COVID-19 Country policy responses

1 March 2023

Countries are taking unprecedented measures to combat the spread of the disease, while ameliorating its pernicious effect on the economy and labour market.

Find out the policies implemented by governments, employers’ and workers’ organizations, and the ILO in 188 countries and territories.

Content can be found in one of the ILO official languages (English, French and Spanish) depending on the country.

How policies are reported

Country policy responses are presented within the four pillars of action defined by the ILO to lessen the impact of COVID-19 on businesses, jobs and the most vulnerable members of society.

Pillar 1: Stimulating the economy and jobs

- Active fiscal policy
- Accommodative monetary policy
- Lending and financial support to specific sectors including the health sector

Pillar 2: Supporting enterprises, employment and incomes

- Extend social protection for all
- Implement employment retention measures
- Provide financial/tax and other relief for enterprises

Pillar 3: Protecting workers in the workplace

- Strengthen OSH measures
- Adapt work arrangements (e.g. teleworking)
- Prevent discrimination and exclusion
Pillar 4: Using social dialogue between government, workers and employers to find solutions

- Strengthen the capacity and resilience of employers’ and workers’ organizations
- Strengthen the capacity of governments
- Strengthen social dialogue, collective bargaining and labour relations institutions and processes

Albania

Stimulating the economy and employment

The Government of Albania allocated an Anti-COVID-19 Financial Package for a three month period (Decision No.6 dated 21.03.2020 "On Some Changes to the 2020 Budget Law No. 88/2019). Following are funds and measures taken to contain and combat COVID-19:

Fiscal Policy

- Legal entities and other taxpayers registered for Corporate Income Tax (CIT) purposes would be entitled to submit the Annual Financial Statements of 2019 by 31 July 2020
- The payment of the loan installments is postponed to 31st of May 2020 as per the joint Order of the GoA and National Bank of Albania. (Prot No. 1650 dt 17.03.2020)
- The deadline for the payment of the taxes for garment industry, Call Centers, tourism and small businesses has been postponed to 2021. (Decision of the GoA on 13.04.2020)

Monetary Policy

The Government of Albania: 100 million USD "Sovereign Guarantee Fund" to be used as collateral in support of large businesses getting bank loans for their employees' salaries. (Decision No.6 dt 21.03.2020)

The Government of Albania approved a second "Sovereign Guarantee Fund" of 150 million USD as a collateral for the banks in support of the big businesses getting bank for investment in their companies. The interest rate will be covered by the Government of Albania.

IMF approved 190,5 million USD financial assistance for Albania under the Rapid Financing Instrument to balance its urgent balance of payment need.

Support to specific sectors, incl. the health sector
The Government of Albania: **25 million USD** to health sector for the purchase of PPE, medication, medical instruments etc. *(Decision No.6. dt. 21.03.2020)*

**Supporting enterprises, jobs and incomes**

**Social protection, Employment retention, Assistance to business and business continuity**

  - 65 million USD package for three months (SP, unemployment benefit, and salaries for small business' workers)
  - 20 million USD have been awarded to the Ministry of Defence for communitary services
  - 10 Million USD have been allocated as a reserve fund to the GoA for any eventual emergencies
- The Government of Albania approved a **2nd Anti-COVID-19 Financial Package of 70,4 million USD** on April 13, 2020. 176,000 workers will receive a payment of 400 USD each in April 2020:
  - 66,000 employeses from big businesses
  - 100,000 employees from small businesses
  - 10,0000 employees from the tourism sector
- European Union: **50 million Euros** for social protection and business recovery.

**Protecting workers in the workplace**

**OSH**

*The Normativ Act Nr. 2 dated 11.03.2020” On Some changes to the Law No. 15 dt 10.03.2016 on “The Prevention and Combatting of the Infections and Infective Diseases” provides for new penalties on employers non complying with the measures and protocols foreseen in this Law.*

**New work arrangements**

Public Administration institutions will be working during 08:00 - 13:00. Teleworking is also an option to be used for carrying out various tasks. *(Law Nr 231 dt.18.03.2020)*

**Prevention of discrimination and exclusion**

The retired persons as well as individuals/families benefitting from various social protection public services/programs will be provided home based assistance (monetary, health and food assistance) by the local authorities and relevant institutions *(Decision No. 236 on 18.03.2020).*

**Access to health care**

Three hospitals have been converted into COVID-19 hospitals to be fully dedicated to provide quarantine services to COVID - 19 infected patients. *(Decision No.204 dt 09.03.2020)*
Relying on social dialogue for solutions

Approaches to tripartite consultations

Business Albania (Employers' association) has submitted a list of fiscal, financial and social protection measures, part of which has been reflected in the "Financial Package" issued by the Government of Albania for a three month period (March-May 2020).

Other measures

Other measures

- The Government of Albania has declared the "Status of Natural Disaster" in Albania (Decision No 243, dt 24.03.2020).
- The Minister of State for Reconstruction (Earthquake of 26 November 2019) is in charge of the coordination of the interministerial actions for coping with health and economic recovery from COVID-19. (Decision No. 228 on 18.03.2019)
- The Minister of Health and Social Protection has ordered the closure of all the public and non-public events as well as the cancellation of all meetings in closed and open spaces (Order 132, dt. 08.03.2020)
- The Minister of Health and Social Protection has ordered the closure of all public and non-public educational institutions for COVID-19 containment (Order 135, dt 09.03.2020)
- The Minister of Health and Social Protection has ordered transport restriction for all public and private vehicles except for vehicles carrying out a public service like ambulances and transport of food items. (Order No. 168 dt. 12.03.2019)
- The Minister of Health and Social Protection has ordered the restriction of the movement of citizens and the offering of services to citizens strictly within the following time schedule: 05:00 - 13:00 from Monday to Saturday (Order No. 193 dt 20.03.2020)

Activities of workers' organizations

Summary

- Trade unions have requested a social dialogue process for Covid-19 response. So far, the dialogue is not happening. Trade union demands are made public, and the Government should be aware, but they are not sitting together at the table. 22nd of April, ITUC wrote a letter to PM Edi Rama expressing grave concern about the lack of social dialogue

- Unions are not engaged in social dialogue, but has expressed several demands on behalf of workers. The demands are centred on OSH for workers, and the need for adequate social assistance to workers and business. Mining and health care sectors are particularly hard hit.

Unions also call for better cooperation with and utilization of labour inspectorate.

Sources: BSPSH and KSSH
Activities of employers' organizations

BiznesAlbania (BA) organises regular teleconferences to keep members updated on the latest developments and gets feedback on companies' most pressing needs. In addition, BA provides free legal advice to its members.

On 18 March, BA submitted to the Ministry of Finance and Economy a package of 19 fiscal, financial and social protection measures, which included, among other things, the following priorities for action:

- Postponement of the due date for mandatory submission of 2019 financial statements, tax declaration and audit reports;
- Deferral of payment of tax liabilities due without charging penalty interest for a period of three to six months from the due date;
- Wage subsidies for businesses that are forced to close activities in order to avoid lay-offs;
- Postponement of the due date for payment of credit instalments and interests, without any penalty, until December 2020.
- Postponement of the due date for payment of communal and housing services, without any penalty, until 30 October 2020.

BA has welcomed the government crisis package for enterprises, including the measures announced by the Bank of Albania, effective from March 12th to May 31th, enabling clients to ask banks and other financial institutions to defer loan instalments without penalties. BA claims that 'a package of stronger proposals' would be needed to support the private sector.

On 4 May, BA published a policy statement summarising the key findings of the first rapid assessment on the impact of the COVID-19 pandemic on enterprises in Albania. The assessment was undertaken between 14-30 April and involved 278 businesses. The survey was developed based on the ILO's Enterprise Survey Tool on COVID-19 for Employers' and Business Membership Organisations (EBMOS) and was conducted in partnership with the EBRD. The findings of the survey have been widely disseminated by the media.

Armenia

Stimulating the economy and employment

Support to specific sectors, including the health sector

- Provision of grants to the high-tech companies selected on tender basis:
  - up to 10mln AMD to the entrepreneurs registered and making products during last two years;
  - up to 20mln AMD to the technological companies (entrepreneurs) registered and
providing services for more than two years, which are ready to develop products;

- provision of financial support to the technological companies (entrepreneurs) which will enable documented and approved investments, through co-financing of 100% of the amount to be invested but not more than 30mln AMD.

- Co-financing, refinancing or interest rate subsidizing of targeted loans/leasing provided to business entities, particularly those in agricultural sectors, by licensed banks or credit organizations operating in the country

Targeted loans provided by financial institutions with low interest rates (no interest for the first 2 years and 12% for the 3rd year) to SMEs in sectors including manufacturing, transportation and storage economy, tourism, other service sectors, and healthcare.

**Supporting enterprises, jobs and incomes**

**Social Protection**

- Provision of a lump-sum financial support for families with children under 14 years old who are facing one of the following situations: both parents have been dismissed; one of the parents has been dismissed and the other one is unemployed, dead, or missing; or a single parent living with a child has been dismissed (The amount of a lump sum is 100K AMD for each minor child.);

- Provision of lump sum equal to the minimum wage (68000AMD) non-cash assistance (through bank transfer) to:

  - Employees who was in contract relations with the employer in private sector of affected areas at least for one day in the period from 1 March to 15 June, including if the employer either terminated its work or was liquidated.

  - Self-employed entities of affected areas who has been operating in 2020, without any dependence of the turnover size posted in the first quarter of 2020.

  - Physical entities being in labour relations with an employer for the period of 1 January-30 March 2020, but have been resigned in the period from 31 March to 1 June 2020 and did not get job at the mentioned period.

- Provision of benefits for women who were not employed and those whose husbands lost jobs (Single pregnant women or those unemployed are also considered as beneficiaries of this scheme.);

- Provision of a lump-sum payment in the amount of 26,500 AMD for socially vulnerable families with children under the age of 18;

- Lump-sum support equal to 50% of benefits to those families eligible for family and social benefits (70% will be paid in cash and 30% will compensate expenses for electricity.);

- Arrangement of delivery of pensions and social benefit packages, so that beneficiaries can
receive them without leaving home;

- Provision of support equal to the amount of 30% of the expenditures for gas consumption from 30001 to 40000AMD and electricity consumption from 10001 to 25000AMD; Provision of support equal to the amount of 50% of the expenditures for gas consumption up to 25000AMD in the residencies where no gas is available; Provision of support equal to the amount of 50% of expenditures for water consumption up to 3000AMD;

Provision of support through compensation of payment of half-year education fee to students in the last year of their education, as well as partial compensation of the loans taken by students for the purpose of payment of education fee.

**Assistance to business and business continuity**

Provision of loans with no or low interest rates for businesses.

Provision of a lump-sum financial support to those companies (with the exception of banks, insurance companies, state and community-based public organizations, political parties etc.) with 2 to 100 recruited permanent employees during the period of 1 February-30 April 2020 and the real income funds either has not decreased during the mentioned period or has increased for not more than 5%. The amount of provided support depends on the incomes of the employees and the number of employees.

One-time grant will be provided to the companies that employed 2 to 100 employees in the period from March 1, 2020 to May 31, 2020, in the amount of the salary of every 5th employee.

Provision of a lump-sum support equal to 10% of turnover of the first quarter of 2020, but not more than double minimum wage size, to microenterprises (family businesses, physical entities who are not registered as individual entrepreneurs but are engaged in microbusiness).

**Protecting workers in the workplace**

- Development of guidelines by the Commandant’s office for citizens, employers and medical servicers on steps to be taken to stay safe;
- Obligation for enterprises and companies which have resumed operation since 17 April to ensure preventive/anti-epidemiological measures inside organizations needed to ensure workers’ safety and health. Obligation for the employers to ensure safe transfer of workers to and from their workplaces;
- Setting up a hotline and provision of instructions on preventive actions for citizens and employers in terms of organizing remote work.

- Development of guidelines by the Commandant’s office for citizens, employers and medical servicers on steps to be taken to stay safe;
- Obligation for enterprises and companies which have resumed operation since 17 April to ensure preventive/anti-epidemiological measures inside organizations needed to ensure workers’ safety and health. Obligation for the employers to ensure safe transfer of workers to and from their workplaces;
Setting up a hotline and provision of instructions on preventive actions for citizens and employers in terms of organizing remote work.

**COVID-19 Vaccination**

On 20 August 2021, the Ministry of Health of the Republic of Armenia issues an order prescribing that starting from 1 October 2021, when reporting to work, employees of all public and private sector entities to provide their employers with their COVID-19 vaccination certificates. Those without certificate, have to take mandatory PCR testing every 14 days and share their PCR-test results with the employers. PCR certificates have to be obtained not later than 72 hours after the test, and testing is to be conducting at employees’ expense without compensation by employers. These measures do not apply to pregnant women and workers who have medical restrictions to COVID-19 vaccination.

While there are no legal or administrative penalties for employees for not complying with the Order, as the Labour Code does not contain relevant grounds for suspension or dismissal, employers may face administrative penalties in case of non-compliance of the employees with the regulation.

The Ministry of Labour and Social Affair is also discussing an initiative that may grant the right to dismiss a public servant in case of non-submission of PCR test results twice in a row, and thus being absent from work for 30 days. The initiative is yet under the discussion.

**Relying on social dialogue for solutions**

The Republican Union of Employers of Armenia (RUEA) has been fully involved in the development of these anti-crisis policies and measures. It has been providing comments and suggestions to the Government since March 2020. The RUEA has sent a 14-point proposal package to the Government on reforms in the socio-economic sector of Armenia and mitigation of existing problems in terms of COVID-19. These suggestions include tax relief for SMEs, small grants for all businesses, support for the agricultural sector, increasing the volume of public procurements, and large-scale construction works to ensure employment of migrant workers. The Union has also submitted to the Government its recommendations concerning amendments to the Labour Code.

The Ministry of Economy conducted a survey with support from the RUEA to identify business problems arising from the COVID-19 pandemic and the emergency declared in the country. The guidance and instructions for employers were developed by the Commandant’s office based on suggestions and recommendations from the Minister of Health and Health and Labour Inspectorate, and it was disseminated among RUEA’s member and non-member employers.

RUEA and CTUA (Confederation of Trade Unions of Armenia) addressed a joint letter to the ILO Moscow Office to provide support on COVID-19 impact mitigation.

**Other measures**
The Ministry of Labour and Social Affairs has put into operation a new hotline for answering the questions of citizens related to support programmes provided by the Government.

Activities of workers' organizations

Summary

- As the Armenian government prolonged a state of emergency, trade unions continue playing active role in the designing and implementation of the antic-Covid19 measures. In this context, CTUA has advocated for the package of amendments to the Labor Code regarding the regulation of employment relationship during pandemic and other types of disasters.
- The changes came into force on 8th of May, 2020. As most of CTUA proposals to the amendments were accepted, the law now makes workers better protected from unfair termination of employment in force major situations and ensures higher level of wages during idling of a company.

Source: Confederation of Trade Union of Armenia (CTUA)

Activities of employers' organizations

The Republican Union of Employers of Armenia (RUEA) via its RUEA Facebook page, provides recommendations and information for employers related to COVID-19. Among others, this includes a Guide for employers on COVID-19 addressing the following:

- How to manage the general situation
- List of steps and measures that are expected from employers
- Information exchange and communication with employees
- What can employers do to help improve the general situation?
- How should the government and financial institutions support business?
- What should employers do to prevent the spread of the pandemic?

In addition RUEA is

- disseminating guidelines developed by the government and information on state support programs
- developing an employers ` support tool on getting necessary information and advice in this situation

RUEA is also making recommendations and proposals for government action. For instance, RUEA has prepared three packages of proposals addressed to the government:

1. Reforms in the socio-economic sector and mitigation measures
2. Support policies for enterprises
3. Social promotion policy.

RUEA is working directly with the Prime Minister and competent ministries on these matters.
RUEA also seeks to help mitigate the consequences of the crisis by encouraging employers to:

- comply with OSH rules, taking into account the specific COVID-19 risks
- preserve jobs within the applicable legal framework in order to prevent mass unemployment
- join government efforts to overcome the crisis.

**Austria**

Stimulating the economy and employment

**NextGenerationEU:**

- Austria has submitted a national recovery and resilience plan under the European Union’s Recovery and Resilience Facility, which seeks to support reforms and investments in Member States in order to mitigate the economic and social impact of the COVID-19 pandemic and make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions. The submitted national recovery and resilience plan can be found [here](#). In June 2021, the European Commission endorsed Austria’s plan.

- The Austrian plan includes measures for an overall amount of EUR 4.5 billion. It is structured around four policy priorities. These include reform and investment measures relating to: green recovery, covering renovation, mobility, biodiversity, circular economy, and climate neutrality; digital recovery, covering broadband, schools, public service, and enterprises; knowledge based recovery, including research, up- and reskilling, education, and strategic innovation; and fair recovery, encompassing healthcare, resilient communities, art and culture, and reforms. Projects in the plan cover the entire lifetime of the Facility until 2026.

**Fiscal policy measures included the following:**

- Fiscal package of EUR 38 billion (about 9.5 percent of 2019 GDP), including: EUR 4 billion for the health care system, long-term care, short-term work and to compensate the self-employed, family- and micro-businesses for loss of earnings; EUR 9 billion in guarantees to companies, including exporters and the tourism industry; EUR 10 billion for the deferral of personal and corporate income taxes, social security contributions, and VAT payments; EUR 22 million earmarked for research; and EUR 350 million for agriculture and forestry investments;

- New fiscal measures including tax relief measures for the hospitality sector of EUR 500 million, for the events sector of EUR 300 million and support to non-profit organizations of EUR 700 million;

- New tax incentive introduced for companies that recruit apprentices, of EUR 2,000 per
position;
- Fiscal package extended to EUR 50 billion (13 percent of GDP) to include stimulus measures;
- Investments in climate protection, affordable housing, health, digitalization and municipal childcare and a one-off support for the unemployed and families;
- Several specific (tax) relief measures aimed at the agricultural and forestry sectors, culture and publishing as well as gastronomy and for individuals;
- Reduction of the lowest income tax rate from 25 to 20 percent; and
- In 2021, several emergency support measures have been extended and the budget envisages a significant amount of public investment as well as incentives for private investment. Measures to reallocate labour including upskilling and retraining are also included. The latest 2021 stability programme envisages a deficit of over 8 percent of GDP.

Monetary policy measures included the following:

- Oesterreichische Nationalbank (OeNB) has declared readiness to supply sufficient cash to banks, ATM operators and the economy in response to increased withdrawals; and
- Prohibition of short sales following a drop in prices on the Vienna Stock Exchange due to betting on covered share price losses.

Main source: IMF Policy Tracker

Supporting enterprises, jobs and incomes

Action on enterprises and jobs included the following:

- New type of short-time working scheme, called "Corona Kurzarbeit": in the case of "temporary, non-seasonal" economic difficulties due to Covid-19, company employees and apprentices in all sectors have the option of reducing their working hours by up to 100 percent, but a social partner agreement is a prerequisite for use of the scheme and the employment level must be maintained during the scheme and one month beyond;
- Wage subsidy in form of a "new start bonus", intended to support job take-ups and to contribute to filling vacancies quickly, calculated from the difference between net remuneration for the work performed and about 80 percent of the net remuneration before unemployment plus social security contributions and capped at EUR 950 net;
- Deferral of personal and corporate income taxes, social security contributions, and VAT payments;
- Covid-19 was declared a force majeure to allow companies to force workers to take up to eight weeks' leave composed by up to two weeks of current year's leave in addition to leave accumulated in previous years;
- EUR 2 billion "hardship fund" available for paying immediate cash to individual entrepreneurs (self-employed, farmers, artists etc.) and micro-enterprises in financial distress and affected by lockdown (for the agriculture and forestry sectors, this is managed by Agrarmarkt Austria);
- Businesses in various sectors (including agriculture) also have access to state aid
schemes, including the "Corona fund", which consists of guarantees for loans up to 100 percent of fixed costs and direct subsidies in line with EU state aid rules during lockdown;

- Special guarantee scheme for exporting companies of up to EUR 3 billion, which covers operating costs, established within existing guarantee limits;
- Threshold at which an insolvent company has to notify its cessation of payments temporarily increased, obligation of filing for insolvency in case of over-indebtedness suspended and judicial and administrative "clocks" temporarily put on hold;
- EUR 100 million loan guarantees for SMEs in the tourism sector and other specific measures for the tourism sector under the supervision of the Österreichische Hotel- und Tourismusbank (ÖHT), such as revenue replacement up to 30 percent for enterprises which have to close during lockdown (up to EUR 800,000 per enterprise, minus selected other COVID-19 support) as well as for businesses which are indirectly affected;
- For specific sectors, investment premium for investments made in a specified period of 7 percent (14 percent for investments in digitalisation, greening as well as health and life sciences);
- Loss compensation of between 70 and 90 percent depending on number of employees and annual turnover; and
- Generic EUR 500 support for those who have founded a new business in a specified period.

Action on incomes included the following:

- Increase in unemployment assistance: income support to unemployed workers who have exhausted their entitlement to unemployment benefit raised to the level of unemployment benefits;
- Applications for unemployment benefits and unemployment assistance can be made without a personal visit;
- Increase of family hardship compensation: granted to families who are either in financial need, have become unemployed or have been registered for short-time work, in order to cope with additional expenses, with parts of the funds made available to parents who receive social assistance;
- One-time payment of children’s bonus of EUR 360 for each child in respect of whom family allowance is paid; and
- One-time payment of EUR 450 to the unemployed.

Main source: Austrian Ministry of Finance

Protecting workers in the workplace

Measures included the following:

- Occupational hygiene measures, organizational measures and personal protective measures to protect employees from risks related to exposure to biological agents clarified by decree;
- Employees can refuse business travel to risk areas;
- Employees who have certain pre-existing conditions and cannot work in home office or in
a specially protected workplace released from work and entitled to the continued payment of their wage;
- Workers excused from presence at their workplace if the workplace itself, their commute or other immediate factors pose a declared risk to the health of the worker;
- Working time in respect of temporary work and work that cannot be postponed can be exceeded;
- While telework is encouraged, there is no general legal entitlement to telework: some collective agreements have provisions on teleworking and generally telework has to be agreed upon; however, new teleworking rules allow certain purchases to be tax-deductible (up to EUR 600 per year between worker and employer);
- Special care leave: employees who are not entitled to leave of absence can nevertheless take care of their children (up to age 14) for up to three weeks and are paid the usual amount of pay, while the employer is entitled to claim one third of pay from the financial authority;
- Accidents that occur during home office considered work accidents;
- If enterprises are closed down by decree or their workers are unable to attend work due to government restrictions, employers entitled to reimbursement of social security contributions and pay by the government;
- To ensure that there are no times without works councils, the period of activity of the works council until the newly elected works council extended;
- Under the new Covid-19 regulation, at workplaces a minimum distance of two metres must be kept and a mouth-nose covering must be worn. Certain occupational groups (for instance in healthcare, those with direct customer contact, teachers, etc.) must be tested on a weekly basis or wear an FFP2 mask. Even if tested negative, a mouth-nose covering must be worn;
- Workplaces of more than 50 workers will have to have a prevention strategy in place; and
- Regular free Covid-19 tests for those working in the hotel industry, under the "Safe Hospitality" initiative.

