.7.2020 (or earlier if the reasons for the measures taken cease):
  - court deadlines for exercising the rights of parties in court proceedings (whereby urgent court cases are excluded, unless otherwise decided by the President of the Supreme Court of the Republic of Slovenia);
  - court deadlines for lodging constitutional appeals;
  - court deadlines in administrative and other public-law matters that do not have the character of an administrative matter, for the performance of procedural actions of the parties, the fulfillment of their material obligations, and the court deadlines for such performance of procedural actions of administrative and other bodies;
  - court deadlines in misdemeanor cases;
- As for Public Sector Contracts, the contractual penalties for delay are not applicable during the duration of the epidemic and the contractually agreed deadlines are extended for the duration of the epidemic.

- The Slovenian Export and Development Bank (SID Bank) is preparing financial products to mitigate the financial consequences of the spread of coronavirus. Together with the Ministry of Economic Development and Technology, SID Bank will, as of April 2020, offer financial products in the total amount of EUR 800 million to large companies in order to successfully cope with the coronavirus crisis. These funds will primarily address corporate liquidity problems, including liquidity in the supply of services and products, problems due to reduced demand, production downtime, supply chain problems and investment problems, including in the form of collateral and refinancing of loans taken from banks;
- SID Bank will also adjust the assessment of the treatment of existing clients facing the consequences of coronavirus (e.g. financial commitments, insurance, moratoriums, demonstration of eligibility of financing purposes, etc.);
- In addition, SID Bank will modify or supplement some of the already existing financial products in the market in order to help manage liquidity crises in the tourism sector (which will also extend to the hospitality sector);
- At the same time, SID Bank is preparing the introduction of portfolio guarantees under European Cohesion Policy Funds that can be used by participating banks and savings banks to finance SMEs' investment and day-to-day operations. Companies will thus be able to improve their access to financing sources, even with more favorable borrowing conditions;
- A proposal of an Intervention Act to defer payment of tax liabilities to reduce the liquidity of companies is also being prepared. The detailed measures will be known in the following days;
- The Ministry of Economic Development and Technology and the Slovenian Enterprise Fund are currently designing measures to address micro, small and medium-sized enterprises with a total indicative amount of EUR 115 million. The money will be available for a variety of purposes, from new quick liquidity loans by the Slovenian Enterprise Fund, aimed at eliminating the liquidity crashes of SMEs, sole proprietorships and cooperatives due to the coronavirus and existing guarantees for bank credit protection, prioritized for new investments and by adjusting also for financing reverse funds to manage the effects of coronavirus;
- In order to mitigate the effects of the epidemic, the Parliament adopted an Emergency Measures Deferral Act. The Act stipulates that banks (including foreign branches) and savings banks shall grant a deferral of credit for 12 months to all borrowers who apply for and qualify. According to the Act, the following are considered as borrowers: companies based in Slovenia, cooperatives, sole proprietors, self-employed persons and agricultural holders.
- The Parliament also adopted an Act on Interventional Measures in the Public Finance Area, which determines:
  - the basis for extending tax returns deadlines and submitting annual reports (the new deadline is extended from 31 March 2020 to 31 May 2020);
  - provisions on deferral or installment payment of tax liabilities. In accordance with the Act it will be possible to defer tax for up to two years, or to pay tax in a maximum of 24 monthly installments over a period of 24 months, due to the loss of ability to generate revenue as a result of the COVID-19;
  - that no interest shall be charged for the deferred amount of tax or unpaid taxes (including default interest) during the period of validity of this Act.
- The proposal of the Act, adopted by the Government as of 29. March 2020, stipulates that a deferral of the borrower's obligations will be possible (subject to conditions).