**Measures related to vaccination:**

- No mandatory vaccination for any occupational groups;
- Employers have the possibility of imposing protective measures (in particular testing or vaccination) for certain groups of (healthcare and similar) employees; and
- Unemployed individuals who refuse an offer of work on the basis that the workplace requires a vaccination can have their unemployment benefits cut.

Main source: Austrian Ministry of Finance

**Relying on social dialogue for solutions**

- Agreement by the social partners to the use of the short-time work scheme and sign-off on company level agreements within 48 hours; they have also set up a website and hotline advising on the scheme;
- Social partners involved in the negotiation of the hardship fund;
- Agreement by the social partners on a general collective agreement with labour law and
accompanying operational measures to implement the state strategy for nationwide, regular COVID-19 tests, including within enterprises;

- A bipartite agreement on home office work finalised by the social partners and then negotiated with the federal government; and
- A collective agreement between the branch union "vida" and the Chamber of Commerce, approved by Laudamotion and RyanAir.

Main source: **TUAC**

**Other measures**

- Devision of a strategy, with the involvement of leading research institutes, as a basis for planning future labour market policy.
- Austria will be part of the EU "Green Pass" certificate scheme.

**Activities of workers' organizations**

**Summary**

1. **Laudamotion: Agreement on a new “crisis” collective agreement**

After weeks of numerous unprecedented attempts at extortion by the laudamotion management and the parent company Ryanair, the ÖGB branch union vida was able to sign a “crisis” collective agreement with the chamber of commerce (WKÖ). At 1,440 euros 14 times a year, the guaranteed monthly gross income for flight attendants increases by 44 percent compared to the initial offer (1,000 euros gross). For co-pilots, an increase of 18 percent to EUR 2,000 in guaranteed monthly income compared to the initial offer (EUR 1,700 gross) was also achieved. The vida demand to completely delete all the illegal contract clauses was also approved by the Chamber of Commerce. The management of Laudamotion and Ryanair approved the collective agreement.

2. **Unemployment benefit**

   The unemployment benefit is in Austria relatively low at 55 percent of the last net income (OECD figures: https://data.oecd.org/benwage/benefits-in-unemployment-share-of-previous-income.htm). Due to the Corona crisis, it is particularly difficult to find quickly a job and unemployed people are at risk of poverty. From the beginning of the crisis, the ÖGB calls for an increase in unemployment benefits. The Federal Government is now seriously discussing this.

3. **Amazon**

Several Amazon workers have contracted the virus at their workplace in a distribution center in Lower Austria. The investigations are ongoing. Amazon is now increasingly focusing on cleaning, temperature measurement when entering the building, face protection and disinfectants, too late for the eight people that have already contracted the virus.

4. **New demonstration rules**
More than 50,000 people took part in a major anti-racism demonstration in Vienna. The rules of 1-meter distance were difficult to observe. Reason for the government to present new demonstration rules: In the future, protective masks will be mandatory for demonstrators who cannot keep the one-meter distance because of crowds.

Source: Austria OGB Austrian Trade Unions Federation

Activities of employers' organizations

The Federation of Austrian Industries (IV) provides on its website COVID-19 related information, statements and news by subject area, including on “work, social & health”. The website (on its left side) also includes weblinks to the nine regional IV sections and their COVID-19 action at regional level.

At an early stage of the crisis, IV published its recommendations for government measures that can help offset the negative effects of the COVID-19 pandemic, such as: secure company liquidity; enable tax deferrals pragmatically; simplify procedures in the event of staff shortages; facilitate further short-time work; simplify and accelerate approval procedures for investment projects; reduce corporate income tax; provide financial support for bringing forward investments in digitization; continue crisis-preventive fiscal policy in good economic times, including maintaining a low public debt and a low tax burden.

Further IV statements and proposals concern the following:

- Relief and investment right recipe to deal with the crisis
- Extension of short-time work gives planning security to companies
- Stimulus measures and relief of companies is the order of the day
- Need to take measures now to position Austria as a strong and competitive location for the time after COVID-19
- IV welcomes government announcement of gradual easing of COVID-19 restrictions
- Need for further aid measures (e.g. strengthening of liquidity; relief in terms of deadlines for financial statements)
- Importance of maintaining production and supply chains for a new start
- Relaxation of COVID-19 restrictions requires highest discipline and high degree of personal responsibility
- Reduction of working hours would be counterproductive for business and jobs

IV provides examples on how Austrian industry is helping overcome the corona crisis for instance by offering relevant products, from medication to food and hygiene items, and adapting or increasing production accordingly.

IV has also launched an initiative called "We accept the challenge. Now it depends on me..."
personally. Now it’s up to us”. Leading representatives of industry report here on what they have done to cope with the COVID-19 crisis and give confidence to others.

The Austrian Economic Chambers (WKÖ) have set up a dedicated webpage “Infopoint Coronavirus” on which they provide various COVID-19 related info and advice, such as on: the implementation of short-time work; the hardship fund for self-employed; tax relief; relief measures for self-employed regarding social security payments; or available credit lines for exporters. WKÖ also informed about the new Federal government crisis relief package for companies „Together into the future” (16 June).

Azerbaijan

Last Updated: 30 September 2021

Stimulating the economy and employment

Fiscal, monetary and other policies

- Tax holidays on calculation and payment of taxes, as well as current tax payments; relaxation of the terms and conditions for paying tax arrears in installments; deferment of imposing fines for unpaid taxes a certain period of time.
  - Extension of the deadlines for paying personal and corporate income tax for 2019; Deduction of expenses from income tax without taking into account the restrictions on necessary preventive measures, including disinfection, carried out by the taxpayer to prevent an epidemic and protect the life and health of the population;
  - A certain period of exemption from VAT on goods necessary to meet the food and medical needs of the population. Exemption from VAT on imports of raw materials and supplies related to production to meet the population’s needs in terms of food, medicine and other necessary products in the short term;
  - Tax exemptions on property and land taxes, particularly for entrepreneurs, in the amount of 75% of the profit (income); Reduction of the tax rate at the source of payment for rental of real estate from individuals from 14% to 7%;

- Deferral of calculation of interest on debts until the end of the year;

- Increasing of the amount of funds allocated for preferential/privileged mortgage loans to AZN 90 million (USD 52 million);

- Subsidization of interest rates and improvement of credit guarantee instruments by the Mortgage and Credit Guarantee Fund, including increasing the ceiling amount of the warranty-to-loan ratio, eliminating guarantee fees, applicable penalties and other restrictions, reducing annual interest rates on loans with subsidy interest, increasing the limit on guarantee payments and reducing commissions on guarantees

- Non-calculation of rents of residents operating in industrial areas affected by the pandemic by the end of 2020
• (Under consideration) Capital and property amnesty

• Measures including the following taken to increase and stimulate the export of non-oil products:
  ○ Application of customs duty exemptions on relevant lists to increase the competitiveness of local production areas that depend on imported and non-locally produced raw materials and intermediate goods
  ○ Measures taken to stimulate the use of special customs procedures internally by entrepreneurs

• Extraordinary (accelerated) application of customs clearance, control and issuance of permits (certificates) during the import of products deemed necessary to fully and uninterruptedly provide the population with food and medical needs

• Waiving of fees paid by professional participants of the banking and insurance market to the Financial Market Supervisory Authority

• Establishment of the State Investment Holding for centralized management of companies on behalf of the State, to increase the transparency and economic efficiency of their activities and investment programmes, as well as to ensure competitiveness; Improving the management of state-owned companies, applying corporate standards and ensuring financial transparency within the activities of the State Investment Holding; Privatization programme for state-owned enterprises

• Taking comprehensive measures, strengthening control over the movement of capital and increasing the efficiency of the currency regime

• Changes will be made in the relevant legislation to create a favorable condition for the expansion of public-private partnerships.

**Support to specific sectors**

• A new mechanism has been created by the Agrarian Credit and Development Agency in the agricultural sector to issue the unsecured microloans and subsidise 10% of the interest payments on existing loans - AZN 1 billion (USD 588.2 million) – owed by entrepreneurs;

• (Under consideration) Deferment of payment for utility services for 2 months and tax breaks and low interest rate loans for businesses, especially in the tourism and hospitality sectors;

• For the catering sector, an exemption in the amount of 75% of the profit (income) tax;

• A programme to financially support vital areas for passenger transport (AZN 280 million/USD 164 million was allocated);

• A salary increase of up to 5 times the reference wage for frontline medical staff during the period of the pandemic;

• Establishment of the Azerbaijan Construction Corporation, development of new projects and attraction of investors to finance these projects. Allocation of lands are allocated by the State for the new construction projects and establishment of necessary infrastructure. Implementation of pilot project providing multifunctional construction;

• Credit guarantee programme that provides new bank loans in the total amount of AZN 0.5 billion for business entities in affected areas. (State guarantees for these businesses
will cover 60% of new loans, totaling 500 million manat [USD 294 million]. Interest rates on these loans are up to 15%, and the maximum term is no more than 3 years. Half of the rate (7.5% of 15%) on loans guaranteed by the state will be subsidized);

- Subsidization of loan interest rates on the existing loan portfolios of business entities (including SMEs) operating in pandemic-affected areas totaling 1 billion manat as of March 10, 2020: 10% subsidy on the entire interest rate for the first year on non-guaranteed existing loan portfolio;

- Provision of short-term profit (income) and simplified tax abatements for taxpayers operating in affected areas; extension of payment deadlines for taxes in areas of economic activity affected by the pandemic.

Supporting enterprises, jobs and incomes

Social protection (including employment services)

Azerbaijan is pursuing an active policy to support employment and social welfare by taking large-scale measures to combat the coronavirus (COVID-19) pandemic;

- The Action Plan approved for the implementation of the Presidential Decree dated March 19, 2020 includes 12 measures in 4 areas to support employment and social welfare. With the new support measures declared by the President of the Republic of Azerbaijan on April 17, AZN 600 million has been allocated for these purposes. The total funds allocated for the implementation of the Action Plan will be about AZN 3.5 billion. AZN 200 million reserve funds built up in the State Social Protection Fund in 2019 were channeled towards ensuring the sustainability of social payments that 2.3 million people receive (pensions, benefits, stipends, etc.).

- A compensation programme for workers in affected areas (beneficiaries: trade - 106,435, services - 87,004, transport - 7,851, industry- 78,780, other areas - 24,559 people. AZN 215 million [USD 126.5 million) will be spent to partially cover the salaries of 300,000 employees working in these areas);

- Provision of a temporary (April-May 2020) allowance (lump-sum payment) of 190 manat (USD 111; minimum subsistence level) to 600,000 persons registered as unemployed in the State Employment Service and informally employed low-income people who lost their jobs due to the special quarantine regime;

- Expansion of unemployment insurance coverage to 20,000 people until December 2020 (20 million manat/$11.7 million will be allocated) and creation of a proactive appointment mechanism;

- Continuing to pay insurance payments and stipends during the special quarantine regime for persons whose unemployment insurance payments have expired but who are not employed, as well as improving the salaries co-financing programme

- Providing social services to homes of single people over the age of 65 and to people with special needs in social service institutions and facilities; Social services are provided to more than 15,000 single adults. Through social partners, about 100,000 food packages have been distributed to single elderly people and people with disabilities. At present, more than 1,000 people are provided social services in 9 social service facilities;

- Extension of the term of disability of persons (including children) with disabilities that expired on 1 March 2020 until the 1st day of the month following the end of the...
quarantine regime. This measure covers 14,000 people, and AZN 2.6 million was allocated for this purpose;

- 50% of annual tuition fees of students from socially vulnerable families paid from the state budget. Required funds (during the year): AZN 40 million;

- Scholarships for those who have had breaks in vocational training courses;

- Simplification of the determination of targeted state social assistance. Extension of the payment of targeted state social assistance to low-income families until the 1st day of the month following the end of the quarantine regime; Since April 1, the number of recipients of targeted social assistance has increased by 12,000 families;

- Measures taken concerning social insurance and unemployment insurance contributions:
  - Deferment of imposing fines for a certain period of time for compulsory state social insurance and unemployment insurance contributions (exception: wage earners);
  - Amendments to the law “On Social Insurance” that provide deductions in mandatory social insurance contributions, with privileges for business entities engaged in individual entrepreneurship under the conditions of the COVID-19 pandemic
    - From April 1, 2020 to January 1, 2021, the rate of contributions to compulsory social insurance for individuals engaged in self-employed activities in construction and trade sectors will be 25% of the minimum wage and 15% of the minimum wage in other areas (decreased from 50% and 25%, respectively). From 2021 to 2026, the rates will be 50% of the minimum wage and 25% in other areas.
    - For persons engaged in entrepreneurship individually who do not have employees, the following rates will apply until January 1, 2026: For businesses involved in entertaining events – 5% of the minimum wage; for tailors or persons engaged in the repair of household appliances, providing services at home etc. – 3% of the minimum wage.
    - If an individual has an allotment of up to 5 hectares, the payment for social insurance will be made at the rate of 2% of the minimum wage for each family member (if there is an allotment of 5 to 10 hectares, then 6%, and if more than 10 hectares, then 10%).
  - 200 million manat reserves of the State Social Protection Fund are used for 2019 to bridge the deficit in the face of declining social insurance premiums and ensure the sustainability of social payments

- The number of paid public jobs has increased from 38,000 to 90,000. The paid public jobs are organized in the fields of disinfection and rendering social services to sensitive groups, as well as in reconstruction, greening, services to parks, public places and other fields.

- As part of the utility payment support programme, the preferential (discounted) limit on the use of electricity by the population increased from 300 to 400 kW/h (2 months).

### Employment retention

- Issuance of a joint appeal by the Ministry of Economy together with social partners, which warned employers against groundless dismissals;

- From April to May 2020, the Ministry of Labour and Social Protection of the Population conducted legislative work on employers and ensured daily controls in order to prevent unjustified dismissals and layoffs of employees in the private sector. Such terminations in the public sector are prevented, and salaries of employees on leave are being maintained.

  - During the period of the special quarantine regime, the payment of ad hoc
supplements in the amount of a one-fold monthly official salary (base pay) to employees working in regional (city) branches of the State Social Protection Fund under the MLSPP and in social service enterprises subordinate to those branches has been approved

- Daily monitoring is carried out through an electronic system to protect the jobs and salaries of employees in various sectors.

- AZN 215 million (USD 126.5 million) was allocated to cover partially the salaries of 300,000 employees working in spheres affected by the pandemic.

**Assistance to business and business continuity**

- Tax benefits for entrepreneurs and MSMEs whose activities were affected by the coronavirus pandemic
  - Short-term simplified tax abatements granted to micro-sized enterprises
  - Tax exemptions on property and land taxes, particularly for entrepreneurs, in the amount of 75% of the profit (income)
  - Extension of deadlines are extended for submission of tax statements on micro-entrepreneurship entities (income, profit, property and simplified tax) and for payment of taxes

- The financing tools of the Entrepreneurship Development Fund are enhanced, including the issuance of loans on the basis of real estate collateral, concessional loans to manufacturers of necessary medical supplies and equipment and extension of loan terms for small and medium-sized loans in areas requiring long-term investments.

- Measures are underway to involve at least 12,000 families in the self-employment programme in 2020 and to accelerate its implementation. For this purpose, AZN 70 million has been allocated from the Unemployment Insurance Fund. The scope of the programme will be further expanded next year.

- A programme of financial support for individual micro-entrepreneurs and workers in affected areas. AZN 80 million (USD 47 million) is to be spent to support 300,000 individual (micro) entrepreneurs;

- Non-calculation of rents paid by business entities that leased state property and were affected by the pandemic by the end of 2020; Non-calculation of rents paid by entrepreneurs who leased state owned lands and were affected by the pandemic by the end of 2020

- Allocation of AZN 71.6 million to 22,913 taxpayers for their wage payments to staff working in affected areas and of AZN 56.9 million to 97,379 individual (micro) entrepreneurs operating in such areas (as of 21 May 2020).

- Provision of a regulatory holiday to credit institutions in order to regulate the obligations of entrepreneurs operating in areas affected by the pandemic during the quarantine regime

- Additional measures to support SMEs in the acquisition of local products, goods and services in public procurement.

**Protecting workers in the workplace**
OSH

- Deduction from income of expenses incurred for necessary measures, including disinfection carried out by the taxpayer to prevent an epidemic and protect the life and health of the population

Access to paid leave

- To protect workers, the government has announced that people who are forced to stay at home or not work at full capacity will be able to receive a salary.

COVID-19 Vaccination

The COVID-19 Pandemic Response Vaccination Strategy for 2021-2022 was approved by the Resolution of the Cabinet of Ministers N- 48s on16 January 2021. The Strategy is based on the Law on Immunoprophylaxis of Contagious Diseases, and outlines public vaccinations measures. Article 3 of the Law guarantees free of charge vaccination to all citizens, and Article 6 guarantees voluntary vaccination. Hence, the Strategy does not contain any mandatory COVID-19 vaccination measures, including of workers in certain industries or of certain occupations.

Nevertheless, the Strategy implementation mechanisms prioritise certain categories of the population for priority vaccination owing to the nature of their work or health conditions. The following categories of workers have been prioritised for COVID-19 vaccination:

- Medical personnel and other personnel of medical institutions;
- Police and state security personnel;
- Employees of educational and social service institutions;
- Employees of public service institutions (ASAN and DOST);
- Public transport personnel;
- Operators and providers of telecommunication services
- Post office staff;
- Bank front desk workers;
- Holders of high risk-related occupations (e.g. national security, law enforcement, justice administration).

COVID-19 vaccination of the prioritised categories of workers should be conducted in 2 stages:

- Stage 1: employees of medical institutions; police and security personnel;
- Stage 2: employees of educational and social services; employees of public services (ASAN and DOST), public transport personnel, operators and providers of telecommunication services, post office clerks, bank front desk employees of banks; Holders of high risk-
related occupations (e.g., national security, law enforcement, justice administration).

On 26 May 2021, the Cabinet of Ministers of the Republic of Azerbaijan passed a Decree on extension of the quarantine regime and softening of some lockdown measures. The Decree prescribed that 80% of employees of some types of works and services are obliged to have COVID-19 passport starting from 1 July 2021 (either “COVID-19 vaccination certificate” or “COVID-19 immune certificate”, depending on whether a person received a vaccine or is recovering from the disease). Starting from 1 August 2021, only COVID-19 vaccination certificates are allowed.

The Decree does not specify types of works and services covered by above mentioned requirements. However, it states that relevant public authorities will be informing employers in the identified sectors in advance to process with COVID-19 vaccination certification.

Relying on social dialogue for solutions

Social dialogue has been a part of policy development, particularly in the area of employment retention. The Government has established the Special Coordination Council; the Azerbaijan Trade Union Confederation (AHIK) and the Employers’ Association are both represented in this council, and specifically in one of its working groups that advise the Council on Social and Employment Issues. It is through this mechanism that social partners have submitted to the Government a number of proposals to step up the protection of workers' health and safety, and take urgent measures to remedy the loss of income and ensure employment security.

Activities of workers' organizations

Summary

- The leaders of trade union organizations donated their salaries to the Fund for the fight against corona virus and also 352.5 thousand manats were transferred to the Fund from the primary trade union organizations. Providing material and moral assistance to low-income families continues today. In general, Azerbaijan’s trade unions have spent more than 1 million 600 thousands manats on supporting the fight against corona virus and on measures taken by the state for this purpose.

- Trade unions have distributed protective means against corona virus to their members in the amount of more than 100,000 manats for use in quarantine conditions.

- Financial assistance was also provided to citizens affected by the pandemic.

- As part of the measures to combat the corona virus pandemic, Azerbaijan Trade Union Confederation has created a special SMS notification system to establish communication with its trade unions and employees. The system is equipped with a special service channel.
Decisions and measures taken by trade union organizations are quickly transferred to the mobile phones of the relevant persons. This is one of the principles of remote work in special quarantine conditions.

Recently, the Executive Committee of Azerbaijan Trade Union Confederation has adopted a new decision to distribute food aid to low-income families and pensioners in need of special assistance and care. For this purpose, it was decided to distribute food aid to 3,900 low-income families living in 76 cities and regions of the country. Food gifts totaling 68 tons consist of everyday consumer goods that are important for every family.

On April 29, a convoy of trucks organized by the Azerbaijan Trade Unions Confederation left for the cities and regions of the country to deliver food aid. Local trade union activists also took part in the action, which covered all regions of Azerbaijan. In the conditions of the coronavirus pandemic, the provision of material and moral assistance by trade union organizations will be continued in the future.

**Source:** The Confederation of Trade Unions of Azerbaijan AHİK

### Activities of employers' organizations

The National Confederation of Entrepreneurs (Employers) Organizations of the Republic of Azerbaijan (ASK) is conducting research among members in the form of dedicated focus groups in order to:

1. Obtain more information about urgent needs of entrepreneurs who are most affected by COVID, as well as to determine the most affected sectors.
2. Collect information on effects of COVID on industrial relations, working conditions and others.
3. Gather proposals from sectoral business associations and member entrepreneurs.

Based on the outcomes ASK developed set of proposals to relevant institution, as well as set of online training seminars for their members.

ASK is also participating in working groups on economic, employment and social protection issues that have been set up by the President of Azerbaijan in order to mitigate the effects of COVID-19. ASK is taking an active part in the preparation of a state support package to employers and workers. It has proposed a wide range of measures covering tax exemptions and breaks for affected business and for all micro-small business, support on their debts, wages and other costs. Proposals also include initiatives for new investments, as well as for improvements of the business climate.

Through their web site ASK updates employers on important development:

- The government package for financial support to entrepreneurs affected by the pandemic
- Information Video conferences on combating pandemics
ASK shifted a great share of its activities and meetings to a distance delivery mode. A significant number of ASK activities is now taking place online.

Belarus

Stimulating the economy and employment

- The National Bank issued recommendations to banks to provide individual clients with deferments on their loans and forbade them from unreasonably raising commission fees on payments or from limiting banking operations. It was also recommended that banks grant loan repayment holidays and postpone due dates. The National Bank has also relaxed certain prudential requirements on reserves and credit risk assessment by commercial lenders until 31 December 2020.

- Tax incentives include:
  
  - deferral of tax obligations;
  - abatement of property taxes;
  - acceleration of the refund of the difference between the amount of tax deductions and the total amount of the value added tax;
  - recording of the costs associated with sanitary and anti-epidemic measures, including restrictive ones,
  - as part of the overhead costs during income tax computation;
  - entitlement for individual entrepreneurs who have paid a single tax on individual entrepreneurs and other individuals to switch to a different regime of taxation in 2020;
  - exclusion from items taxable with the personal income tax on individuals of incomes in the amount of the cost of personal protective gear, etc.

- (National Bank measure) Recommendation to banks to consider the possibility of granting citizens a deferral of loan repayment and interest payable on a loan, along with a simultaneous prolongation of the loan repayment period.

- (National Bank measure) Leaving interest rates unchanged on a loan in the event of debt restructuring.

- Measures to support the most affected sectors of the economy — transport, travel services, accommodation and health resort sector, catering, consumer services, exhibition activities, arts, sports, entertainment and recreation services — in order to ensure sustainable operation of the real sector and enhance social protection of the population.
Lending and financial support to specific sectors, including the health sector

From 1 January 2022, the Programme of Socio-Economic Development of the Republic of Belarus for 2021-2025, and the Government’s Programme of Actions of the Republic of Belarus until 2025, propose a priority increase in the wages of certain categories of public sector employees, and specifically social service workers engaged in COVID-19 response and recovery. The proposed increase is between 20 % and 90 % of the basic salary.

The Programmes provide for additional financial support measures for employees of social residential institutions and round-the-clock departments of territorial centres for social services for the population for working under conditions of COVID-19 pandemics. The surcharge is set for 169 hours of such work in the following percentage of the basic salary:

- medical specialists – 250 %;
- medical workers with secondary specialized medical education – 200 %;
- junior medical personnel to care for the sick – 100%.

Supporting enterprises, jobs and incomes

Extend social protection for all

- To enable citizens’ receipt of pensions (benefits) without them going out, the government has organized payment by postal workers at citizens’ place of residence. Utility payments can now be made in the same way.
- The government has granted special salary increases to support physicians working with COVID-19. The local social protection authorities have started delivering medicines and food to older people in need.
- Sickness benefits granted out of the state social insurance funds for persons taking care of a child under 10 years of age, who attends an education institution and is in contact with persons with COVID-19 infection.
- Simplification of targeted social assistance provision

Public Employment Service and employment promotion

- Online events with large-scale involvement of citizens (Enterprise Days, job fairs, working meetings, seminars, etc.) (to be conducted)
- Carrying out appointments remotely by telephone or videoconferencing in order to reduce the number of the citizens’ visits to the employment service

Implement employment retention measures

Resolution of issues of labour guarantees for workers

Assistance to business and business continuity
Additional financial support measures for enterprises

Protecting workers in the workplace

OSH and new work arrangements

- Employers, for reasons caused by adverse effects of the epidemiological situation, can be more flexible in making decisions concerning labour management, including changes to working conditions and temporary transfers to a different position or job.

Access to paid leave

- Citizens under a stay-at-home order covered by state social insurance shall be granted temporary disability leave for the period of self-isolation.

COVID-19 Vaccination

In February 2021, Belarus adopted the National Plan for Vaccination against COVID-19 Infection for 2021-2022. The National Plan does not contain any provisions on mandatory workplace vaccination. However, it outlines 4 steps for the rollout of COVID-19 vaccination with prioritisation of certain categories of workers under some steps. As such, medical and pharmaceutical personnel, social workers and employees of educational institutions should be priorities for vaccination under Step 1 of the National COVID-19 Vaccination Plan. Under Step 3 of the Plan, people with higher risk to infection due to their professional activities such as those working in trade, catering, household services, transportation, culture and sports as well as police and civil servants should get further priority access to vaccination.

Activities of workers' organizations

Summary

- As Covid19 continues affecting Belarus' labour market and employment relations, on June 12, 2020, the Federation of Trade Unions of Belarus (FPB) hotline began to work, where workers can get professional legal advice and, if necessary, free help from FPB lawyers, including on issues of illegal dismissal, non-renewal or termination of a contract without legal grounds. Starting June 15, such trade union hotlines are operational in all regions of the country.
- FPB and its affiliates continued collecting funds to provide support to medical personnel and other frontline workers to purchase lacking PPE, disinfectants and other protective items. For instance: Belarusian Trade Union of Health Workers have dedicated on these measures around 2,1 mln Belarusian rubles ($900,000), Minsk county trade union organizations – 889,668,00 Belarusian rubles ($357 000).
- FPB also provided financial support to more than 3,000 workers who were furloughed or saw their incomes reduced or lost due to Covid19 pandemic.

Sources:

ilo.org/covid19-policies
Activities of employers' organizations

The Business Union of Entrepreneurs and Employers named after Professor M. S. Kunyavsky (BSPN) carried out a survey on the effects of the COVID-19 pandemic on business. According to the survey results, some sectors (e.g. tourism) lost up to 90% of their income compared to the same period in 2019. Overall, the decline in production in the first half of 2020 could reach up to 20%.

BSPN had initiated the COVID-19 online survey on their site asking companies what are their most urgent needs at this moment. The results are visible in real time and they serve as a kind of “barometer” of the most acute needs of the business sector.

On 24 March, BSPN sent a letter to the Ministry of Economy containing the survey results, as well as policy proposals based on the survey results. These proposals include in particular the following areas:

- labour relations (e.g. more flexibility for employers to adjust wages and working time)
- fiscal policy (e.g. reduction and postponement of tax payments; direct financial support to companies)
- accounts and payment stabilization (e.g. possibility of instalments for credit and leasing payments)
- control and verification (e.g. a moratorium on inspections by the end of 2020).

Belgium

Stimulating the economy and employment

Since the outbreak of coronavirus, various levels of government have taken a series of
exceptional measures to support the economy and society. As a result of the pandemic and measures taken, the Belgian economy contracted by 6.3 per cent of GDP in 2020 (forecast 7.7 per cent in 2021) and the public deficit stood at 9.4 per cent of GDP in 2020.

Within the framework of the Federal Plan for Social and Economic Protection the federal government has taken a series of exceptional measures to cushion the economic blow for employees, the self-employed and businesses.

The plan further includes a fiscal package of €8-10 bn (about 2 percent of GDP) and €50 bn (about 10 percent of GDP) of guarantees for new bank loans to companies and self-employed.

Key fiscal support measures include:

- Boosting health expenditure
- Increasing support for those in temporary unemployment and self-employed
- Liquidity support through postponements of social security and tax payments for companies and self-employed

On 1 December 2020, the European Commission has disbursed €2 billion to Belgium under the SURE instrument. As of October 2021, Belgium has received €8.17 billion in funds under the SURE instrument.

Other supporting measures taken by the Federal Government:

- Reducing the counter-cyclical bank capital buffer to 0 percent
- A ban on short-selling stocks until May 18 2020;
- Postponement of debt repayment due to banks by affected households and companies has been extended twice since initiated and ran until 30 June 2021. The first "charter" covered 2020, the second "charter" ran until 31 March 2021 and the third charter ran until 30 June 2021. It includes the payment of mortgages/credits and premiums for fire insurance and outstanding balance insurance for families, viable firms and the self-employed.

Regional governments have also announced further bank-loan guarantees.

A package was agreed by the Government on 12 June 2020 in the framework of the Federal Plan for Social and Economic Protection to encourage investments:

- A Covid-19 tax shelter system, which is temporary, extended until 31 August 2021 and was open to all SMEs that have been affected by the Covid-19 crisis. The tax shelter allows a reduction of 20 per cent in tax if shares were acquired in an SME whose turnover for the period 2 November 2020 to 31 December 2020 decreased by at least 30 per cent.

- An increased investment deduction (25%) for investments made between 12 March and 31 December 2022.

- An increase from 50 to 100% for the deduction of costs related to organising events and catering until 31 December 2021. This avoids a massive postponement of events until next year, which could cause even more problems for the already severely affected sector. On 23 April 2021, the government announced restaurant and catering services would be subject to a reduced VAT rate of 6 per cent between 6 May and 30 September.
2021, including alcoholic beverages. A similar relief was provided from 8 June 2020 to 31 December 2020, except for the provision concerning alcoholic beverages.

- **Suspension of the VAT advance for December 2020 and 2021.** As a reminder, companies are normally required to pay an advance before 20 December, and this will be postponed by one month. The aim is again to improve companies' liquidity.

- An increase from 10 to 20% of the share of net income eligible for tax deductions for donations. At the same time, the tax reduction for donations to approved institutions will be increased from 45% to 60% in 2020. The latter provision is aimed at the voluntary sector and will support NGOs and non-profit organisations whose activities of general interest have been severely affected by the crisis.

On 23 June 2021, the European Commission endorsed Belgium’s recovery and resilience plan of €5.9 billion in grants under the EU’s Recovery and Resilience Facility. The Belgian plan is structured around six pillars and contains 85 Belgian investment and 36 reform projects: climate, sustainability and innovation; digital transformation, mobility; social and inclusiveness; economy of the future and productivity; and public finances. Projects in the plan cover the entire lifetime of the Recovery and Resilience Facility until 2026. The Belgian plan allocates €3.1 billion to green, €1.5 billion to digital and €1.4 billion to other areas. See the Plan [here](#).

**Regional government supports**

All regional governments (Flemish, Walloon and Brussels Capital region) have put general supporting measures in place that provide for a cash stimulus for businesses forced to entirely or partially close during the COVID-19 outbreak and for sectors badly hit.

**Flemish region**

The Flemish government increased flexibility in deadlines for support measures and subsidies including the VLAIO-subsidies, STRES & STS applications and SME growth subsidy up to 31 December 2021. In addition, the Covid Strategic Transformation Support for Businesses that have invested in Covid-19 relevant products & services is available until 1 November 2021. An updated overview of measures put in place by the Flemish region in response to the crisis can be found [here](#).

**Walloon region**

The Walloon region increased flexibility in terms of conditions for support measures and subsidies. Its programme ‘Ré-Action’ provides legal, financial and economic support for micro-businesses (less than 10 employees) while mediation services have provided support to independent workers and SME’s with regard to bank credit.

An updated overview of all measures taken by the Walloon region in response to the crisis can be found [here](#).

**Supporting enterprises, jobs and incomes**

Immediately at the start of the COVID-19 pandemic, since 13 March 2020, a specific “corona
The option of temporary unemployment due to force majeure, which existed already before the pandemic hit, was relaxed, and enhanced given the impact and duration of the pandemic. At its peak, it was used by over 1.3 million workers in 2020.

From a macroeconomic perspective, the temporary unemployment measure has a stabilising effect and helped Belgium to navigate through challenging times during the monetary crisis in 2008, after the terrorist attacks of 2016 and again during the COVID-19 pandemic and (semi) lock-down periods. Its objective is to keep purchasing power and retain employment.

Companies can invoke temporary unemployment due to force majeure corona upon proof that it is linked to the coronavirus. It has been extended to interim workers (among other non-standard contracts) and since May 2020 to workers and artists in the cultural and amusement sector for work and contracts lost due to cancelled events/festivals. It can also be invoked for employees of Belgium-based companies stranded abroad or placed in quarantine after returning from an infected region.

Workers in temporary unemployment will receive an advance of €1450 while their dossier is being processed by the RVA/ONEM (the National Employment Office of Belgium). The worker receives 70% of his capped average remuneration (before 65%), with 5,63 €/day (increased to €5,74/day since 1/9/2021) of unemployment from the RVA/ONEM. The cap is fixed at €2754 monthly remuneration (increased to €2840,84 monthly since 1/9/2021). A lower professional withholding tax of 15 per cent (normally 26.75 per cent) is deducted from the benefit. Certain joint committees can also provide additional supplement. See FAQ and the latest update.

The system has been further extended as well as adapted (starting September 2020). From that date, two systems applied (one for companies or sectors considered to be very badly hit and one for companies less impacted but still requiring the measure. Badly hit sectors such as the audio-visual sector, the entertainment companies, the socio-cultural sector, the taxi sector, the hotel industry, the tourist attractions sector were automatically recognised. Due to a second wave of the pandemic, the Government decided on 6 November 2020 to reintroduce a simplified procedure regarding the temporary unemployment mechanism for "force majeure", notwithstanding the type of employer or whether the sector was hardly hit or not. This simplified procedure is in place until 31 December 2021.

Temporary unemployment due to force majeure corona can be a complete suspension of the execution of the employment contract (e.g. due to an imposed closure); or a partial suspension of the execution of the employment contract. In this case, the employee can still work a few days a week. Thus, there is a deviation from the strict definition of the concept of force majeure.

In addition, as a general measure to protect income of workers, the digressivity of unemployment benefits has been frozen until the end of August 2020 and this measure - upon unanimous advice of the social partners - has been extended until 30 September 2021.

Employers can grant their employees a supplement on top of the unemployment benefit they receive. This supplement can be granted free of social security contributions provided that the general principles that apply to such supplements are respected. This means that granting a
supplementary allowance to an employee may not result in the employee receiving more net salary compared to a period of normal employment.

**Extended social protection for self-employed workers**

A temporary bridging right has been introduced for the self-employed who had to suspend their activities. There is the "Double corona bridging right" (until end of September 2021), the "Crisis bridging right-decrease in turnover" (could be applied until 30 September 2021 for those facing a 40% decrease. From October to December 2021, it can be applied in case of a 65% decrease in turnover) or the "Crisis bridging right-quarantine/care child (until end of December 2021). The ‘double corona bridging right’ is now at € 2687.47/month for a self-employed without a family or € 3358.62/month for a self-employed with family. The ‘Crisis bridging right-decrease in turnover’ is € 1343.87/month for a self-employed without a family or €1679.31/month for a self-employed with family. A dedicated budget of €500 million was adopted to this effect. Self-employed workers can defer the payment of social security contributions by 12 months.

Anyone who has received a financial allowance under the temporary crisis measures for at least six months during the period from 1 October 2020 to 30 April 2021 can receive, under certain conditions, a one-time allowance of €598.81. This allowance provides additional support to the self-employed who have been hit hard by the COVID-19 crisis.

Self-employed workers are now covered as of day 1 (instead of day 8) of sickness by the incapacity for work benefit.

Some measures have been taken in the summer of 2020 to maintain spending power for the people, but also for the economic activity. The measures include

- A consumption voucher of € 300 aimed at the worst affected industries. This voucher can be granted by employers for the purchase of goods and services in the hospitality industry, the cultural industry, etc. This cheque is 100% deductible and tax-free.

- Additional support of 6 times € 50 per month to living wage earners, people with disabilities and people entitled to an IGO/GRAPA (income guarantee for the elderly).

- Every Belgian resident could apply for a rail pass (NMBS/SNCB) for 10 train rides. Moreover, additional support for the Public Welfare Centres (OCMW/CPAS) will be provided through a further temporary 15% increase in the Federal Government’s reimbursement rate and the Government made an envelope available of €100 million for Public Welfare Centres (OCMW/CPAS), which will be earmarked for vulnerable people to extend the benefits of the social measures to a wider public, particularly to combat energy poverty. To cover the running costs related to the additional workload, Public Welfare Centres received an additional €10 million in support.

**Public employment services**

During the confinement period, VDAB, Forem and Actiris (PES in Belgium are organised at regional level) have been prioritising job vacancies via hashtag #covid19 to support employers in key sectors. They issued recommendations on how to recruit without physical presence and enhanced their online services with online coaching sessions for jobseekers and over 300 on-line training opportunities.
Assistance to business

Under the coordination of the National Bank of Belgium and the Employers Organisation of Belgium, FEB/VBO, several federations representing enterprises and the self-employed joined forces to conduct a large-scale survey every week. Results of the Economic Risk Management Group (ERMG) surveys lead to examine the impact of the coronavirus crisis on economic activity in Belgium and on the financial health of the Belgian companies questioned. These surveys can be consulted here.

Between October 2020 until July 2021, the National Bank of Belgium published each month, together with the partners of the Economic Risk Management Group (ERMG), a complete set of indicators in the form of an economic COVID-19 dashboard. It maps the situation of companies as well as the financial sector and households. Find the monthly reports here.

Sector supports

The government adopted a series of additional support measures to facilitate the employment of employees, specifically in the critical sectors and in the vital sectors.

Healthcare and education: Employers in the healthcare sector and the education sector and covid-19 tracing centers, can freely conclude successions of fixed-term contracts with employees in temporary unemployment, without fearing the establishment of an unlimited term contract as normally provided for in article 10 of the Act of 3 July 1978. The contracts must have a minimum duration of 7 days. Employers are now authorised to lend out their workers with a contract of unlimited duration, to a user company (in the healthcare sector, the education sector and covid-19 tracing centers). This system is only possible for workers who were employed before 1 October 2020.

As a result of negotiations between the Trade Unions in the Healthcare sector, the Employers federations of Health care sector and the Government as subsidising entity, the Federal Government has agreed to an increased budget allotted to the Federal Health Care Sector to finance recruitment of extra staffing (to address the problem of under staffing - almost 4000 extra jobs) and a 6% wage increase for staff in the Federal Health Care sector (Hospitals - Nursing services at home).

In November 2020, an agreement has been reached through tripartite dialogue (Government as subsidising partner) on how to allocate an extra budget of € 600 million adopted by the Federal Government in acknowledgment for the efforts made by workers in the health care sector in hospitals during the pandemic. It resulted in an agreement to give a non-recurrent premium (prime d’encouragement) to each hospital worker of € 985 gross. Each worker in the federal care sector will also receive a voucher of € 300 for general consumption. An increase of psychological support for health care workers during the second wave of the pandemic has also been decided to prevent - among others - burn-outs.

A similar wage increase for staff in the regional health care sector governed by the regional authorities (e.g. elderly homes, family care, etc...) has been adopted.

A sectoral Flemish Framework Agreement has been concluded between social partners and the Flemish Public Employment Service (VDAB) in the second wave of the pandemic (end of October
2020) to allow temporary contracts to students/workers from other sectors that are closed on temporary unemployment benefit schemes/jobseekers willing to alleviate the administrative and logistical burden/tasks of the workers in the care sector during the pandemic. The VDAB created a specific platform “Help in de zorg!”. Examples of tasks that were identified: bringing meals, welcoming visitors, disinfecting material, call centre support, entertainment of residents and patients, etc.

Protecting workers in the workplace

OSH

COVID-19 has been added to the ‘list of biological agents’ in the Belgian Well-Being at Work Code. This requires an employer to conduct a risk assessment regarding the risk of exposure by an employee to SARS-CoV-2 in the workplace, if an employee is deemed to be at risk, the employer has an obligation to provide them with the opportunity to get vaccinated.

At the start of the crisis, companies were recommended to organise working from home for every position where this was possible, until further notice. Subsequently, as the pandemic evolved and a second flare-ups occurred, teleworking became mandatory. The “working from home rule wherever possible” entered into forced as of 19 October and was maintained throughout – even in times were covid-19 cases decreased – until 9 June 2021.

During the teleworking period, the following applied:

- If teleworking was not possible for certain employees, social distancing had to be respected strictly. This rule applied both to the performance of work and to transport organised by the employer. If companies could not meet these obligations, they had to shut down.
- If the authorities found that the social distancing measures were not being complied with, first a heavy fine would be imposed on the company; in the event of non-compliance after the fine has been imposed, the company would have to shut down.
- These provisions did not apply to key industries and essential services. However, they had to ensure that the social distancing rules were respected as much as possible and had to encourage telework where feasible.

The National Security Council adopted a 3-phased exit-strategy with de-confinement measures featuring possibilities for business, shops, services and schools to re-open gradually, see Ministerial decrees of 30 April 2020, 8 May 2020 and 5 June 2020.

In October 2021, the federal phase of the COVID-19 crisis was ended by the National Security Council, shifting the power for decision-making to regional authorities.

Employers are responsible for monitoring and evaluating health risks and for taking any necessary action. The prevention adviser/occupational physician allocated to the enterprise assists in taking preventive measures.

A generic guide “Safe at work” sets out measures for combating the spread of COVID-19 at
work. It has been elaborated by the social partners of the National Council for Occupational Safety and Health at Work in collaboration with the ERMG, the Federal Minister and Ministry of Labour. It was validated by the National Security Council as part of the Exit Strategy of phase 1 on 24 April 2020. Social dialogue at enterprise level is underlined as key to safely start-up or increase business.

The national guide includes several generic recommendations such as: provide means for regular handwashing (no obligation to provide hydroalcoholic gel), ask employees to clean their hands as soon as they enter the work premises and leave it; put in place collective protective gears and, by default of such gear, individual protective items (put the priority on installing collective equipment such as partition made of Plexiglas, ribbons, ground markings, etc.); limit as much as possible the number of employees working in the same room; Spread the start and the end of work day, and review the layout of the cafeteria so that the rules of social distancing can be observed.

Several joint committees have issued sector specific recommendations to put in place to prevent the coronavirus infection when returning to work. Some examples of sectors who have adopted sectorial guides: garages, chemical industry, food industry, paper and cardboard manufacture, relocation, International commerce and logistic, audio-visual sector, retail, surveillance and guarding, health establishment and health services, investment banking. See here the [guide for retail](https://www.ministere-du-travail.gouv.be/covid-19) and more than 60 other complementary sectoral guides elaborated through social dialogue at sectoral level (on the Ministry of Work COVID-19 portal).

Every employer had to design a concrete plan to prepare the return to work and he must do so in consultation with the following bodies (if existing within the company): The committee for prevention and protection at work (by default of the first) the union delegation, (by default of the second) the employees, and the prevention counselor (external or internal).

In addition, new more stringent norms would apply for ventilation of indoor workspaces and spaces for public use (schools - horeca – entertainment - sport clubs etc).

The generic guide "Safe at work " has been finalised and adjusted regularly by the social partners in the National Council for Occupational Safety and Health at Work (e.g., press release of version 3.0). In October 2021, version 7.0 was adopted. An overview of the modifications can be view [here](https://www.ministere-du-travail.gouv.be/covid-19).

In addition, the Federal Public Service has elaborated a [guide for the opening of businesses](https://www.ministere-du-travail.gouv.be/covid-19) for the reopening as of 11 May 2020 and a [guide for the Safe restart of Hospitality](https://www.ministere-du-travail.gouv.be/covid-19) for the reopening of hotels, restaurants and cafes as of 8 June 2020.