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

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

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



## General measures

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

### Royal Decree Law 8/2020, of 17 march:

- Measures to protect employees, families and the most vulnerable groups:
  - Care has been guaranteed for the elderly, the disabled or anyone in a dependency situation.
  - The supply of electricity, natural gas and water has been guaranteed.
  - The maintenance of electronic and telephone communications has been guaranteed.
  - The price of liquefied petroleum gas (butane) has been settled.
  - Mortgage payments delays have been allowed with respect to the main residence of the most vulnerable borrowers (unemployed borrowers, entrepreneurs or some professionals).
  - The deadlines related to products purchased online or in person have been interrupted.
- Measures to support productive stability:
  - The deadline to expire for entries, annotations and marginal notes subject to cancellation has been suspended.
  - The deadlines to request a declaration of bankruptcy have been extended.
  - Measures related to certain public contracts have been established (in case of unfeasibility and extension of deadlines) as well as a specific procedure related to the suspension of public sector contracts.
  - Simplification of agreements with Public Administrations related to COVID-19 has been established.
  - The suspension of the regime of liberalization of certain foreign direct investments in Spain affecting public order, public security and public health has been regulated.

## Economic / Fiscal Measures

### GENERAL

In general terms, the deadlines to file assessments and self-made assessments remain unchanged and therefore no extensions have been granted.

Deadlines related to the following proceedings, at all government levels (including regional and local authorities "Comunidades Autónomas" "Entidades Locales"), that had been on-going **prior to 18 March 2020** have been extended to 30 April 2020:

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

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

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

## Employment law and social protection measures

### ROYAL DECREE 8/2020, OF 17 MARCH

- The self-employed workers have been protected as follows:
  - Extraordinary payment has been provided for in the event of cessation of activity.
  - Mortgage payments delays have been allowed for main residence.
  - The possibility of granting guarantee lines (for a maximum amount of € 100,000 million to obtain loans from financial entities) has been provided. The ICO ("Instituto de Crédito Oficial") has extended its debt limit to € 10,000 million to provide additional financing.
- Preference and priority has been given to teleworking.
- Measures for labour conciliation have been established (timetible and reduction of working hours for the care of relatives).
- Measures to support the digital environment have been established. Measures have been provided for the development and provision of SMEs (digital development).
- Procedures for suspension and reduction of working hours for economic, technical, organizational and production reasons have been established:
  - Temporary employment regulation file ("ERTE") by force majeure.
  - Temporary employment regulation file ("ERTE") for productive, technical and organizational reasons.
  - Guarantee lines.
  - Possibility of extending by 1 year the repayment period of loans taken out by farmers affected by the 2017 drought.

### ROYAL DECREE 10/2020 OF 29 MARCH 2020,

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

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

## Next Steps





## General measures

## Economic / Fiscal Measures

## Employment law and social protection measures

## Criminal law measures

## Next Steps

- Extraordinary measures have been set out for legal persons governed by private law:
  - Governing bodies, delegated commissions and other compulsory or voluntary meetings may be held by videoconference or in writing.
  - The deadline to formulate annual accounts has been suspended.
  - The possibility of amendment or revocation of the call of the Shareholders' Ordinary General Meeting of Companies which had been published before the alarm state.
  - The deadline to exercise the right of separation of the shareholders has been suspended (even if there is a legal or statutory cause).
  - The reimbursement of contributions to cooperative shareholders (who cease to be shareholders during the alarm state) has been extended.
  - The term for the call of the shareholders meeting by the administrators of a Company which is in a compulsory dissolution legal situation has been extended until 2 months after the end of the state of alarm.
- Measures have been established for listed companies:
  - The obligation to publish and submit its annual financial report to the CNMV and the audit report of its annual accounts may be fulfilled up to 6 months from the end of the financial year. This period will be extended to 4 months for the publication of the interim management statement and the half-yearly financial report.
  - The Ordinary General Meeting of Shareholders may be held within the first 10 months of the financial year.
  - The Board of Directors may provide in the call of the General Meeting the attendance by telematic means and remote voting, even though not being foreseen in the by-laws.
  - Specifications have been established in the event that the measures imposed by the public authorities prevent the General Meeting from being held in the place and physical location set out in the call.
- Measures to strengthen the action against the disease:
  - Extraordinary credits have been authorised in order to provide the "Consejo Superior de Investigaciones Científicas" (CISC) and the "Instituto de Salud Carlos III" (ISCIII) with the necessary budgetary resources to meet the scientific and research challenges arising from the health emergency caused by COVID-19.
- Rules applicable to possible compensation for damages arising from the current health crisis:
  - The application of Royal Decree 307/2005, of 18 March, which regulates subsidies in response to certain needs arising from emergency situations or of a catastrophic nature, has been excluded and the procedure for granting them has been established.