**New work arrangements**

On 11 April 2020, the Government has decided a number of flexibility arrangements for key industries and essential services :

- more flexible overtime: 120 extra voluntary overtime hours, bringing the total to a limit of voluntary 220 hours of overtime
- Non-charge of student work during certain quarters to the annual quota of 475 hours
- Exchange of workers between companies on a voluntary basis with respect for equal work for equal pay
- Successive temporary contracts for the period of the confinement
- Government decision of 12 June 2020: Companies undergoing restructuring or in difficulty will be able to reduce working time pending the resumption of their normal activities and to avoid redundancies, either by means of a collective reduction in working time, or by means of the time credit or end-of-career time credit, for which access with benefits will be lowered from 57 to 55 years of age.

**Teleworking**

One of the measures from the federal government to counter the covid-19 virus was compulsory telework where it was possible. Homeworking remained mandatory until 9 June 2021 for all employees who can perform their tasks via telework. For the employees who cannot perform telework, social distancing and prevention measures needed to be taken at the workplace. As of 9 June 2021, employees could return to the office for maximum one day per week and as of 1 July 2021 telework is no longer be mandatory, but will remain recommended, of course, subject to the evolution of the pandemic.

A regulatory framework for teleworking and is already in place. In addition, a temporary tax exempt office allowance of €144.31 per month (previously €129.48 as of 1 April 2020) for teleworking to cover the costs of heating, electricity, small office equipment or other necessary facilities at home can be granted free of social security contributions to all employees who work from home, including those who did not work from home prior to the pandemic situation, and therefore without the employer and employee having concluded a formal telework contract beforehand.

As of 19 October 2020, teleworking became the standard (mandatory wherever possible). Consultations were held between the Government and employers’ federations to set up an awareness-raising monitoring system (through a corona teleworking declaration made by the employer), to ensure the rule of working from home was applied wherever this was needed. It also included possibilities for the Employer to organise physical come-backs at regular intervals to foster the link between the staff and the enterprise and in order to avoid alienation and isolation. The labour inspectorate undertook a campaign of enterprise controls on the mandatory teleworking during the months of January and February 2021.

Since April 2021, employers must notify the National Social Security Office each month of the number of employees they employee and how many of these workers perform telework and how many have a function that doesn’t allow them to perform telework. This data is used by the labour inspectorate to verify that employees who can telework are at home and not at the office.

Since 9 June 2021, employees can return to the office for a maximum of one day per week.

Since 1 July 2021, the corona teleworking declaration no longer applies and teleworking is no longer compulsory but remains highly recommended for employees whose function allows it, particularly in the Brussels-Capital Region. Professional meetings (briefings, seminars) can be
held while respecting strict conditions (hygiene measures, face mask, social distancing, ventilation). The number of participants is limited to the available room capacity, taking social distancing rules into account.

Since 1 October 2021, the federal phase of the pandemic has ended, and regions are from now onwards responsible of taking measures.

Since 1 October 2021, the Flanders region - which has a very high vaccination rate among its population - has lifted the measures regarding face masks. They are no longer required at the workplace. However, in Brussels and Wallonia the stricter measures still apply.

Government decision of 12 June 2020: The costs incurred by people working from home will be more easily reimbursable, up to a maximum of €127 per month, with a view to achieving a better work-life balance in the future.

See also the section on social dialogue for the Interprofessional Labour Agreement on Telework in COVID-19 period.

Since homeworking was mandatory for all companies that can make their employees work from home, Belgium reached an agreement with the Netherlands, France, Luxemburg and Germany, as regards the DTT that the normal cross-border work pattern can be invoked as a fiction during the so-called COVID-19 period.

**Access to paid vaccination leave**

If an employee receives an invitation to get vaccinated during working hours, they will receive their normal salary during this day. The employee is entitled to remain absent for as long as necessary, including travel time. An employee must show proof of appointment to their employer upon request.

**Access to paid sick leave**

If an employee is hospitalised abroad, this is not counted as temporary unemployment but as incapacity for work. In this case, the employer is obliged to pay the guaranteed salary in accordance with the applicable provisions. If the incapacity lasts longer than one month, the employee is fully covered by health insurance.

**Prevent discrimination and exclusion**

- The unequal treatment of employees based on vaccination is considered a discrimination based on health status and is prohibited by law. An employer cannot forbid an unvaccinated employee from entering the workplace or exclude them from the physical workplace. Such an action would constitute a form of discrimination and leave the employer open to liability.

- An employer cannot offer financial incentives or any other benefits to their vaccinated employees or to employees to get vaccinated as this would be considered a form of health-related discrimination.

- An employer cannot assign different duties to a non-vaccinated employee if they are not considered high-risk activities but may do to protect health and safety of the employee or
third parties where there is a high-risk. If an employee’s employment is terminated for the sole reason of not being vaccinated or for not providing information as to their vaccination status, this action would constitute a ‘manifestly unreasonable’ dismissal and open the employer to liability on discrimination.

- See also the unanimously agreed text within the National Labour Council and the High Council on OSH on non-discrimination of workers based on vaccination status.

**Provide health access for all**

- There is no mandatory obligation on an employee, or a particular group of employees such as healthcare workers, to be vaccinated against COVID-19.

- Since 9 April 2021, a Special leave for vaccination has been put in place as an emergency measure until 31 December (extendible to 1 July 2022) and it has given employees the legal right to be absent from work, with pay, for the time necessary to receive the vaccine. Proof of appointment is necessary. This measure was taken by the Government following an advice of the National Labour Council.

**Relying on social dialogue for solutions**

At the start of the crisis, a joint declaration on tackling the socio-economic impact of the COVID-19 crisis of employers and workers organisations represented in the National Labour Council (bi-partite body) has been issued. As a follow-up, the Council has reached agreement on the following:

- A unanimously agreed advice and inter professional collective labour agreement (nb 147) on relaxing and enhancing the temporary unemployment due to “force majeur”

- An unanimously agreed advice on postponing the social elections at enterprise level

- An unanimously agreed advice on extending the validity of the electronic meal vouchers, eco vouchers, sports and cultural vouchers and gift vouchers by six months,

The federal government has acted upon all three unanimous advices.

In its report on the implementation of Convention 144 "Tripartite consultations", dated 14 July 2020, the National Labour Council expressed its concerns regarding the commitment of the government to social dialogue and the principles of C.144. In particular, it observed that important decisions where taken by the Government [note: this was the minority Government that was in place until October 2020] based on the special powers received from Parliament during a period of 6 months to deal with the impact of coronavirus on Belgium’s health system and economy. This allowed the Government to sidestep the normal legislative process. The National Labour Council regrets however that during this 6-month period the Government did sidestep also the usual consultative process with the social partners on very important decisions involving workers and employers whereas often a unanimous advise was given by the social partners.

The National Labour Council has a comprehensive COVID-19 webpage with all socio-economic
measures and initiatives of the different entities at regional, national, European and international level.

The National Labour Council has concluded other interprofessional Collective Labour Agreements related to the pandemic in 2021:

- Faced with a situation of mandatory teleworking imposed by the Government as one of the measures against the spread of the Corona-virus, social partners have engaged in collective bargaining to agree on the modalities tailored to this specific situation.

  This has resulted in the conclusion of the Interprofessional Collective Labour Agreement nb 149 concluded 26 January 2021 in the National Labour Council on teleworking during COVID-19 which will be valid for the timeframe of the pandemic.

- A special leave to employees (of the private sector) for the purpose of the vaccination. See the CLA concluded 5 February 2021. See the CLA here.

- See also the unanimously agreed text within the National Labour Council and the High Council on OSH on non-discrimination of workers based on vaccination status dated 29 June 2021.

- On 15 October the National Labour Council issued an advice reflecting differing opinions between the workers and employers organisations on questions regarding the principle and the modalities of mandatory vaccination of workers in the health care sector.

Other social dialogue bodies have taken action during the pandemic:

At the start of the pandemic, the "Group of 10" (top leaders of the Employers and Workers Organisations) made a joint call to respect the safety measures at the workplace and drafted recommendations on social distancing. It stressed the importance of the use of social dialogue. It also clarified in a joint statement certain aspects around the regulation on incapacity for work with regards to the regulation on temporary unemployment. On 28 May 2020 the Group of 10 urged the Government to extend certain measures such as temporary unemployment for force majeure and the bridging right for self-employed until 31 August, and to introduce a new measure such as the extraordinary corona parental leave; see the unanimous agreement. The government has extended the measures as per this recommendation on 6 June 2020.

Another unanimous advice of the Group of 10 was reached on 18 June 2020 with regards to the extension of the the Corona measures such as the Temporary Unemployment Benefits for Force Majeure (COVID19) without exceptions to all sectors, and not just the hardest hit sectors until 31 of December 2020, as well as the extension of measures regarding the Corona parental leave, the freezing of the regressivity of unemployment benefits, the special measures for artists etc. The minority government in place followed this advice partially and acted upon a certain number of them.

Several advice and consultations upon the request of the Government or at own initiative have taken place on the mitigating measures. On 7 September 2020 the Group of 10 has committed to
elaborating an overarching Action plan for the Recovery and reached agreement on 2 immediate main priorities for a such Recovery Plan: investments in digitalisation and a future-proof labour market and public investments in priority sectors such as mobility, energy and telecommunications.

Based on the agreements between the "Groupe of 10", the National Labour Council agreed upon several key mitigating measures on 11 September 2020. After consultations at various levels, including with the "formateurs" of the new coalition government, the proposed measures and plan of the "Group of 10" and the National Labour Council were fully integrated in the Agreement of the new (majority) Federal Government.

The new Federal Government has immediately started with the implementation and has acknowledged the importance of social dialogue and consultation of social partners in the dealing with the crisis and in designing a plan for the recovery phase.

In the meantime, several Corona measures such as the Temporary Unemployment Benefits for Force Majeure (COVID19) without exceptions to all sectors, and not just the hardest hit sectors, have been extended to 30 June 2021, as well as the freezing of the degressivity of unemployment benefits which were extended to 30 June 2021. The Corona parental leave ended 30 September 2020.

An Economic Risk Management Group (ERMG) has been put in place by the Federal Government to map out the scale of the consequences for the economy and for the financial sector, to detect risks in time and to formulate recommendations for support measures. Within its eight working groups, it brings together representatives of major economic interest groups, the financial sector, public bodies, the Communities and Regions, academics and social partners. The ERMG was a temporary structure (see also section 1) and it ended its activities in July 2021.

At sectoral level, several joint committees (bi-partite bodies of representative workers and employers organisations) have issued joint declarations with specific recommendations for their sectors. They call for an intensified social dialogue at enterprise level to tackle all difficulties at enterprise level created by the COVID-19 crisis, to implement the measures taken by the Government and to preserve employment. For example the Food industry and the Logistical sector.

The generic and more than 50 sectoral guides "Safe at Work" are the result of social dialogue (see above)

The social partners of the social non-profit sector in Flanders have elaborated framework agreement allowing employers in the care sector to exchange workers in order to tackle the COVID-19 health crisis. This is done on a voluntary basis by the worker, without any changes to his/her employment conditions (wage). In addition, on 28 October 2020, the social partners of the social non-profit sector have also agreed that workers on the temporary unemployment scheme can work in a care institution to help with administrative and logistical tasks to deal with the increased pressure on the public health care system. This is facilitated by the Public Employment Services VDAB through a platform Helpindezorg (Help the care sector).

In addition, several sectors have concluded a sectoral collective labour agreement introducing
an additional premium on top of their economic unemployment benefits that is related to the COVID-19 crisis and/or any of the measures implemented by the government (for example, closures). For ex. joint committees in the metal sector 209 for white collar and 111 for blue collars, the joint committee for taxi companies in the transport sector.

**At workplace level,** Work Councils and/or Committees for Health and Safety play an active role. **Collective bargaining at company level** has resulted into additional measures to compensate for hardship during the COVID-19 crisis, for example the Lidl and Colruyt group (Retail sector) have concluded such collective agreements.

**Other measures**

Regarding **schools,** all lessons with physical presence in school were suspended from mid-March until mid-May 2020. Education took place through distance teaching. Selected grades and target groups returned to school as of 18 May 2020 or later for the remaining of the school year (until end of June) and with protocols on social distancing, mandatory face masks, reduced number of students in the classroom etc.

During the summer holidays, special summer classes were organised for kids to catch-up on their learning objectives.

As of September 2020, the situation went back to physical classes in preschool, primary schools and secondary schools, with protocols in place. Masks are mandatory for teachers and school staff and for students aged >12 years (i.e. in secondeary schools and above). Post-secondary school such as universities had a hybrid approach and based on the evolution of the pandemic. Several Post-secondary schools and universities decided to continue distance learning as much as possible.

Mid-October 2020 post-secondary education went back to distance-learning and higher grades of secondary schools went partially back to distance-learning.

Throughout the (semi)lockdown period, schools organised childcare for children of medical and healthcare staff and staff working in safety and security roles (public safety and security). Nurseries were allowed to remain open and follow adjusted protocols on hygiene and contacts. During the gradual de-confinement, childcare in schools has been extended to other groups.

**Extraordinary corona parental leave**

An extraordinary corona parental leave for parents with children below 12 years old was put in place for the period 1 May to 30 September 2020. The Employer has to agree to it. It has been made available to allow parents to better combine teleworking and caregiving responsibilities. By Government decision of 12 June, access to corona parental leave has been extended. This scheme ran until 30 September 2020 with benefits that were increased to 150% for single-parent families and families with a disabled child. See **FAQ**.

Starting 1 October 2020, the corona parental leave has been substituted by access of working parents (in an employment relationship) to the temporary unemployment schemes "force majeure" based on school closures and quarantine measures. The extension of the autumn
school holidays does also qualify as a school closure. See more [here](#).

For the self-employed a similar measure has been developed: a Corona Parental Premium for self-employed if they had to reduce their activities to take care of the kids due to the pandemic (school closure). For the months of May and June (Government decision 16 May 2020 - [Royal decree of 4 June](#)) and extended on 13 June the Government for the months of July, August and/or September. See [here](#) for more details.

**Corona credit-temps and Corona early and soft retirement plan**

These schemes are available to employees working in enterprises facing economic difficulties to be on leave for 1 to 6 months (for the period 1 July 2020 to 31 December 2020). It is complementary to the existing Ordinary Credit-temps scheme. The Corona early and soft retirement plan is for employees >55 years and with >25 years of employment. See [here](#) for more information and see also the unanimous advice of the Group of 10 and of the [National Labour Council of 7 October 2020](#).

**Vulnerable groups - Fight against social exclusion and poverty**

See the updated overview (4 June 2020) of the Federal service of all the [new social measures](#) (food - accomodation - energie - water - social protection - basic social income - etc) taken by the different public authorities at Federal and Regional level in Belgium to fight against social exclusion and poverty in times of COVID-19. The overview includes also specific measures for persons with disabilities, homeless, prisoners etc.

**Healthcare workers Consumption Voucher**

The government introduced an extra-legal advantage or benefit that can be used by employers to motivate and boost morale of healthcare workers up to 30 June 2021. The vouchers could be used in places such as hotels, restaurants, bars, cultural institutions, and sport. Similar to eco vouchers and meal vouchers, the consumption voucher is not subject to social security and withholding tax.

**Suspension of the notice period** given by the employer during a period of temporary unemployment due to force majeure due to the corona crisis

Since 22 June 2020, the usual rules regarding notice period change in cases where the force majeure is due to the corona crisis.

In the event of termination by the employer before or during a period of suspension of the execution of the employment contract due to force majeure resulting from the corona crisis, the notice period will cease to run during that suspension. The notice period will only start (again) when the employee returns to work. In these circumstances, the originally foreseen end of the notice period will only fall at a later point in time.

**Equalisation of new periods of absence for the extension of maternity leave**

The following periods of absence that take place from the sixth week up to and including the second week before the birth are now also assimilated to periods of work for the extension of the leave
• temporary unemployment due to force majeure (art. 26 of the law of 3 July 1978 on employment contracts);
• economic unemployment for white-collar workers (art. 77/1 to 77/8 of the law of 3 July 1978 on employment contracts)
• incapacity to work (art. 31 of the law of 3 July 1978 on employment contracts)
• complete removal from work (Articles 42 to 43 of the Labour Code of 16 March 1971)

Assimilation to days actually worked of the days of suspension of work due to temporary unemployment as a result of force majeure caused by the coronavirus in the system of annual leave of the employees for the period

For the purposes of annual leave, days of temporary unemployment due to economic reasons are counted, but days of temporary unemployment due to force majeure are not. These days are now assimilated for the Corona period. By considering these days of temporary unemployment as days worked, they are included in the calculation of the duration of the annual holiday and the amount of the holiday allowance.

Activities of workers' organizations

Summary

• Most Covid-19 measures thus far have been negotiated on a bipartite between social partners or on a tripartite basis with the government. Measures include temporary unemployment schemes due to ‘force majeur’ or economic reasons. Both were set at 65% of the capped average remuneration (capped at EUR 2,754.76 per month). Until June 30, 2020 the amount of temporary unemployment benefit is increased to 70% of the average earnings. Support for self-employed workers involves largerly reductions or waivers of social protection contributions. For dependant self-employed, income support is foreseen at 1.614,10 euros per month. Trade unions continue negotiating and claiming measures to maximize protection for workers, especially for those who must go to work and cannot telework, and further measures to minimize job and revenue losses.

• The FGTB called for additional measures to protect workers and their wages amidst the crisis. The union recommends to encourage as much mobile work as possible, while ensuring the safety at work that is deemed essential with additional support given to these sectors (health, transport, energy, etc.). In regard to wage and temporary unemployment coverage, it calls on to extend benefits from 70% to the actual wage; to expand access to temporary unemployment benefits to all workers; and to take measure to protect pregnant women amongst other.

• The CSC issued demands to the government to protect workers in temporary unemployment and increase their benefits regardless of their employment status, e.g. for temporary workers. In that regard, the proposals go beyond the government commitment to increase benefits from 65% to 70% of the average capped salary until June 30, 2020. The CSC calls on for wages to be maintained if a worker is asked to stay at home by his/ her employer
The CGSLB provides help and assistance to temporarily unemployed workers as well as to all others workers affected by the Covid 19 crisis, whether they have seen their working conditions change (e.g. teleworking) or have remained - in large numbers - at work, on the front line. The role of the social partners in supporting the resumption of activity should also be stressed, in the context of the introduction of a generic guide to safe working.

In particular, in addition to the requests and reactions made by the three trade union organisations, CGSLB has also asked for a space to be opened up with regard to the introduction of a specific allowance for front-line workers.

Sources:


Activities of employers' organizations

The FEDERATION OF ENTERPRISES IN BELGIUM (VBO-FEB) established a dedicated website with information on: e.g. temporary unemployment, support measures for enterprises, restrictions in business activity, telework, health and safety.

VBO-FEB has intensified contacts with members through video meetings, daily dissemination of FAQs, surveys, and answers to individual questions.

VBO-FEB participated in the elaboration of a good practice guide on preventive measures to accompany safe return to work, issued on 23 April by the Council for Prevention and Protection at Work.

VBO-FEB has requested the federal government to prolong the applicability of the temporary unemployment scheme due to force majeure ("coronavirus" reason) until the end of the year. VBO-FEB is also in favour of maintaining the situation where notice periods apply during the periods of temporary unemployment due to force majeure.

On 3 June VBO-FEB presented its proposals for recovery focused on: promotion of economic growth, demand, investment and competitiveness of enterprises, labour market measures, support for digitalisation, and green economy.

The leaders of the employers’ organizations and the unions (the ‘Group of 10’) meet regularly; issued Joint Declarations on measures to protect the health of workers and to encourage the pursuit of economic activities; and agreed on the principles of social distancing and hygiene rules. They sent their opinion on the “essential” sectors of activity, which government took into account.
On 18 March the social partners concluded the (supplementary) collective labor agreement n°147 on temporary unemployment for economic reasons (white-collars).

---

**Bosnia and Herzegovina**

**Stimulating the economy and employment**

Support to specific sectors, including the health sector

*Bosnia and Herzegovina (BiH):*

30 April 2020

BiH OG 24/2020 Decision on Amendments to the Decision on the exemption from calculation and payment of indirect taxes and return of already paid indirect taxes on donated equipment and resources for the prevention, suppression and elimination of epidemics.

This Decision extends the list of items subject to the exemption indicated in the Decision of 3 April to medicines and ambulances.

3 April 2020

BiH OG 20/2020. Decision on the exemption from calculation and payment of indirect taxes and return of already paid indirect taxes on donated equipment and resources for the prevention, suppression and elimination of epidemics.

The Decision provides the exemption from calculation and payment of indirect taxes and refund of already paid indirect taxes on equipment, and funds donated by domestic and international entities for the prevention, suppression and elimination of the epidemic (face masks, gloves, disinfectants, protective suits, mechanical medical ventilators - respirators, etc.) during the state of natural or other disaster in the territory of BiH. The exemption from calculation of indirect taxes, i.e. refund of paid indirect taxes applies only if the donation is provided to public bodies in BiH at all levels of government responsible for protecting human life and health.

*Republika Srpska (RS):*

28 December 2020

RS OG 129/20. Decree on Amendments to the Decree on the conditions and manner of using tourist vouchers in catering facilities.

7 December 2020
RS OG 120/20. Decree on the procedure on allocation of funds to caterers providing accommodation services, and travel agencies, and art performers to reimburse financial loss due to the consequences of the virus pandemic.

Business entities registered in RS are eligible to funds if they have not reduced the number of employees more than 15%, comparing the number of employees on 31 August 2020 with 29 February 2020; which have suffered a financial loss implying an average decrease in turnover in the period July-September 2020 of at least 40% and more as compared to the same period in 2019; and which have paid taxes and contributions on wages for each full-time employee or entrepreneur who is not a contributor or beneficiary of pension rights, including on 30 June 2020.

When determining the scope of reduction of the number of workers, the following are not taken into account: workers whose fixed-term employment contracts have expired; workers who have exercised the right to a pension; and workers who terminated employment contracts. Exceptionally, for business entities that were not registered or did not perform activities from July to September 2019, the turnover decrease from the same period in 2020 is compared with the average turnover in December 2019, and January and February 2020.

16 November 2020

RS OG 114/20. Decree on Amendments to the Decree on the conditions and manner of using tourist vouchers in catering facilities.

14 October 2020

RS OG 102/20. Decree on the procedure on allocation of funds to business entities in support of investment projects in business conditions caused by the corona virus pandemic.

The purpose is to support business entities (companies and entrepreneurs registered in RS) in the implementation of their investment projects through the allocation of funds from the RS Compensation Fund (which are allocated to economic entities in order to eliminate business difficulties caused by the pandemic).

Funds are allocated on the basis of two programmes:

1) Programmes for business entities which generated business revenues up to US$ 1,8 million in 2019, employ 5 to 50 workers, and participate in a project of at least US$ 30 thousand, and

2) Programmes for business entities which generated business revenues more than US$ 1,8 million in 2019, employ 50 and more workers, and participate in a project worth at least US$ 60 thousand.

A business entity may apply for one programme only and has the right to funds if a project aims at the procurement of modern technologies and equipment.

5 October 2020

RS OG 98/2020. Decree on the procedure on allocation of funds to business entities in the field of
international road transport of persons and provision of airport services to recover financial loss due to the effects of the Corona virus pandemic.

The purpose is to provide support for June and July 2020, to maintain the liquidity of business entities that have suffered a financial loss because of the consequences of the Corona virus pandemic.

10 September 2020

RS OG 89/2020. Decision on interim measures to micro-credit organizations aimed at mitigation of negative economic consequences caused by the covid-19 viral disease and preservation of the stability of the RS micro-credit sector

- Granting relief to clients affected directly or indirectly by the negative effects,
- Special rules for credit risk management,
- Measures aimed at preserving micro credit organizations' capital.

This Decision replaces the previous Decision on interim measures to micro-credit organizations (RS OG 30/20 and 56/20).

10 September 2020

RS OG 89/2020. Decision on interim measures aimed at preserving the stability of the RS banking sector

- Granting relief to clients affected directly or indirectly by the negative effects,
- Special rules for credit risk management,
- Measures aimed at preserving banks' capital.

This Decision replaces the previous Decision aimed at preserving the stability of the RS banking sector (RS OG 27/20 and 56/20).

21 August 2020

RS OG 84/20. Decree on Amendments to the Decree on the conditions and manner of using tourist vouchers in catering facilities.

29 May 2020

RS OG 51/20. Decree on the conditions and manner of using tourist vouchers in catering facilities.

The Decree determines the manner of subsidizing the use of accommodation services in catering facilities on the territory of the Republika Srpska, with the aim of encouraging the development of domestic tourism and support to business entities in the field of tourism and catering that have suffered significant damage due to the coronary virus pandemic in the Republika Srpska.
14 May 2020

RS OG 46/2020. Decree-Law on the Compensation Fund of the Republika Srpska

The Decree governs the establishment and operations of the Compensation Fund, which aims to remedy the consequences and difficulties arising from the proliferation of the corona virus caused infectious disease by providing direct support to the RS health sector in order to cover expenditures caused by the proliferation of the corona virus-related infectious disease. By direct support is meant the provision of financial and non-financial assistance, and incentives to remedy the consequences and difficulties caused by the corona virus.

24 April 2020

RS OG 37/2020 and 41/2020. Decision on payment of one-off financial assistance to employees in public health institutions.

All employees of public health institutions who have worked for a minimum of three weeks from March 15 to April 15 will be paid tax and contribution free one-off amount of US$ 560 out of the RS Solidarity Fund.

15 April 2020

RS OG 37/2020. Decision on payment of one-off financial assistance to employees in public health institutions.

All employees of public health institutions who have worked for a minimum of three weeks from March 15 to April 15 will be paid tax and contribution free one-off amount of US$ 560 out of the RS Solidarity Fund.

10 April 2020

RS OG 35/2020. Decree-Law on Tax Measures to Mitigate the Economic Consequences

- The deadline for filing the 2019 annual corporate tax; income tax return and contribution calculation is being extended to April 30, 2020.
- Decisions on deferred payment of tax debt shall not be cancelled during a state of emergency, and no interest shall be charged for that period starting with the instalment due in March 2020.

1 April 2020

RS OG 30/2020. Decision on interim measures granting relief to clients of micro-credit organizations

- Granting relief to clients.
- Special rules for credit risk management.

27 March 2020

RS OG 28/2020. Delayed payment of corporate tax and all liabilities per final account for 2019 to
30/6/2020. Liabilities will be paid in instalments by the end of 2020. All borrowers from RS Investment-Development Bank managed funds are granted a 3-month repayment moratorium of principal and interest with an extension of the repayment period by 3 months. The flat-rate payment of taxes on the total income of small entrepreneurs with one or two employees is reduced by 60 percent.

24 March 2020

RS OG 27/2020. Decision on interim measures aimed at preserving the stability of the RS banking sector

- Granting relief to clients,
- Special rules for credit risk management,
- Preventive measures aimed at preserving banks’ capital.

24 March 2020

RS OG 27/2020. Decision on temporary deferral of payment of tax liabilities on the basis of profit tax, income tax, and fees for the improvement of public forest functions and fire compensation according to the annual tax return for 2019 with March 31 to June 30, 2020.

The deferral of payment refers to economic entities - legal entities and entrepreneurs, who due to prevention measures face difficulties in doing business. Obligations that will be postponed on the basis of this decision, will be settled by taxpayers in instalments by the end of 2020.

Federation of Bosnia and Herzegovina (FBiH):

16 October 2020

FBiH OG 74/20. Decree on Intervention Measures to Support Vulnerable Sectors of the FBiH Economy aims at:

- Job preservation and ensuring critical liquidity in the tourism and catering sector;
- Supporting the initiated infrastructure projects of the modernisation of the airport;
- Maintaining and improving liquidity and competitiveness of export-oriented industries;
- Maintaining and improving liquidity and competitiveness of export-oriented operators in the agri-food sector;
- Maintaining and improving liquidity in the public road passenger transport sector.

Total funding amounts to US$ 54 million (US$ 18 million for the tourism and catering sector; US$ 18 million for the transport and communication sectors; US$ 6 million for the agriculture and food industry sectors; and US$ 18 million for export-oriented companies). A beneficiary in the sectors of industry, tourism and hospitality, agriculture and food and road passenger transport except airports, rail passenger transport and public postal operators is entitled to an amount up to US$ 420 thousand.

Beneficiaries cannot reduce the number of employees by 31 December 2020 as compared to their number on 30 September 2020, with the exception of beneficiaries in the area of the airports and rail traffic and public postal operators.
Financial assistance may be granted to a beneficiary in the FBiH who has suffered a drop in taxable turnover of at least 40 percent from 1 April to 30 September 2020 compared with taxable turnover realized in the same period in 2019, or to an exporter who exported more than 30 percent of total revenues in that year. These terms do not apply to the spas and medical places as well as to beneficiaries who receive direct financial assistance in accordance with this Decree and to the beneficiaries who were established after 30 June 2019.

Ineligible beneficiaries of financial assistance are:

- Beneficiaries who are bankrupt or have been undergoing insolvency or liquidation proceedings;
- Beneficiaries who were requested or ordered to recover allocated funds from the previous period, that were not utilised until the day of the application's submission;
- Beneficiaries who after 1 August 2020 have paid a dividend/profit from previous years, unless the dividend has been paid in the form of the beneficiary’s shares;
- Beneficiaries who have due and unsettled obligations regarding contributions, direct and indirect taxes by 30 June 2020, for which no instalment agreements have been concluded and/or who fail to effectively reconcile due obligations under the concluded agreement;
- Beneficiaries whose main accounts are blocked on the day of the application’s submission;
- Companies with majority state capital and public companies at any level in the FBiH.

20 March 2020

FBiH OG 22/2020. Decision on interim measures granting relief to clients of banks affected by negative effects

- Granting relief to clients.
- Special rules for credit risk management.

20 March 2020

FBiH OG 22/2020. Decision on interim measures granting relief to clients of leasing companies and micro-credit organizations affected by negative effects

- Granting relief to clients.
- Special rules for credit risk management.
- Preventive measures aimed at preserving the capital of banks.

Supporting enterprises, jobs and incomes

Employment retention

Republika Srpska (RS):

2 July 2020
Decision on the guarantee program of economic support for mitigating the consequences of the COVID 19 pandemic caused by the SARS-CoV-2 virus.

The goal of the Guarantee Program is to facilitate access to financial resources for business entities - micro, small and medium enterprises, by issuing a guarantee for securing receivables on a loan approved by a financial organization, i.e. by providing partial protection against the credit risk of these companies, increased by the economic consequences caused by the COVID 19 disease. The maximum loan amount is: for micro-enterprises up to US$ 17.2 thousand, for small enterprises up to US$ 57 thousand and for medium-sized enterprises up to US$143 thousand.

5 June 2020

RS OG 54/2020. Decree on funds allocation to business entities and entrepreneurs who have suffered losses due to the Covid-19 virus-caused disease to remedy the consequences of the Covid-19 pandemics for April 2020.

The Decree aims to support the economy for job retention within the business entities and entrepreneurs which revenues have declined due to the pandemics, whether through partial cessation of operations or reduced business scale.

Partial cessation of operations implies the cessation of work of a certain number of workers, while the reduced business scale implies a drop in revenues in April 2020 of at least 20 percent compared to the turnover in April 2019.

The right to funds can be exercised only on one of these two bases, and the amount of funds is the sum of the minimum salary in the RS for 2020 and income tax and contributions paid on that salary. Funds are approved per employee who did not work in April, or if there was no absence from work, funds are approved for the number of employees that corresponds to the percentage of the drop in revenues.

Funds are also approved for an entrepreneur registered in the form of a basic occupation who does not have employees.

A business entity and an entrepreneur are entitled to the funds, if, in addition to the general conditions, if they have not reduced the number of employees more than 40 percent from 29 to 30 April 2020 if they employ less than 10 employees, or more than 10 percent from 29 February to 30 April 2020 if they employ more than 9 employees. Termination of a fixed-term employment contract upon the expiration of time, or due to the exercise of the right to retirement, as well as the termination of the contract by the employee shall not be considered the reduction in the number of employees within the meaning of the Decree.

The list of business entities that are not approved these funds includes also the business entities and entrepreneurs who due to the ban on activities or who have completely stopped working have the right to the minimum wage and contributions for April 2020 in accordance with the Decree on Tax Measures on Tax Measures for mitigation of the economic consequences of COVID-19 virus disease; the business entities and entrepreneurs registered after 29 February 2020, and those for which cannot be determined if they meet the requirements of the Decree.

Approved funds are paid out of the RS Compensation Fund.
14 May 2020

RS OG 46/2020. Decree-Law on the Compensation Fund of the Republika Srpska  The Decree governs the establishment and operations of the Compensation Fund which aims to remedy consequences and difficulties due to proliferation of infectious disease caused by the corona virus by providing direct support to:

- Entrepreneurs and business entities who suffered or have suffered damage due to proliferation of infectious disease caused by the corona virus.
- The RS Public Employment Institute by subsidizing contributions for unemployment due to proliferation of infectious disease caused by the corona virus.
- Public sector employees who performed work under particularly difficult conditions due to proliferation of infectious disease caused by the corona virus.

Direct support involves the provision of financial and non-financial assistance and incentives to remedy consequences and difficulties caused by the corona virus.

14 May 2020

RS OG 46/2020. Decree-Law on Amendments to the Decree Law on Tax Measures to Mitigate the Economic consequences of COVID-19 Disease

Funds for paid wages, taxes and contributions for May 2020 of employers, legal entities and entrepreneurs, as well as obligations based on contributions of persons who earn income from their own activities, and who were prohibited to perform activities in May 2020 at latest by 11th May 2020 will be provided out of the Solidarity Fund for the RS Recovery.

Employers and persons who earn an income from own activities, and who meet prescribed conditions submit a written request for the restoration of consequences caused by the corona virus at the latest by 10th July 2020 for May 2020 to the RS Tax Authority.

Employees of legal entities and entrepreneurs, as well as holders of independent activity that is performed as primary activity and who were banned to conduct activities in May 2020 at least by 12th May 2020 shall be paid off the amount of the minimum salary, defined by the decision of the RS Government on the amount of the minimum salary, and contributions will be calculated and paid on that minimum salary for May 2020.

8 May 2020

RS OG 44/2020. Decree-Law on Amendments to the Law on Guarantee Fund of the Republika Srpska

The purpose of the Guarantee Fund is to support development of entrepreneurship by facilitating access to funds needed to conduct business activities of entrepreneurs (legal entities and individuals) with headquarters or seat in the RS, and particularly for:

- Initial business activities;
- Business activities of young entrepreneurs;
- Business activities of women;
- Projects that contribute to employment and job preservation;
- Export-oriented business activities;
- Business activities in the field of agriculture;
- Production activities and service activities related to the production sector;
- Projects and business activities for improving the economic development of areas with extremely low living standards or high unemployment, and
- Other sustainable projects.

The Decree-Law supplements the Law by specifying that the Fund may run expert and administrative-technical operations and manage guarantee programmes organized by the RS in common economic interest, so as to facilitate access to financial resources and mitigate consequences of extraordinary circumstances on the RS economy, including an emergency situation and a state of emergency.

15 April 2020


The Decree aims at the recovery of the RS from damage caused by natural disasters; natural, technical-technological and ecologic catastrophes, epidemics and other extraordinary circumstances. The Decree specifies the damage as:

1. Direct material damage to residential buildings, business facilities, energy facilities, agricultural facilities, equipment, machinery, crops and plantations, livestock, transport infrastructure, water supply and sewerage facilities, water protection facilities and hydro melioration facilities, as well as facilities of public institutions; and
2. Direct material and other damages due to the restrictions introduced by declared the emergency situation and state of emergency.

10 April 2020

RS OG 35/2020. Decree-Law on Tax Measures to Mitigate the Economic Consequences of COVID-19 Disease

- Taxes and contributions on March wages paid by employers, legal entities and entrepreneurs, and liabilities based on contributions of persons earning income from self-employed activities, who are forbidden to carry out their activities will be covered by the Solidarity Fund upon a written statement submitted by May 11, 2020, for March 2020.
- April minimum wage (US$ 301) and contributions will be calculated and covered by the Solidarity Fund for employees of legal entities and entrepreneurs forbidden to perform their activities or who ceased their operations as a result of the pandemic (lost market, lack of raw materials, etc.). The same right under the same conditions will be exercised by those who carry out an independent activity as a basic activity.

_Federation of Bosnia and Herzegovina (FBiH):_

7 May 2020

FBiH OG 28/20. Law on Mitigation of Negative Economic Consequences
Business entities (legal entities; individuals performing independently a registered business activity, excluding those who pay income tax in a lump sum; and businesses which are not included in the fiscalization system) are entitled to subsidised monthly contributions of US$ 135.5 for each employee starting from the calculation and payment of April gross salary and every subsequent month, including calculation and payment of salaries also for the month after the state of disaster terminates.

- Subsidized contributions for each employee are distributed so that that US$ 75 covers pension-disability insurance, US$ 54 covers health insurance, and US$ 6.5 covers unemployment, if in the month for which the salary is being calculated their turnover decreased by 20 and more percent in comparison to the turnover in the same month of 2019. Payment of a minimum net salary to employees shall not be conditional with the simultaneous payment of subsidized contributions.

- Contribution subsidies for April 2020 and each subsequent month, including the calculation and payment of contributions also for the month following the state of disaster termination, amounts to contributions set on a monthly basis for 2020 for independent undertakings and businesses in low-accumulative activities, which prescribed basis are lower than the minimum gross salary.

- Businesses and undertakings are entitled to subsidised contributions if they paid contributions and income tax with paid salaries as of February 2020.

- Default interests on public revenues are not calculated and paid during the state of disaster, and 60 days following the state of disaster termination and days of enforced collection of public revenues.

- Advance payment of corporate tax for subsidised businesses, and of income tax on subsidised independent activity for 2020 are abolished.

- The statute of limitation discontinues as of the state of disaster day, and runs on the thirtieth day as of the day of the state of the disaster termination.

The Law establishes the Guarantee Fund with initial funds up to US$ 44.4 m.

Protecting workers in the workplace

New work arrangements

_Bosnia and Herzegovina (BiH)_

20 March 2020

BiH OG 18/2020. Decision on Procedures of the Institutions of Bosnia and Herzegovina to ensure the Protection of Life and Health of Employees due to the Risk of Possible Outbreak of Infectious Disease Epidemic Caused by the Corona-Virus (Covid-19)

Internal procedures for employees' protection in the institutions of BiH: a) ensure a minimum process of work, and in particular of the institutions in charge of citizens' health and safety; b) enable employees to perform their tasks completely or occasionally remotely, by e-mail or otherwise; c) to postpone all official travels of employees, except for trips related to the
implementation of measures for the protection of citizens' life and health.

**Republika Srpska (RS):**

12 March 2020

RS Public Health Institute’s Instructions for companies to prevent the occurrence and spread of COVID-19 in the workplace

1. The obligation of the employer and workers to comply with all OSH measures in accordance with OSH regulations, protection of the population from infectious diseases, orders issued by competent Ministries, recommendations and conclusions adopted by the RS Emergency Situation Headquarters, as well as with the Employer Risk Assessment Act.
2. The employer must provide all OSH measures at his own expense.
3. Revise the Risk Assessment Act and establish preventive measures to prevent, eliminate or reduce the risk of coronary heart disease to a minimum.
4. Organize work from home, in activities and jobs where possible.
5. Enable the use of annual leave, paid leave and other rights.
6. Workers who have contracted the coronavirus virus and workers who have been ordered by the competent authority to have an isolation measure, are entitled to salary compensation during temporary incapacity for work on the basis of the Health Insurance Act (70-90 percent of net salary).
7. Enable the application of the institute of workers put on hold - paid leave with minimum 50 percent salary compensation in accordance with the Labour Law.
8. Carry out adaptation of working conditions and work processes in order to protect the health of workers.
10. Regular monitoring of the health condition of workers.
11. Informing and training workers for safe and healthy work.
12. All business entities are obliged to apply all measures prescribed in the Instruction of the RS Public Health Institute to prevent the occurrence and spread of COVID 19 disease in the workplace.

**Federation of Bosnia and Herzegovina (FBiH):**

16 March 2020

The recommendations of the Government to employers and workers

- To implement special protection measures by shortening working hours, if the work process allows;
- Employers with more workers to reorganize working hours, and distribute work performed in one shift to two shifts;
- To instruct workers to work from home, if possible;
- To allow the use of annual leave, and the use of leave in accordance with the law, collective agreement or rulebook;
- To allow workers, who are parents of up to 10 years of age, one parent to be absent from work if both parents work;
• To cancel all business trips, and especially to which workers with diagnosed chronic diseases would be referred.

Access to paid leave

**Republika Srpska (RS):**

• The employment status of workers ordered to isolation / quarantine to be regulated on the basis of the Law on Health Insurance.
• The employment status of workers who have temporarily lost their jobs due to force majeure is regulated by the Labor Law, as well as the employment status of parents who are forced to take sick leave due to the termination of work of schools and kindergartens.

Relying on social dialogue for solutions

Approaches to tripartite consultations

**Republika Srpska (RS):**

7 December 2020

The RS Economic and Social Council discussed and endorsed the 2021 – 2023 Programme of Economic Measures which envisages investments in infrastructure, economy and health care in total amount of US$ 244.2 million over a three-year period, out of which US$ 55.3 million will be allocated for the suppression of the negative consequences of the "COVID 19" virus and the purchase of a vaccine.

April 2020

The RS Economic and Social Council held an extraordinary session on the Covid-19 Virus impact on the economy and society in RS-"Preserving workers' health, business activity and jobs". Members of the Economic and Social Council gave full support to the measures and recommendations adopted and implemented by the competent institutions, primarily in order to protect the life and health of the population. Special emphasis was placed on taking all measures provided by law to preserve jobs and workers' rights. It was also agreed that the official internet presentation of the Ministry of Labour and Veterans will clarify the legal institutes important for workers and employers during the validity of the Decision on declaring a state of emergency in RS.

It was pointed out that the RS Government should direct support measures, aimed at the preservation of the economy, towards socially responsible employers who have exhausted all measures for job retention as provided by law. It was emphasized that measures to support the preservation of the economy should be timely in order to preserve the achieved level of employment and liquidity of companies in RS. It was stated that the economic situation in RS is difficult and that everyone, in this complex moment, must show social responsibility and solidarity. It was agreed to continue the social dialogue between the social partners in order to find the best solutions to mitigate the consequences and overcome the existing situation caused by the "COVID-19" virus epidemic.
**Federation of Bosnia and Herzegovina (FBiH):**

27 April 2020

The FBiH Government consulted the FBiH Economic and Social Council on the first Draft Law on Amendments to the Labour Law of 16 April. The aim is to amend some provisions of the Labour Law, which are applicable in regular circumstances, but cannot be properly applied at the time of a declared state of disaster.

19 March 2020

The FBiH Economic and Social Council supported measures proposed by the Government such as the establishment of a special fund for the stabilization of the economy, the formation of a guarantee fund to assist the most vulnerable economic activities in the new situation, and a measure proposing a deferral of repayment of loans with commercial banks.

**Other measures**

**Republika Srpska (RS):**

8 May 2020

RS OG 44/20. Decree-Law on Amendments to the Health Insurance Law

During the state of emergency, the RS Health Insurance Fund provides health care funds for citizens with no status of an insured person in the compulsory health insurance.

**Federation of Bosnia and Herzegovina (FBiH):**

14 May 2020

The FBiH Government has forwarded to the Parliament the second Bill of the Law on Amendments to the Labour Law and after the consultations with the social partners and cantonal governments. According to the proposed changes:

- The employer cannot unilaterally refer workers to annual leave.
- Salary during the state of disaster may be reduced, but not by 75 percent as originally proposed, and cannot be lower than the minimum salary.
- Working hours cannot be longer than 72 hours per week and can be redistributed into longer and shorter periods. This provision applies to employers and companies of special interest of FBiH.
- The employer can refer all workers or part of them to annual leave from previous or current years during the state of the natural disaster, but solely after consultations with the works council and trade union.
- Paid leave is increased from 20 to 40 days during one calendar year.
- The worker can be referred to unpaid leave only if he/she requests so up to 30 days.
during one year.

- The employer who is prohibited from working and has a decline in revenues by 20 percent (previously 35 percent) may put worker on hold up to 90 days.
- The provision stating that if the worker who entitled to severance pay and who was put on hold receives no invitation for reinstatement in employment after the end of the state of natural or other disaster was deleted.
- Salary cannot be reduced below the minimum salary, unlike an earlier proposal which stated that the employer can reduce the salary by up to 75 percent during the state of natural or other disaster.
- A new Article enables the employer who is prohibited from working during the state of emergency and has experienced a decline in revenues by 20 percent at least, and who employs more than 30 workers, may cancel employment contracts to five workers and more, but after previous consultations with the works council and trade union.
- A new Article states that the law will be applied during the declared state of natural or other disaster, as well as during the state of emergency in the FBiH, and at longest for 60 days, from the day when the competent institutions decide on the termination of the declared state of natural or other disaster, i.e. state of emergency in the FBiH.