- The period between 18 March 2020 and 30 April 2020 shall not be taken into account for the purposes of:
- The maximum time granted to the Tax Office to perform proceedings/ audits related to the application of taxes and levies; penalty proceedings; or review proceedings.
  - The statute of limitations and expiration periods (generally in Spain, four years).
  - The period between 14 March 2020 and 30 April 2020 shall not be taken into account when computing the maximum time granted to the Economic-Administrative Bodies for executing their resolutions. This likewise applies to regional and local bodies.
  - Starting 14 March 2020 and until 30 April 2020, all expiration and statute of limitations periods related to tax proceedings have been suspended. This likewise applies to regional and local bodies.
  - For the purposes of computing the deadlines for submitting administrative appeals, the deadline shall begin counting starting 30 April 2020 regardless of whether the administrative act or resolution being appealed had already been notified and the deadline not reached before 13 March 2020, or whether it was not yet notified on this date.
  - In general terms, the filing window to bring certain actions before certain administrative bodies shall not begin to compute until the first working day following the end of the State of Emergency.

### OTHER MEASURES

#### CADASTRAL PROCEEDINGS

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

#### CUSTOMS

- Various customs proceedings are simplified, and the use of information technology resources enabled as an extraordinary measure, in order to facilitate the import of goods in the industrial sector, as well as proceedings related to exports, with the purpose of alleviating supply chain issues arising from the COVID – 19 crisis.
- Deferral on qualifying custom duty liabilities for returns filed starting 2 April 2020 thru 30 May 2020 provided that the recipient is either natural person or an entity with 2019 turnover less than 6,010,121.04 euros. The deferral shall be for six months as from the date that payment is due and no interest in arrears shall accrue for the first three months.

#### ENERGY SECTOR

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

#### STAMP DUTY

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

### ROYAL DECREE 11/2020, OF 31 MARCH Measures to support employees, consumers, families and vulnerable groups

- **Measures focused on families and vulnerable groups**
  - The right to the extraordinary allowance for lack of activity has been established for persons integrated in the special system of household employees of the general social security system.
  - The right to receive the social bonus has been established for self-employed workers who have ceased their activity or had their turnover reduced.
- **Support measures for the self-employed**
  - A possible moratorium on social security contributions has been established.
  - A possible deferred payment of social security debts has been established.
- **More measures**
  - The extension of the contracts of teaching and research staff (whose termination was foreseen in the state of alarm) has been established.
  - The availability of pension plans, in the event of unemployment or cessation of activity, has been established.
  - Allowance for employees with temporary contracts terminated after the declaration of the state of alert
  - The compatibility of childcare allowance and unemployment or cessation of activity (during the state of alert) has been established.





## General measures

## Economic / Fiscal Measures

## Employment law and social protection measures

## Criminal law measures

## Next Steps

### ROYAL DECREE 11/2020, OF 31 MARCH

#### Measures to support employees, consumers, families and vulnerable groups

- **Measures focused on families and vulnerable groups**

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

- **Consumer protection measures**

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

#### Measures to support economic activity

- **Measures to support industrialization**

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

- **More measures**

- Measures related to the deadlines for the formulation and filing of annual accounts for the 2019 financial year by State public sector entities and for the submission of the State's General Account to the Court of Audit have been established.
- Possibility of deferral of the repayment schedule for loans granted by Autonomous Communities and Local Entities to entrepreneurs and self-employed persons affected by the COVID-19 has been established.
- Article 40 of Royal Decree 8/2020, of 17 March has been amended. In this sense, the possibility of holding meetings and boards of directors by video or multiple telephone conference has been established. Measures related to the deferral of the approval of the application of the result of the company have also been established.
- The suspension of the regime of liberalization of certain foreign direct investments has been extended to Spanish companies with an ultimate foreign shareholding over 25%.
- The legislation on public sector contracts has been amended. In this sense, the duration of supply and service contracts, for the provision of subsequent services, may exceed 5 years (under certain circumstances).
- Bankrupt companies may also apply the procedures established in Royal Decree 8/2020, of 17 March (related to the temporary employment regulation file ("ERTE") due to force majeure and objective causes).

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