7 May 2020

FBiH OG 28/20. Law on Mitigation of Negative Economic Consequences

Compulsory health insurance is prescribed for every FBiH citizen during the state of disaster, i.e. on the expiration of the thirtieth day after the state of disaster termination.

16 April 2020

The FBiH Government has prepared the first Bill of the Law on Amendments to the Labour Law, which would, during the state of emergency/natural and other disaster, empower the employer to:

- Arrange the work outside the employers’ premises and shorten the working hours.
- Refer the worker to paid and unpaid leave up 20 days during one calendar year either unilaterally or upon the worker’s request.
- Reduce a salary based on the number of hours of work for which working time is reduced, up to 35 percent of the contracted salary.
- Instruct the worker to use the remaining annual leave from the previous calendar year, and the annual leave from the current calendar year.
- Re-distribute full- and part-time work with the average working hours during the re-distribution up to 72 hours per week.

The employer who is prohibited from working due to the disaster and has a decline in revenues by 35 percent may put workers on hold up to 3 months. He can pay unilaterally fixed salary, but not lower than the minimum salary. The worker’s employment will cease and s/he will be entitled to severance pay if not reinstated after 3 months.
Activities of workers' organizations

Summary

- The Economic and Social Council of the Federation of Bosnia and Herzegovina supported measures proposed by the Government in a meeting on the 19th of March 2020. The proposal included the establishment of a special fund for stabilizing the economy, the formation of a guarantee fund to assist the most vulnerable economic activities and a measure proposing a deferral of repayment of loans with commercial banks.

- Unions requested the Government to:
  - Ensure respect for workers’ rights, including regular payment of salaries and benefits in accordance with legal requirements
  - Impose increased surveillance on inspection bodies to prevent malpractice employers from using the pandemic to dismiss redundant workers or to reduce their salaries and allowances
  - Ensure that workers who are compelled to remain in isolation on suspicion of being infected with the Coronavirus or having to pay the full amount of wages and benefits for the period spent in isolation with children who are in isolation
  - Ensure full observance of the Labour Law, to require employers to introduce additional occupational safety measures to reduce the risk of exposure of workers, especially workers in health care, services, utilities, police and public institutions
  - Ensure salary increasing for healthcare professionals and workers in utility sector, who make every day a maximum effort to protect citizens and ensure a normal life

- Government promised to postpone payment of VAT to companies as a kind of benefit, but final decision has not been taken yet (6th of April 2020)

- The unions are speaking on behalf of workers at the level of federation and the level of Republika Srpska

- Republika Srpska and federation level trade unions have different partners and different approaches

Sources:

- Confederation of Trade Unions of Bosnia and Herzegovina (KSBiH)
- SSSBiH and SSRS

Activities of employers' organizations

The Association of Employers of the Federation of Bosnia and Herzegovina (UPFBiH) has a COVID-19 dedicated webpage and provides information support and legal advice through its legal aid online platform. A number of webinars have been organised to support members cope...
with the crisis.

In the statement issued on 3 April, UPFBiH welcomed the measures proposed by the Government, which “represented a certain progress compared to previously adopted measures but were still insufficient”. UPFBiH reiterated its position that there was an urgent need to sign an Interim Social Agreement with the Government of FBiH and Trade Unions to avoid layoffs and regulate the employment relationships and support measures for companies during the public health emergency.

On 14 May, UPFBiH published on its website a summary of key decisions adopted by UPFBiH Board urging the decision makers to adopt amendments to the FBiH Labour Law and Act on Works Councils to enable companies to function smoothly during the crisis and in the recovery period. At the same time UPFBiH asked the FBiH Government to develop the 3rd set of measures that would support companies after all restrictions have been lifted.

On 27 May, UPFBiH submitted a proposal to the House of Peoples of the Parliamentary Assembly of BiH requesting support in promoting amendments to the Law on VAT. More specifically, UPFBiH proposed changing the deadline for VAT payment from the tenth to the last day of the month. Among other things, such amendments will contribute to harmonising the Law on VAT with the Law on Financial Operations and Reform Agenda of BiH.

UPFBiH is currently working on a new set of measures for the mitigation of the economic consequences of the crisis that will be submitted to the Government for consideration.

The Union of Employers Association of the Republic of Srpska (UEARS) provides on its website information on COVID-19 related issues. A hotline service has been established to offer companies legal advice on labour legislation applicable during the crisis period.

On 20 March, UEARS submitted a set of proposals indicating, among other things, the following priority actions: wage subsidies for workers who are unable to work due to pandemic-related closures; tax deferrals for the duration of the emergency state or tax payments in instalments in 24 months; establishment of a Compensation Fund to support the hardest-hit companies during the crisis and in the post-covid period; state guarantees available for accessing loans though the Guarantee Fund of RS to preserve liquidity of companies. The Government of RS accepted to support companies by covering taxes and contributions on wages paid in March by companies that were forbidden to operate and by covering the April minimum wage and contributions for workers of legal entities that were forbidden to operate or had to cease business operations due to the pandemic.

On 12 June, UEARS launched the findings of the Assessment of the Impact of the COVID-19 Pandemic on the Enterprises in Republika Srpska during an expert meeting bringing together representatives of academia, think-tanks, public authorities and business. The purpose of the meeting was to identify and agree on solutions to mitigate the consequences of the crisis on the business sector and national economy.

On 16 June, UEARS submitted anew set of proposals to the Government of RS based on the assessment conducted with the ILO support. The document reflects 5 policy options emerging from the research and a number of additional measures identified during the expert meeting as follows:
- provide tax relief measures for companies by reducing the cumulative contribution rate and level of parafiscals and enhance the inspection and supervision over all forms of informal work in order to prevent the growth of informal economy;

- use the existing support programs to support the wage increase in order to retain workers and solve the liquidity problems of companies;

- develop more favourable credit lines to ensure the technological development and competitiveness of domestic companies;

- provide tax relief measures for companies operating in the hardest-hit sectors to prevent lay-offs;

- establish a crisis fund to support companies affected by the pandemic.

---

**Bulgaria**

**Stimulating the economy and employment**

**Fiscal Policy**

The government’s current financial aid package has been set at approximately BGN 4.5 billion (around USD 2,489 billion).

Key tax and spending measures include:

- Coverage of 60% of the social security income for January 2020 and of social contributions payable by the employers for workers and employees in affected sectors that would have been otherwise laid off;
- Deferment of the payment of corporate taxes until end-June 30;
- Additional remunerations in the ministries of health, interior, and defense, the Social Assistance Agency, the Employment Agency and the General Labour Inspectorate.

**Monetary Policy**

The main measures aimed at further strengthening the capital and liquidity of banks in Bulgaria are the following:

- Capitalization of the full volume of profit in the banking system in the amount of BGN 1.6 billion;
- Cancellation of the increase of the countercyclical capital buffer planned for 2020 and 2021 with effect amounting to BGN 0.7 billion;
- Increasing the liquidity of the banking system by BGN 7 billion by reducing foreign exposures to commercial banks.

**Support to specific sectors, incl. the health sector**
• Doctors and nurses working in the frontline will receive an additional payment of BGN 1000 a month (USD 566);
• 17 million protective equipment worth USD 1.9 million and 50 ventilators worth USD 2 million will be bought from China’s National Pharmaceutical Corporation for Foreign Trade.
• BGN 45 million under the Operational Programme “Human Resources Development” for elderly people over 65 with limitations or inability to care for themselves, people with disabilities and their families, persons at risk, quarantined by health authorities and for whom there is a social need to supply food and necessities, incl. medicines, as well as need for assistance for payment of household bills, requesting and receiving urgent administrative services (purchased with funds of the beneficiaries or by means other than those under the contract).

Supporting enterprises, jobs and incomes

Social protection
• The government will allocate BGN 200 million (USD 110 million) to the Bulgarian Development Bank (BDB) for guaranteeing non-interest consumer loans up to BGN 1500 (USD 829) for all workers who are on unpaid leave due to the state of emergency.

Employment retention
• The state will cover, for the period of the state of emergency but no longer than three months, 60% of the sum of the social security income for January 2020 plus social contributions payable by the employers for workers and employees of undertakings which were obliged to suspend entirely or partially their activities due to the declared state of emergency and containment measures enforced by the State authorities, while employers will pay the remaining 40%. The measure also applies for undertakings which suspended their activities or introduced part-time work arrangements on own initiative, in reply to the confinement measures in force and declare a decrease in sales revenue of at least 20% (excluding those in the following sectors: “Agriculture, forestry and fishing”; “Financial and insurance activities”; “Public administration and defence; compulsory social security”; “Education”; “Human health and social work activities”; “Activities of households as employers, undifferentiated goods and services producing activities of households for own use”; “Activities of extraterritorial organisations and bodies”). The employer must preserve the employment for a period equal to the period for which compensations were received.

Protecting workers in the workplace

New work arrangements
All employers are obligated to introduce remote work. Where it is not possible due to the nature and specifics of the work performed, employers are obliged to implement all anti-epidemic
Access to paid leave

During the state of emergency:

The employer is obliged to allow the use of paid annual leave or unpaid leave at the request of:

1. A pregnant employee, as well as an employee in an advanced stage of in vitro treatment;
2. Mother or adoptive mother of a child under the age of 12 or a disabled child, regardless of its age;
3. An employee who is a single father or adoptive father of a child under the age of 12 or a disabled child, regardless of its age;
4. An employee who is under 18 years of age;
5. An employee with a permanent disability of 50 and more than 50 percent;
6. An employee with the right to protection upon dismissal (employed or suffering from tuberculosis, diabetes, ischemic disease, cancer, mental and occupational disease).

The employer has the right to grant paid annual leave to the worker and the employee without his or her consent when the work of the enterprise, part of it, or of individual workers or employees is suspended. The employer may, at its sole discretion, provide to workers or employees half of the annual paid leave, if there is no suspension of the work of the enterprise.

Access to health care

- Routine medical consultations, examinations, immunizations, planned operations, and visits to all medical establishments have been stopped.

Relying on social dialogue for solutions

Social Dialogue

- The trade unions have been involved in negotiations on the Covid-19 measures in Bulgaria. In the negotiations, CITUB have successfully championed a better deal for workers.
- The National Council for Tripartite Cooperation approved the proposal of CITUB for all sectors affected by the current crisis to be eligible for state aid under the 60:40 scheme, which envisions the government covering 60 per cent of salaries and the employers the remaining 40 percent.
- As part of the decree, the Tripartite Council supported yet another opportunity for business assistance, also proposed by CITUB - for workers that have passed to part-time work by order of the employer. In this case, the criterion for decline in sales will again apply, with the measure providing for a proportionate compensation to workers for their lost income as a result of the reduced working hours, but not more than 60 percent of their remuneration. Support for part-time work implemented as a result of the crisis will apply to all sectors of the economy.
Other measures

Government & other relevant sources

- About the fiscal and monetary policies:
  - OECD
  - IMF

Activities of workers' organizations

Summary

- Trade unions have been involved in negotiations on the Covid-19 measures in Bulgaria. In the negotiations, CITUB have successfully championed a better deal for workers.

- The National Council for Tripartite Cooperation approved the proposal of CITUB for all sectors affected by the current crisis to be eligible for state aid under the 60:40 scheme, which envisions the government covering 60 per cent of salaries and the employers the remaining 40 percent. Thus the initially proposed by the government list of eligible entities to be supported by the state was dropped.

- The list of sectors that will be eligible for support will only be valid if the enterprise has ceased operations as a result of the orders issued by the Health Minister for the closure of malls, restaurants, amusement arcades, cinemas, etc.

- As part of the decree, the Tripartite Council supported yet another opportunity for business assistance, also proposed by CITUB - for workers that have passed to part-time work by order of the employer. In this case, the criterion for decline in sales will again apply, with the measure providing for a proportionate compensation to workers for their lost income as a result of the reduced working hours, but not more than 60 percent of their remuneration. Support for part-time work implemented as a result of the crisis will apply to all sectors of the economy.

- Trade unions have been successful in influencing Government measures and protect their members. They have also engage in information campaign, to support members.

Source: Confederation of Independent Trade Unions of Bulgaria (CITUB)

Activities of employers' organizations

The Bulgarian Industrial Association (BIA) has established a website on COVID-19 with news, opinions, links to relevant legal provisions and recommendations for businesses on health and safety.

According to the report to BIA management board, in the period from March 13 to June 8:
42 opinions were issued, mostly related to support measures for companies affected by the emergency.

Representatives of BIA participated in 5 meetings of the National Council for Tripartite Cooperation (NCTC). Meetings were also held with representatives of the Bulgarian Government and the National Assembly, to advocate the interests of various economic sectors and business in general, in order to overcome the consequences of the coronavirus.

The BIA team was available to members, providing consultations on legal, financial and other COVID-19 related issues.

30 force majeure certificates were issued and more than 100 consultations were held on the force majeure circumstances.

On 18 March BIA launched, "Electronic mutual aid exchange", where companies can register demand for or supply of products and services or the ability to temporarily hire employees during the state of emergency.

Five regional chambers of commerce carried out campaigns to raise funds to limit the spread of the coronavirus in the respective municipalities. Funds were used to purchase sanitary and hygienic products for local health facilities, and other administrative structures working on the front line.

2 online surveys were conducted on March 13 and on March 31 to assess what impact of COVID-19 on business and the willingness of companies to benefit from the so-called "Measure 60/40".

The Bulgarian Industrial Capital Association (BICA) has also established a COVID-19 specific website with information related to protective equipment, relevant documents including health and safety recommendations, good practices and news.

On 11 April 2020, BICA has presented to the government its proposals to mitigate economic consequences of COVID-19 crisis, focusing among others on: tax relief measures, allowances for self-employed and micro businesses, assistance for companies to introduce sanitary and hygiene measures, tourism promotion programme, measures to ensure smooth movement of goods, measures to support educational activities.

The Bulgarian Chamber of Commerce and Industry (BCCI) also advises companies on COVID-19 issues, including on the implementation of flexible working time and telework. Through various channels, BCCI is also providing regular information for companies regarding the recommendations of WHO, Ministry of Health, Ministry of Labour and Social Affairs and Ministry of Foreign Affairs in Bulgaria. BCCI provides electronic services to companies such as e.g. certificates of origin, force majeure certificates, and certificates from the trade register.

Croatia

Stimulating the economy and employment

ilo.org/covid19-policies
On 19 March 2020, the Croatian Parliament adopted a package of government-sponsored bills valued at almost HRK 30 billion (3.9 billion euro) to help the economy affected by the COVID-19 outbreak, with 63 measures primarily aimed at preserving jobs and ensuring payment of wages.

In the meantime, a 5.5 Richter-scale earthquake hit Zagreb on 22 March 2020, which caused severe damages.

**Fiscal policy**

- The government announced the deferment of public obligation payments (income and profit tax and social security contributions) for three months which can be extended by additional three months if necessary, and the temporary suspension of payments of selected parafiscal charges.
- The government provides interest free loans to local governments, the Croatian Health Insurance Institute, and the Croatian Pension Insurance Institute to cover the deferred payments.
- Local governments are allowed to use utility charges for enterprise, healthcare, welfare, firefighting, and other purposes.

**Monetary policy**

- The Croatian National Bank has provided additional liquidity, supported the government securities market, and temporarily eased the regulatory burden on banks, including a three-month moratorium on liabilities to the Croatian Bank for Reconstruction and Development and commercial banks, and the approval of new loans for liquidity for enterprises to finance wages, utility costs and other basic business operating costs in cooperation with commercial banks.
- The Central Bank carried out interventions in the market to stabilize the exchange rate and to ensure foreign currency liquidity.

**Support to specific sectors, including the health sector**

The government states that the branches hit hardest by coronavirus are employers in tourism and hospitality, transport and storage, labour intensive industries, and health tourism.

**Supporting enterprises, jobs and incomes**

**Social protection**

- As part of fiscal policy, a three-month deferment of social security contributions with a possibility of three-month extension has been implemented.
- To secure the benefit payments, the government provides interest-free loans to municipalities, cities and counties, the Croatian Health Insurance Fund and the Croatian Pension Insurance Fund, equal to the amount of income taxes, and contributions that have been deferred.

**Employment retention**
The government will subsidize the minimum wage for three months for workers affected by the epidemic (including all disabled persons at work) to preserve jobs (the cost is estimated at one percent of GDP) and provide early refund of taxes for individuals. As of 30 March, 7,400 employers with 40,000 workers had applied for the government minimum wage scheme whereby HRK 3,250 (426 euro) will be paid for each employee. The government announced the increase in the minimum wage for April at HRK 4,000 (524 euro).

The measure for permanent seasonal workers will be extended by six months to ensure at least the minimum wage and the health and pension insurance coverage.

Assistance to business and business continuity

- The measures include a new financial instrument “COVID-19 loans” for projects financed from EU funds in order to secure working capital for small and medium-sized enterprises. Beneficiaries of some EU Structural and Investment Funds can receive larger advance payments (75%). Part of the EU funds envelope has been reallocated to micro loans, a new credit line was introduced.
- An additional HRK 114 million (150 million euro) through the national agency for SMEs and HRK 380 million (500 million euro) will be put at the disposal of businesses for ensuring working capital.
- The government purchased unsold stocks of finished goods in agriculture, food processing industry, medical equipment, and similar strategic goods.

Protecting workers in the workplace

OSH

- As home offices are not intended for working, employers may not be expected to fulfil all safety requirements pertaining to the specific job position and that statutory health and safety requirements should be fulfilled to the full possible and permissible extent, especially making sure that employees’ health and safety are not put at risk.

New work arrangements

- The Croatian Labour Act provides the possibility for employers to agree to remote (home) work with their employees, following the requirements of working hours, required equipment, compensation of work-related costs, etc.
- Employees working remotely are entitled to the same rights as regular employees in terms of salary, daily and weekly breaks, annual leave, and at the same time required to perform the work with diligence. Employers should fulfil the same health and safety at work obligations as in case of work performed at the employer’s premises.
- In light of the COVID-19 pandemic, the Directorate of Civil Defence has enacted a decision on 18 March obliging all employers to ensure that their employees work from home where possible. In addition, the Ministry of Labour and Pension System published an official opinion that due to the development of the COVID-19 outbreak, employers would be allowed to unilaterally determine that employees should perform their duties at a place different from stipulated in their employment agreement, while respecting all
general obligations of employers and employees irrespective of the situation.

Relying on social dialogue for solutions

At a meeting of the Economic and Social Council, the Prime Minister stated that the government has been in intense dialogue with the trade unions and employers in efforts to reduce the economic and social impact of the coronavirus epidemic.

The Finance Minister underscored that the stimulus package bills had been developed with business associations and trade unions and were in compliance with common European efforts to curb any economic damage due to the coronavirus.

Other measures

- The government amended the Civil Protection Act, giving the National Civil Protection Authority given more powers to make decisions and issue instructions (e.g. on working hours of shops and facilities) that will be implemented by local and regional self-government.
- A contact centre has also been established where employers and employees can enquire about the measures.
- According to data, more than 80% of applications were submitted online and about 300 public servants in the employment services have been engaged to deal with those applications.

Government & other relevant sources

- Central Government Portal: [https://vlada.gov.hr](https://vlada.gov.hr).

Activities of workers' organizations

Summary

- Trade union participation in policy and response measures has been minimal, as the Government has avoided social dialogue.
- Trade unions have developed demands and proposal for the pandemic response.
- The SSSH union federation called on the government to utilize the proposed instrument to reduce working hours that the European Commission has launched to avoid layoffs.
- In Croatia, trade unions campaigned internationally to stop what they considered plans to use Covid-19 as a pretext to curtail trade union rights and social dialogue. At the end, the
rumoured labour law changes did not happen, possibly due to campaigns and international pressure.

- Trade unions has lobbied the Government to put in place measures that would not put most of the economic burden on workers

- Trade unions has requested international support to stop what they considered to be attempts to weaken workers’ rights in the law. In some cases, efforts were deemed successful.

**Source:** SSH Union Federation

### Activities of employers' organizations

The **Croatian Employers’ Association (HUP)** provides COVID-19-related info and advice on its [website](#), including

- [Coronavirus disease - information for employers](#)
- [Information on legislative changes and supportive measures](#) taken by government agencies
- [FAQ of Croatian employers sent by HUP to the Croatian Employment Service & the answers to these questions](#) (2 April) and on support measures for May and June (4 June)
- [Webinars on COVID-19 issues, e.g. on Cash Flow Management for Small and Medium Businesses in Times of Covid-19 Crisis](#) (29 May) and [Labour relations at the time of the coronavirus epidemic](#) (9 June)
- [Job preservation aid for employers measures in COVID-19-affected industries](#) (7 April) and [amendments to the criteria](#) (29 May)
- [Recommendations on how to organize work meetings](#) by the Croatian Society for Occupational Health (3 April)
- [Recommendations for the operation of hotels, camps, marinas, tourist agencies and other relevant recommendations for the tourism sector by the Croatian Institute of Public Health](#) (12 May)
- [Recommendations for the prevention of COVID-19 in trade](#) (12 June)
- [Educational materials for the prevention of infectious diseases](#) (17 June)

HUP has also been active in collecting and forwarding to the government requests by members for necessary [measures and proposals to provide support to COVID-19-affected companies and sectors](#), for instance with regard to liquidity, part time work, VAT, wages, tax, contributions, labour law and force majeure. On 28 April, HUP welcomed the Government’s decisions to mitigate the measures and launch economic activities but appealed to the government to [make](#)
available protective equipment which was key in this situation and which many entrepreneurs had no way of procuring.

HUP is in constant negotiation with the government, line ministries and local self-governments on COVID-19 issues. On its website, it provides detailed account of the issues under negotiation.

Cyprus

Stimulating the economy and employment

NextGenerationEU:

- Cyprus has submitted a national recovery and resilience plan under the European Union’s Recovery and Resilience Facility, which seeks to support reforms and investments in Member States in order to mitigate the economic and social impact of the COVID-19 pandemic and make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions. The submitted national recovery and resilience plan can be found here.

Fiscal policy measures included the following:

- Economic support package of EUR 1.6 billion, including: EUR 100 million for the health sector; income support for households including leave allowance for parents and those with health issues; wage subsidy for affected businesses to maintain jobs; grants to small businesses and the self-employed; support to the tourism sector; deferral of VAT payments and a temporary VAT cut from 9 to 5 percent to stimulate the tourism/hospitality sector; interest subsidy for new business; and housing loans for four years;
- Package also includes guarantees on, or financing of, credit facilities up to EUR 1.7 billion to strengthen the liquidity of enterprises through participation in the Pan-European Guarantee Fund, increased state guarantees to expand existing European Investment Bank-supported loans to SMEs through the Cyprus Entrepreneurship Fund and increased government borrowing from EIB to expand existing funding scheme for SMEs;
- Extension of the support measures in a more targeted manner, including support for crisis-affected businesses and extension of unemployment benefits;
- Loan guarantee scheme (EUR 1 billion) to support business lending; and
- Size of the support measures for 2021 is estimated to be around 3.6 percent of GDP.

Monetary policy measures included the following:

- Release of capital and liquidity buffers for banks directly supervised by the Central Bank of Cyprus (EUR 100 million), simplification of documentation requirements for new short-
term loans and other credit facilities, encouraging banks to apply favorable interest rates for new loans and newly restructured loans and simplification of approval processes for loan restructuring;

- General moratorium on loan repayments for all creditworthy borrowers; and
- Additional capital release measure, with an extension of the phased-in introduction of Other Systemically Important Institutions capital buffer (EUR 90 million).

Main source: IMF Policy Tracker

Supporting enterprises, jobs and incomes

Action on enterprises and jobs included the following:

- Suspended Operations Plan, aimed at supporting businesses that have suffered losses to avoid redundancies by paying unemployment allowance to affected workers;
- Support plan for small businesses that have suffered losses to subsidise 70 percent of workers' salary and the self-employed (including those who are not on the VAT register and retirees), including with a lump sum to cover debts in rents and other operating expenses; those who are on the VAT register do not need to apply for this subsidy;
- Extension of the time period for the submission of appeals at the Social Insurance Services for self-employed persons;
- Suspension of a scheduled increase in the contribution to the General Healthcare System;
- Partial Business Suspension Plan applied to all businesses with a turnover reduction of 25 percent or more due to Covid-19: employer suspended from salary payments for employees who receive the benefit;
- Special schemes for the training of employees, aiming to enable SMEs to train their employees;
- Incentives schemes for hiring of unemployed people and for recruitment, occupational rehabilitation, employment of young people and training of young people;
- Suspensions of the VAT payment obligation for a specified period and acceleration of refunds;
- Suspension of filing an income tax return for enterprises and the self-employed; and
- Interest rate subsidy scheme for new business loans.

Action on incomes included the following:

- Granting of special leave to parents who are employed in the private sector for the care of children up to 15 years old due to suspension of school and care facilities;
- Payment plan for those working in afternoon programmes of the Ministry of Education;
- Granting of a sickness benefit of EUR 800 per month to workers (including self-employed) who are dealing with special health issues, for cases of compulsory absence from work and certain senior citizens;
- Reduction of the electricity consumption billing price by 10 percent for a period of four months;
- Suspension of installments, including interest, on households and businesses for ten months; and
Interest rate subsidy scheme for new mortgages and tax refunds for reduced rents.

Main source: Cyprus Ministry of Finance

Protecting workers in the workplace

Measures included the following:

- Guidelines published for precautionary measures to be taken at workplaces, including a recommendation for telework, particularly of vulnerable groups and separation, and grouping of staff; special guidelines for construction sites;
- Mandatory remote working for service businesses with maximum permitted physical presence at the workplace of 30 percent of staff, later increased to 50 percent and then lifted; and
- Upon reopening of businesses (as well as public services), workers have to undergo rapid antigen testing on a weekly basis depending on business size, activity and vaccination status.

Measures related to vaccination:

- No mandatory vaccination for any occupational groups;
- Possession of a “Safe Pass” is required in indoor and outdoor spaces, where there is an increased risk of transmission and more than 20 persons congregate (including for employees in their own workplaces). Preconditions for obtaining it are: the possession of a certificate of vaccination, of proof of recovery from COVID-19 in the last six months or of a negative PCR or rapid antigen test result.

Main source: Cyprus Department of Labour Inspection

Relying on social dialogue for solutions

- Special plans for full and part-time suspension of business activities implemented by the Ministry of Labour, Welfare and Social Insurance following social consultation.

Main source: Cyprus Ministry of Health

Other measures

- Creation of mobile units for servicing elderly and vulnerable populations with goods;
- Introduction of a cap on the price of personal hygiene products;
- Emergency aid for those trapped and resettled;
- Providing financial assistance to citizens who were abroad and could not be repatriated due to the measures;
- Allowance for international students;
- Legislation for the postponement of evictions;
• Additional support for tourism recovery, to airports and Cyprus Airways;
• Extraordinary sponsorship to the media, arts and culture;
• Guarantee programme and vouchers to support tourism;
• Measures to support the agricultural sector;
• Acceleration of the implementation of all development projects to boost recovery and growth; and
• "Safe Pass" for entering certain business premises, places of worship, cultural venues, hotels and tourist spots, etc.

Main source: Cyprus Ministry of Health

Activities of workers' organizations

Summary

• SEK supports the measures already announced by the Government, as a result of the contribution of the social partners, are important and targeted and we call on all employers to take advantage of them, preventing layoffs and arbitrary interventions in labor rights

• SEK calls on banks to support the real economy, through specific measures that will give life to households, workers, retirees and businesses:
  - Substantial reduction of lending rates for existing and new loans
  - Designing new loans on more favourable terms, to finance consumption, entrepreneurship and work, taking into account current data and problems

• Efforts should be made to create a European government-sponsored colonial bond to promote the required investments in the health care system and to finance temporary employment support policies for the economy and the social model

• SEK expresses its congratulations and support to all employees and especially to the professional teams that are in the "front line", such as all staff of health services, supermarkets, bakeries, banks, drivers public transport, security services and in general all employees in essential services

• SEK emphasizes that it is necessary to take further protective measures for employees and consumers

• The Labor Inspectorate, as well as the Single Inspectors' Service should intensify their controls, especially in companies where there are serious issues in implementing the orders of the relevant Ministries

• On 6 of April, the Federation of Private Employees of Cyprus - SEK issued a statement regarding complaints received by employees as security guards for violations of working
hours and work without the necessary protective equipment

Source: SEK

For more information, see also:


Activities of employers' organizations

Cyprus Employers and Industrialists Federation (OEB) created a specific COVID-19 related website. It contains information, videos, posters and updates.

OEB has been in regular dialogue with the government to design a support package for companies. On 24 April, the President of OEB sent a letter to the President of the Republic regarding the gradual restart of the economy while implementing additional health and safety safeguards. On 21 May OEB welcomed the restart of economic activities, while underlining additional liquidity support is still needed for enterprises.

Denmark

Stimulating the economy and employment

Fiscal policy

The authorities responded to the ongoing crisis quickly and forcefully through various initiatives. Currently, discretionary fiscal support amounts to DKK 131.4 billion (5.7 percent of 2019 GDP) and includes increased spending for additional health care needs and extraordinary budgetary measures to support workers and businesses. The latest initiative will phase out the relief measures and replace them with a recovery package. Another 5.1 percent of 2019 GDP in countercyclical support is expected to come through Denmark’s strong automatic stabilizers—including from weaker tax receipts and higher social benefits. Temporary liquidity measures, including the postponement of tax payments and government guarantees, will further support activity in Denmark. Special financial support is provided to SMEs that had their business impacted by containment measures.

May 2021 - the government agreed on a summer and business package of DKK 1.65 billion, which will boost the tourism and experience economy among others. At the same time, the general aid packages are being phased out and replaced by targeted schemes that are particularly focused on vulnerable companies

Monetary policy
The Danmarks Nationalbank (DN) increased the policy rate by 15bps to -0.6 percent. The DN announced the launch of an ‘extraordinary lending facility’ which will make full-allotment, 1-week, collateralized loans available to banks at a -0.5 percent interest rate on March 20. The DN on March 19, 2020, expanded this facility to include 3-month variable rate loans which will be available March 27, 2020. The DN also increased the interest rate on the previously announced 1-week loans to -0.35 percent. The Danish authorities decided on March 12, 2020, to preemptively release the countercyclical capital buffer and cancel the planned increases meant to take effect later. The Financial Stability Authority also announced a case-by-case relaxation of regulation on the LCR requirement.

**Support to specific sectors, incl. the health sector**

- A compensation scheme for large events that have been canceled has been established (DKK 2.4 billion).
- Scandinavian Airlines received a credit guarantee (total of DKK 2 billion, half guaranteed by Denmark and half by Sweden)
- Support for advertising revenue loss for certain media outlets
- There are temporary compensation schemes for boarding schools, private VET schools, folk schools, night schools, and artists with mixed-income. An emergency fund for cultural institutions has been established.

**Supporting enterprises, jobs and incomes**

**Social protection**

For workers in unemployment or on sick leave benefits, the remaining entitlement period will be frozen for three months and all job search and activation requirements are canceled.

**Employment retention**

A short-time work scheme is available and has been made more flexible and allocated more resources. A tripartite agreement on wage subsidies was reached with social partners on March 15. For firms experiencing large falls in demand, the employees can be sent home and the government will cover 75% of the salary (maximum DKK 30,000, approx. EUR 4,000) if the firm promises not to lay off any workers for economic reasons. Firms will also have to cover the remaining 25% to ensure employees can keep their full salary. For hourly workers (with no notice period) the compensation rate is 90% (maximum EUR 3500). Employees contribute by taking five days of mandatory annual leave. The scheme is so far available for three months.

**Assistance to business and business continuity**

Firms with a drop in turnover of more than 30% can get cash support to cover part of their fixed costs (75% but maximum EUR 3 100), full compensation of fixed costs are provided to firms forced to temporarily close due to the lockdown. The scheme runs for three months.

**Sick leave benefits subsidy Ministry of Finance**
Sick leave benefits are normally provided by the employer in the first month of illness, however now, if related to COVID-19, the government will cover these. It is intended for all companies which illness has to be related to COVID-19. This is so far valid until the 31st of January 2021.

**Salary compensation**

The salary compensation of the government subsidizing 75% of the salary costs for employees has been phased out.

However, the government will continuously compensate companies and employees in, particularly vulnerable professions. The government will both offer salary compensation along with compensation for fixed costs. This includes companies, who are still affected by the following COVID-19 related restrictions: prohibitions and if their primary business is still largely limited by the assembly ban, etc.

- Prohibited to stay open.
- Ban on the assembly of more than 10 people.
- Closed borders.
- Travel guideline from the Ministry of Foreign Affairs.

**Self-employed compensation**

The government will compensate the self-employed for 90% of lost revenue resulting from COVID-19. The subsidy has a fixed cap per month. It is directed to self-employed with:

- Expected revenue declined by more than 30% as a result of COVID-19;
- Less than 10 employees;
- Average revenue above DKK15,000 per month in a prior period;
- Owner’s personal income to be less than DKK0.8 million in 2020.

The subsidy cannot be combined with other COVID-19 subsidies (such as cost coverage). The maximum amount of A-income has been raised to 25,000 DKK per month, while the requirement of the minimum B-income has been decreased to 2500 DKK. So far, the self-employed compensation is extended to last until the 31st of January 2020.

**Start-ups:**

Compensation of salary up to 75% (not more than DKK 23,000 per month per employee), emergency measures in relation to paid holiday, extended the right to a refund for employees’ sick leave from day one (instead of after 30 days) if the given employee is on sick leave due to Covid-19.

**Protecting workers in the workplace**

OSH
In connection with the COVID-19 pandemic, the Ministry of Employment and the Labor Inspectorate has decided to adopt a force majeure provision in the occupational health and safety regulations on rest periods. This means that the rule that employees must have a rest period of at least 11 consecutive hours a day and a weekly day off can be waived to the extent necessary in companies that face an extraordinary workload due to COVID-19. This is a temporary measure.

Since the end of October, the labour inspectorate is focussing on additional inspections on sectors with a high number of migrant workers to issue guidance and ensure workplace compliance and limit the spread of COVID-19.

A bill requiring employers to ensure that traveling employees are PCR-tested for COVID-19 after entry into Denmark entered into force on 2 February 2021. It contains a so-called sunset clause, so the law will be repealed on 1 July 2021, unless this period is extended prior to that date.

With the adopted bill, employers who employ workers traveling into Denmark to work are required to ensure that the arriving employees are tested for COVID-19 after entry. The requirement does not apply to individuals who live in Denmark.

Employers must be able to document in writing that arriving employees have been tested for COVID-19 and, in addition, employers must prepare a written plan for testing the arriving employees. The plan must include information on:

- how employees are informed about the test, including where, when, and how the test is to take place;
- how the employer keeps up to date on which areas are covered by the testing requirement;
- an overview of employees in the company who have traveled into Denmark, including from which country, and when they have been tested for COVID-19, or why they are exempt from the testing requirement.

The Danish Working Environment Authority supervises compliance with the law, and violations can result in notices or fines.

Simultaneously with the adoption of this bill, the Danish parliament has also passed a bill which imposes obligations on employers who make housing available to their employees, and where the housing is shared by two or more employees, in relation to the design of the housing and in relation to the preparation of a plan for the prevention of infection in relation to the dwellings. Violation of these obligations may also result in notices and fines.

**New work arrangements**

Possibility for employees in hotels and restaurants to participate in online VET of 30 days duration instead of being laid off.

**Access to paid leave**

As outlined in the employment retention section, workers can enter a short-time work scheme in enterprises that face a drastic downturn based on the tripartite agreement on a temporary pay compensation scheme for employers. Said agreement includes apprentices and pupils on
the following terms, and provides a grant of 90 percent of the salary.

Full pay sick leaves, in some cases for at least six weeks, are paid to workers who have been diagnosed with COVID-19, are quarantined, or are told to stay home by their employers.

Parents could take up to 52 weeks’ leave to care for a seriously ill child under age 18.

Vaccination

No mandatory vaccination for any occupational groups.

Relying on social dialogue for solutions

Joint action of employers and workers The Government and the social partners have concluded a tripartite agreement on a temporary wage compensation scheme for employees who are at risk of redundancy.

Other measures

Other measures

- DKK 10 million in funding are allocated to support rapid job search and upskilling initiatives in case of large scale dismissals.
- Activities of employment centres have been suspended. The work requirement of 225 hours per year to receive full benefit has been relaxed, giving recipients an additional four months. Consequently, unemployment benefits will not be affected by unfulfilled obligations.
- Enhanced surveillance of the labour market – vacancies and job-seekers will be observed on a daily basis, to improve decision making.


https://www.etuc.org/sites/default/files/page/file/2020-03/trepartsaftale%20om%20coronavirus.docx


https://politi.dk/corona/

Activities of workers' organizations

Summary

- FHO, the biggest union in Denmark, launched at the end of April a 41 point plan for reinvigoration of the economy after the crises. The plan is linked to greening of the economy and has a focus on workers’ rights. The plan see social welfare and unemployment benefits a way to bolster the economy through the creation of higher
aggregate demand. (Link in Danish: https://viewer.ipaper.io/fh/genopretningsplan/?page=10)

- The union has welcomed the latest package from the Government, focussing on the most vulnerable. The union were able to influence the package both through national level social dialogue and through alliances with organizations like Disabled Peoples’ Organizations Denmark (DPOD).
- LO Denmark continues its information and legal services for workers affected by Covid-19
- Trade union represent workers in negotiation of amendments to the tripartite collective agreement on pay compensation for workers affected by Covid-19. Amendments have been made through tripartite negotiation three times after it was first signed in March.

Source: Fagbevægelsens Hovedorganisation (FH)

Activities of employers' organizations

The Confederation of Danish Employers (DA) regularly informs on its website on measures taken by the government and social partners to help companies overcome the COVID-19 crisis:

- On 6 April, DA welcomed the government decision for a gradual reopening of Denmark after Easter, but as the difficult times went on, called for continued government support to companies, including as regards access to foreign workers.
- On 7 May, DA demanded that vocational education and training should be given priority in the reopening of the economy as it was difficult to teach practical skills by distance learning.
- On 28 May, DA informed about the first results of the Corona Disease Task Force, set up under the auspices of the Danish Working Environment Authority and the Work Environment Council, consisting of advice and recommendations on how companies can involve employees in the work of preventing work-related infection with coronavirus. DA contributes to the work of the Task Force.
- On 2 July, DA welcomed the government's new test strategy for migrant workers which sought to ensure that employees living abroad can continue to work in Denmark in a sound manner during the corona crisis.

On 15 March, a new tripartite agreement was concluded on a Temporary scheme for Pay Compensation to companies in risk of laying off in order to retain jobs (for employees paid on a monthly basis: government covers 75% of the salaries, companies the rest; for hourly workers: government will cover 90% of their wages, up to 26,000 DKK per month. Another tripartite agreement on 30 March extends pay compensation to 30,000 DKK. A further tripartite agreement of 5 June extended the pay compensation scheme until 29 August (it was supposed to expire on 8 July).

On 5 April, as a measure to increase private consumption and to support the economy in the COVID-19 crisis, DA and the main trade union FH jointly proposed that the government pay out frozen holiday money to employees. The holiday money would be reimbursed by companies to the state upon retirement of the employees. On 16 June, DA welcomed a decision by the government giving effect to this proposal.
The **Confederation of Danish Industry (DI)**, a member of the Confederation of Danish Employers (DA), has set up a dedicated website on COVID-19. This website provides comprehensive info and advice for companies on how to deal with the COVID-19 issue (including links to government websites, a hotline for legal advice, and webinars), for instance:

- Package of advice and policy on homework
- Guidance on layout of workplaces upon reopening
- FAQ Reopening of the workplace
- Guidance on aid packages and compensation schemes (for companies)
- Instructions, Templates, Rules and Latest news (for employers) on various COVID-19-related employment issues
- Export help for companies (info, advice, tools, weblinks)

On 4 May, DI presented its plan “Denmark out of crisis - back to green growth” which contains more than 100 proposals for measures after the reopening of the society, spread over five areas (climate action that works fast; investment in infrastructure and facilities; investment in education, research, innovation and digitalisation; investment in Denmark’s role as a strong export nation; stimulation of consumption during a difficult time). The plan is supposed to create 30,000 new jobs and raise wealth by 45 billion DKK.

---

**Estonia**

**Stimulating the economy and employment**

**Fiscal Policy**

The government has launched support package of 2 billion Euro (2,18 billion USD) support package aimed at aiding the country through the crises would include:

- Supporting workers and businesses;
- Buying supplies for health facilities.

**Monetary Policy**

Estonia is in the Eurozone.

**Support to specific sectors, incl. the health sector**

- The Government measures will include purchase of equipment to the health sector, including safety equipment.
- A partial compensation for the direct costs of canceled events would be particularly
helpful for culture and sports sector.

- The Rural Development Foundation will set guarantees for business loans (up to €100 million or 109 million USD) or land capital financing (up to €50 million or 54.5 million USD). Rural companies would be able to apply.

**Supporting enterprises, jobs and incomes**

**Social protection**

- The Unemployment Insurance Fund will cover 70 percent of workers’ income for two months. The gross amount payable per employee per month is €1,000. The Unemployment Insurance Fund and the employer will pay all labor taxes on wages and benefits.
- The benefit is calculated based on the gross wages of the employee over the period of the previous 12 months, plus remuneration payable by the employer to the employee which is no less than €150 in gross.
- The total cost of the measure is €250 million.
- OECD’s estimate shows that workers engaged in independent work, short-duration or part-time employment are 40-50% less likely to receive any form of income support during an out-of-work spell than standard employees.

**Assistance to business and business continuity**

- Tax debt to be postponed for 18 months, there will be a temporary suspension of certain pension contributions.
- Kredex (Ministry of Economic Affairs and Communications) will be utilized for loan guarantees for existing loans provided that the issuing bank alleviates the loan’s repayment schedule and the loan has not already been secured by Kredex. Maximum guaranteed amount is €5 million per company.
- Kredex will also provide business loans in the amount of €500 million.

**Protecting workers in the workplace**

**Access to paid leave**

From March to May, the state will reimburse employees for the first three days of sick leave for all certificates of incapacity for work.

**Relying on social dialogue for solutions**

**Approaches to tripartite consultations**

- EAKL has contributed to a response through existing social dialogue mechanism and through their role in the board of the social security fund. New labour market measure
through Unemployment Insurance Fund and temporary changes to the sickness compensation through Health Insurance Fund has been agreed between trade union representatives and the Government.

- While the trade union has been engaged in dialogue, the draft bills were not shared with social partners before being tabled. The union criticized the lack of dialogue in this regard.
- Estonian employers have successfully lobbied to allow foreign workers in the agricultural sector to stay and work.

Activities of workers' organizations

Summary

- EAKL has contributed to a response through existing social dialogue mechanism and through their role in the board of the social security fund. New labour market measure through Unemployment Insurance Fund and temporary changes to the sickness compensation through Health Insurance Fund has been agreed between trade union representatives and the Government

- While the union has been engaged in dialogue, the draft bills were not shared with social partners before being tabled. The union criticized the lack of dialogue in this regard

- EAKL has spoken out on behalf of workers at national level, despite the lack of social dialogue

- The union has an online campaign, and aims at providing legal advice to workers in need, also through sectoral unions such as Estonian Seamen’s Independent Trade Union

Source: EAKL

Activities of employers' organizations

The Estonian Employers’ Confederation (ETTK) created a specific COVID-19 related website. It contains updates on government measures, useful links and employers views.

On 13 May, during the tripartite meeting, the ETTK put forward a proposal to allow part-time workers to be recruited on a more flexible basis, in order to support employment retention and growth.

On 22 April, the Estonian Employers Confederation, the Estonian Chamber of Commerce and Industry and the Estonian Association of Large Entrepreneurs presented their proposals to the government on how to support the economy: wage subsidies continue to be the most important support measure and their availability should be prolonged. In order to prevent abuses, the applicants must be monitored; credit guarantees - efforts should be made to speed up the process of granting the guarantee and the scope of the guarantee should be extended; Suspension of interest on tax arrears during an emergency situation - important to ensure
that preference is given to companies with previous exemplary tax discipline; **Increasing the volume of public sector investments.**

On 16 April, the Council of ETTK emphasized the government needs to develop a plan for gradual easing of the restrictions. It also underlined the need to increase the testing capacity, and procurement of the adequate number of personal protective equipment.

On 31 March, the ETTK outlined the priorities for a successful exit from the crisis, including:

- **Support for large employers.** The state should be prepared for emergency solutions (e.g. direct subsidies, temporary acquisition of holdings).
- **Urgent assistance to the most affected sectors**
- **Ensuring sustainability of state support measures**
- **A long-term plan** to support the economy, competitiveness of the business environment and employment after the pandemic.
- **Public sector reforms.** Against the background of a sharply declining economy and tax revenues, the state itself must carry out the necessary reforms in the public sector.

On 26 March, the Estonian Confederation of Employers and the Estonian Chamber of Commerce and Industry supported the request made by the agricultural sector to the government to allow foreign workers to enter the Estonian labour market. The agricultural enterprises will need nearly 2,000 foreign workers to assure food production.

---

**Finland**

**Stimulating the economy and employment**

- Key discretionary tax and spending measures (about 3 percent of GDP) include additional spending for (i): healthcare and testing, protection and medical equipment, public safety, and border controls, and research on the coronavirus epidemic, in particular, to develop methods for rapid diagnostics and vaccines and a knowledge base for timely decision-making on coronavirus measures, (especially on the exit strategy) (€3 billion); (ii) lower pension contributions through the remainder of 2020 (€1.05 billion); (iii) grants to SMEs and self-employed (over €1 billion); and (iv) expanded parental allowance, social assistance and unemployment insurance (€3 billion). In addition to discretionary measures, automatic stabilizers are expected to increase the fiscal deficit by about 4.5-5.0 percentage points of GDP. Deferral of tax and pension payments for 3 months are expected to provide additional short-run relief of 2 percent of GDP (€4.5 billion). (IMF)
- In addition to ECB measures, key measures within Finland include: (i) Bank of Finland to support liquidity through investing in short-term Finnish corporate commercial paper (€1 billion); (ii) 1 ppt reduction in the structural buffer requirements of all credit institutions by removing the systemic risk buffer and adjusting institution-specific requirements
increases Finnish banks’ international lending capacity by an estimated €52 billion – that, plus other countries’ measures, increase lending capacity to Finnish households and firms by an estimated €30 billion; (iii) Finland’s Export Credit Agency is expanding its lending and guarantee capacity to SMEs by €10 billion to €12 billion (and the government will increase its coverage of the agency’s credit and guarantee losses from 50 to 80 percent); (iv) the State Pension Fund will also invest in commercial paper (€1 billion); (v) a state guarantee for Finnair (€600 million); (vi) state guarantee for shipping companies (€600 million); and (vii) easier re-borrowing of pension contributions allowed; support restaurants in employing workers (€40 million) and compensation for the imposed restrictions on activities (€ 83 million).

- In the case of nursing and other critical personnel, exceptions can be made to the provisions of the Working Hours Act and the Annual Holidays Act in both the private and public sector. Also, the length of the periods of notice of employees willing to resign is extended in order to secure the availability of skilled nursing personnel. Additional spending for healthcare and testing, protection and medical equipment, public safety and border controls, and research on the coronavirus epidemic, in particular, to develop methods for rapid diagnostics and vaccines and a knowledge base for timely decision-making on coronavirus measures. Finland is also contributing €5 million to international non-profit companies working on the development of a COVID-19 vaccine.

- May 2021 - parliament approved the EU’s proposed financing of its Recovery and Resilience Facility (RRF). According to the plan, Finland is expected to receive roughly EUR 2.1 billion over 2021-2026. The distribution of the funds is frontloaded to support the recovery from the pandemic. Authorities' estimates indicate that 51 percent of the RRF funding will support the green transition and 24 percent will support digital transformation projects.

### Supporting enterprises, jobs and incomes

- social protection
  - As of 1 April 2020, employees laid off will be entitled to unemployment benefit even if they are engaged in business activities or studies.
  - Temporary recognition of entrepreneurs and freelancers as unemployment benefit recipients.
  - Elimination of waiting period for unemployment benefits.
  - expanded parental allowance, social assistance and unemployment insurance (€3 billion).
  - Special guidelines to municipalities granting supplementary and preventive social assistance (prioritization of cases totally without other incomes, granting preventive social assistance if there are delays granting basic social assistance in Kela/Social Insurance Institution), municipalities are not recommended to apply reductions of social assistance due to non-compliance (e.g. person refuses to accept a work offer or does not participate in training or certain other activating or integration measures) (OECD)
On 27th January 2021, the Government decided on the reimbursement of COVID-19 vaccinations through health insurance. The Health Insurance Act will be amended so that vaccinations received through occupational healthcare can be reimbursed by Kela. The costs of reimbursement would be paid from state funds. The amount of the reimbursement will be decided later. The state is responsible for procuring the vaccine, while municipalities are responsible for its distribution. Travel costs related to vaccinations provided by both public and private healthcare services would also be reimbursed. The Government will submit a proposal on the reimbursement of COVID-19 vaccination to Parliament in February.

May 2020 - the Government is proposing a temporary increase in the exempt amount of the adjusted unemployment benefit from EUR 300 to EUR 500 per month. The aim is to provide financial support to help people find part-time work or other short-term work in agriculture and horticulture enterprises or elsewhere. The raised exempt amount would also apply to income from self-employment. Moreover, the amendment would apply to unemployed job seekers who already receive adjusted unemployment benefit. The exempt amount means the amount unemployed jobseekers can earn without an effect on their unemployment benefit.

- assistance to business and business continuity
  - On 31 March 2020, the Government introduced a financing model for sole entrepreneurs that consists of a fixed sum (up to 2000 euros/month) to cover fixed expenses such as rents. Entrepreneurs can apply for the financing from municipalities and the scheme will run for 6 months. Entrepreneurs may be entitled to both support and the extended unemployment security.
  - Loan guarantees for firms (4% of GDP), most notably via Finnvera, the state’s financing and export credit company.
  - Increase of grants (0.1% of GDP): the public funding agency Business Finland’s grant authorisations will be increased to permit immediate business support measures. (OECD).
  - The Government has agreed on a comprehensive package to safeguard jobs and livelihoods and ease the economic pressure on businesses. According to the Government’s estimate, the overall scale of the measures will be approximately EUR 15 billion.
  - Notice period for temporary lay-offs and the duration of co-operation negotiations will be shortened due to COVID-19.
  - June 2021 - the Government announced that temporary amendments to business development aid will continue till the end of 2021, with a company-specific maximum state aid of 1.8 million euros;

Kela can pay labour market subsidy to self-employed persons until 30 June 2021 if the business has been hard hit by the coronavirus epidemic. Self-employed persons who apply for benefits must be registered as jobseekers with the TE
Protecting workers in the workplace

- OSH
  - Government guidelines for COVID 19 issued
  - The Ministry of Finance and the Ministry of Social Affairs and Health recommend working remotely to the extent possible in both the public and private sectors. This recommendation will remain in force throughout the country until further notice and will be reviewed by 30 June 2021.
  - February 2021 - a simplified process to qualify for medical care has been introduced for seasonal workers arriving in Finland from a non-EU countries for a period of less than 90 days. An application for the right to medical care can be filed as soon as the contracted worker has been granted a certificate for seasonal work by the Finnish Immigration Service and a seasonal work visa by a Finnish diplomatic mission.

- prevention of discrimination and exclusion
  - Broadly, Finland will not permit the entry of seasonal workers. Seasonal work is not currently defined as necessary travel for work, or other necessary traffic. However, if the work in question is considered necessary for the security of supply or the functioning of the labour market, entry may be permitted based on the overall consideration of each individual case by the border authority. The Finnish authorities will later assess whether entry into Finland of foreign seasonal workers is possible from the public health perspective.

- access to paid leave
  - The Finnish Social Security Institution (KELA) pays a sickness allowance on account of an infectious disease, which compensates for the full loss of income due to absence from work with no waiting period, to a sick employee or self-employed throughout the period of corona quarantine or isolation. If the employer has paid wages to the employee during the employee’s sick leave, Kela will pay the sickness allowance on account of an infectious disease to the employer. Other employees and self-employed persons who have not been ordered to quarantine or isolation are paid normal sickness allowance.
  - A guardian or parent who is caring for a sick child under 16 years of age is also eligible for a sickness allowance on account of an infectious disease if the child has been quarantined and, as a result, the parent or guardian cannot go to work.

- No mandatory vaccination for any occupational groups.

Relying on social dialogue for solutions
• Approaches to tripartite consultation

  • The government has invited the social partners to discuss measures to secure the functioning of the labour market and the income for employees and companies as well as the safeguarding of the work places and avoiding bankruptcies. The social partners are preparing proposals on the application of the Act on Co-operation within Undertakings in the current situation. Also the use of emergencies clauses of the collective agreements will be discussed to mitigate serious negative problems caused by the crises.

  • The Minister of Employment Tuula Haatainen has decided to set up a high-level tripartite working group consisting of representatives from ministries, various authorities and social partners to mitigate the negative employment consequences of the COVID-19. The working group will concentrate on the functioning of the labour market and on continued availability of active labour market policy measures. Also additional measures to maintain the functioning of the labour market and to secure the work places will be prepared both through bi-partite social dialogue, including collective bargaining and through legislative measures. Minister Haatainen has invited the social partners to use all existing flexibility clauses of the labour legislation and collective agreements to speed the lay-off and other applicable flexibility procedures and to come up with proposals this week on the application of the Act on Co-operation within Undertakings due to the situation caused by the corona virus, and on the possibilities of implementing the crisis clauses of collective agreements. The social partners have also been invited to assess the effects of still partly on-going collective bargaining round on the functioning of the labour market in the changed situation.

• Joint action of employers and workers

  • [joint social partner proposal](https://ilo.org/covid19-policies) to the Finnish Government on actions to be taken in response to the COVID 19 crisis

**Other measures**

Links to relevant websites:

https://valtioneuvosto.fi/en/information-on-coronavirus

https://tem.fi/en/information-on-coronavirus

Activities of workers' organizations

Summary

- In addition to trade union demands, unions and employers have joint proposals to the Finnish Government to protect businesses, employment and livelihoods in the economic crisis caused by the coronavirus.
- The Government response is negotiated with the social partners regularly.
- Finnish trade unions continue to update their information and legal campaign for workers affected by Covid-19. In addition, the unions represent workers at all levels in negotiation with the other partners on responses to the crises.
- SAK union has translated their information into other languages, such as Arabic and Russian, to the benefit of workers who do not speak Finnish.
- Most unions at sectoral level have negotiated changes to their collective agreements and reached bipartite agreements on Covid-19 measures in various industries.

Sources:

- Central Organization of Finnish Trade Unions (SAK)
- Finnish Confederation of Salaried Employees (STTK)
- Confederation of Unions for Academic Professionals in Finland (AKAVA)

For more information, see also:

- https://www.sak.fi/ajankohtaista/koronavirusepidemian-vaikutukset-tyohon

Activities of employers' organizations

The Confederation of Finnish Industries (EK) has set up a “corona website” on which it provides comprehensive info/advice to enterprises (categories: 1. Releases, 2. Useful information, 3. economic Pulse (videos); 4. blogs and speeches; 5. EK as the voice of companies), among others:

- Ten questions (and answers) on COVID-19 and working conditions
- Advice on the application of labour legislation regarding lay-off of workers including recently adopted temporary changes
- Safe work, services and consumption and transport: Best practices guide for all businesses (Guide is available in English and is regularly updated)
- Training (video) on how to apply for government cost support for companies whose turnover has fallen significantly as a result of the coronavirus crisis and whose costs are difficult to adjust (1 July)

EK has regularly made proposals to the government on measures to improve the COVID-19 situation for enterprises, for instance:

- Proposal for a 10 point emergency assistance package to alleviate the acute cash
crisis for companies (19 March)

- **Urgent need to procure protective equipment** (respirators, gloves, protective clothing); EK, in cooperation with its member associations, has also looked into the possibilities of launching domestic production (7 April)

- **Urgent need for comprehensive Corona-testing**, both disease and anti-body testing (7 April)

- **Need for a roadmap for opening the Finnish society** – EK`s “Exit Group” issued its final report “Plan to lift Finland out of the COVID-19 crisis” containing detailed proposals in this regard. (29 April)

- **Need for a more concrete exit roadmap and more credibility in epidemic management**: according to a recent survey, 84 % of enterprises estimate that their workplace OSH has now achieved a fairly good level allowing employers a safe return to work (14 May)

EK also engaged in partnerships with other business organizations to submit proposals to the government:

- EK, Akava, KT, Church Employers, SAK, STTK: **joint recommendation for large-scale anti-body testing** in order to enable immune workers to return to work to enable an early normalization of the operation of enterprises (3 April)

- EK, Central Chamber of Commerce, Association of Family Businesses, Finnish Entrepreneurs: **joint proposals for further measures to help companies in the crisis (“Saving Finnish jobs and companies”),** e.g. reduction of employer contributions to social security; higher state guarantees for companies to ensure liquidity (23 April)

- EK, Akava, KT, SAK, and STTK: proposal to maintain the temporary changes in labour legislation and social security until the end of the year, in particular the simplification of redundancies and the payment on unemployment benefits (14 May)

On 25 May, EK and ten leading companies in Finland launched the “Enter 2020” campaign. On an open web-platform, companies are invited to share best practices, ideas and innovations for safe work, the use of public transport and many other everyday activities in the COVID-19 crisis. The objective is to help Finnish society restore its ability to function, improve trust and readiness to act in a new situation and increase people's activity and well-being.

EK also regularly undertakes surveys amongst employers. Between 5 and 9 June, EK made a survey on the effects of the lifting of the COVID-19 restrictions. According to the survey, 64 % of the employers saw a positive of the removal of the restrictions on their operations. 34 % reported that they had developed new products or services and 25 % said that they had identified new customer groups and target markets. Still, the situation remains difficult: 51 % reported that they had to lay off staff, although the intentions for further lay-offs had diminished.

On 24 June, EK and Hyvinvointiala HALI ry (Finnish Association of Private Care Providers) jointly made proposals to prepare for the 2nd wave of the epidemic. In their view, the effectiveness of
the “Test-Trace-Isolate-Treat” strategy chosen by Finland to contain the corona epidemic requires extensive testing of patients and carriers, rapid identification and stopping of infection chains, and effective isolation and treatment of those affected and exposed.

France

Stimulating the economy and employment

Un plan de relance de 100 milliards d’euros sur deux ans a été présenté le 3 septembre 2020 alors que le produit intérieur brut (PIB) devrait se contracter de 11 % et que 800 000 suppressions d’emplois sont attendues cette année.

30 milliards d’euros sont prévus pour la transition énergétique. Une partie de cette somme (7 milliards) ira à la rénovation énergétique des bâtiments, 4,7 milliards au ferroviaire (petites lignes, fret, trains de nuit) et 1,2 milliard aux transports du quotidien (notamment le vélo). Neuf milliards d’euros du plan seront destinés à l’accompagnement des entreprises dans leur transition énergétique, notamment via la recherche et l’innovation. Le volet agroécologie du plan de relance se montera à 1,2 milliard d’euros.

Deuxième poste de dépenses: environ 35 milliards pour la compétitivité des entreprises et la relocalisation industrielle. 20 milliards sur deux ans de baisse des impôts de production (impôts calculés sur les installations des entreprises, leurs terrains, leurs équipements ou la valeur ajoutée produite), 3 milliards pour renforcer les fonds propres des entreprises fragilisées par la crise et 1 milliard pour des investissements liés à l’innovation ou la relocalisation. L’Etat subventionnera à hauteur de 1 milliard d’euros le développement industriel sur les territoires dont 600 millions pour un appel à projet sur la relocalisation de productions en France.

Enfin, la troisième catégorie de dépenses aura trait aux compétences et à la solidarité : 6,5 milliards du plan pour l’emploi des jeunes (comprend notamment l’aide de 4 000 euros pour l’embauche d’un jeune de moins de 26 ans pour un contrat de trois mois minimum, les primes pour l’embauche de jeunes en alternance, les contrats d’insertion)

6,6 milliards sont budgétés pour l’activité partielle de longue durée, 5,2 milliards d’aides aux collectivités locales et 6 milliards d’investissement pour les hôpitaux.

Supporting enterprises, jobs and incomes

En Juillet 2020, un plan emploi jeunes a été présenté par le gouvernement: 6,5 milliards d’euros seront affectés en 2020-2021 à la mise en place d’une aide à l’embauche des jeunes.

Une aide exceptionnelle au recrutement des apprentis pour toutes les entreprises a été mise en place : 5 000 euros pour un apprenti de moins de 18 ans et 8 000 euros pour un apprenti majeur.
Pour les contrats signés à compter du 1er juillet 2020 et jusqu’au 28 février 2021, cette aide sera versée : aux entreprises de moins de 250 salariés sans condition et aux entreprises de plus 250 salariés à la condition qu’elles s’engagent à atteindre le seuil de contrats d’apprentissage ou de contrats de professionnalisation dans leur effectif en 2021.

Une aide aux entreprises sera versée trimestriellement pour accélérer l’embauche des jeunes pour les CDI et CDD conclus entre le 1er août et fin janvier. Le montant de la prime atteindra jusqu’à 4.000 euros pour les contrats d’un an ou plus sous la forme d’une compensation de charges. Le plafond de rémunération mensuel est de 2 SMIC, soit un peu plus de 3.000 euros mensuels. L’âge maximal est fixé à 25 ans. Le gouvernement espère de cette mesure 450.000 signatures de contrats en 2020, pour un coût évalué à 1,2 milliard d'euros. A noter que l’aide sera doublée sur « les métiers de la transformation écologique des modèles économiques » pour les TPE-PME.

60.000 Contrats initiative emploi (aidés) vont être débloqués dans le secteur marchand (dont 10.000 en 2020). Dans le secteur associatif ou public, les contrats aidés dénommés « Parcours emplois compétences » seront augmentés de 60.000, en plus des 20.000 initialement programmés. 35.000 contrats d’insertion par l’activité économique vont aussi être ciblés sur les jeunes en 2021.

Le nombre de jeunes bénéficiant d’un suivi renforcé par Pôle emploi sera plus que doublé. Le plan prévoit 200.000 places supplémentaires en formation. Pour les jeunes en échec dans l’enseignement supérieur, 100.000 nouvelles formations seront ainsi proposées « dans les métiers d’avenir » (transition écologique, santé, numérique, secteurs prioritaires du plan de relance).

Un décret mettant en place le « dispositif spécifique d’activité partielle en cas de réduction d’activité durable » a été publié au Journal officiel du 30 juillet. Il permet aux entreprises confrontées à une « réduction d’activité durable » de placer leurs salariés en activité partielle.


Deux décrets du 30 octobre 2020 fixent la nouvelle réforme de l’activité partielle : le décret en Conseil d’État n°2020-1316 du 30 octobre 2020 relatif à l’activité partielle et au dispositif d’activité partielle spécifique en cas de réduction d’activité durable; le décret simple n°2020-1319 du 30 octobre 2020 relatif à l’activité partielle.

Au titre des heures chômées par les salariés à partir du 1er janvier 2021, l’indemnité versée au salarié sera égale à 72% de sa rémunération nette. Pour les heures chômées entre le 1er novembre et le 31 décembre 2020, l’indemnité versée demeure égale à 84 % de la rémunération nette environ.

À partir du 1er décembre 2020, le dispositif du fonds de solidarité évolue pour soutenir les secteurs les plus exposés à la crise, en y intégrant les entreprises de taille intermédiaire.

Pour les entreprises fermées, le fonds de solidarité sera ouvert quelle que soit la taille de l’entreprise : option entre une aide jusqu’à 10.000€ ou une indemnisation de 20% du chiffres
d'affaire mensuel. Les entreprises du secteur du tourisme, événementiel, sport et culture continueront d'avoir accès au fonds de solidarité dès lors qu'elles perdent 50% de chiffre d'affaires : jusqu'à 10.000€ ou une indemnisation de 15% du chiffres d'affaire mensuel. Pour les entreprises qui perdent plus de 70% de leur chiffre d'affaires, l'indemnisation passera à 20% du chiffre d’affaire mensuel réalisé à la même période de l’année précédente.

27 janvier 2021: près de 470 000 salariés sont couverts par des demandes d’activité partielle de longue durée. 39 accords de branche ont été signés à ce jour.


Dans les secteurs et entreprises restant contraints de suspendre totalement ou partiellement leur activité du fait des effets de la crise sanitaire liée à la Covid-19, la prise en charge de l’activité partielle restera intégrale jusqu’au 31 décembre 2021. Deux décrets des 25 et 27 octobre 2021 maintiennent le taux de l’allocation et de l’indemnité d’activité partielle à 70 % de la rémunération brute antérieure pour les entreprises qui continuent à faire l’objet de restrictions administratives ou à subir les effets économiques de la pandémie.

[Décret 2021-1383 du 25 oct. 2021](http://www.economie.gouv.fr)

[Décret 2021-1389 du 27 oct. 2021](http://www.economie.gouv.fr)

### Protecting workers in the workplace

Depuis le 1er mai 2020, les salariés considérés comme vulnérables, ainsi que ceux partageant le domicile d’une personne vulnérable, peuvent être placés en activité partielle s’il leur est impossible de télétravailler.

En septembre 2020 le coronavirus a été reconnu comme maladie professionnelle ([décret n° 2020-1131 du 14 septembre 2020](http://www.economie.gouv.fr))

Le [décret n° 2020-1365](http://www.economie.gouv.fr) du 10 novembre 2020 a fixé une liste de critères permettant de définir les personnes vulnérables présentant un risque de développer une forme grave d’infection au virus SARS-CoV-2 et pouvant être placées en activité partielle.

31 mars 2021 : en raison de l'extension des "mesures renforcées" de lutte contre la propagation du coronavirus à tout le territoire métropolitain, toutes les entreprises ont l’obligation d’élaborer un plan d’action pour favoriser le télétravail et réduire le temps de présence sur site des salariés. Ce plan n’est soumis à aucune exigence de forme, mais ses dispositions doivent
pouvoir être présentées à l’inspection du travail.

Le protocole national pour assurer la santé et la sécurité des salariés en entreprise face à l’épidémie de Covid-19 a été actualisé le 2 juin 2021 pour préparer la 3e étape de la stratégie de réouverture liée à l’amélioration de la situation sanitaire

A compter du 1er septembre 2021, le protocole sanitaire pour assurer la santé et la sécurité des salariés en entreprise face à l’épidémie de Covid-19 ne recommande plus un nombre minimal de jours de télétravail par semaine. Le texte propose aux employeurs de s’inspirer de l’accord national interprofessionnel du 26 novembre 2020 pour mettre en œuvre une politique de télétravail et recommande que le cadre soit fixé “dans le cadre du dialogue social de proximité”, “en veillant au maintien des liens au sein du collectif de travail et à la prévention des risques liés à l’isolement des salariés en télétravail.

Le protocole national pour assurer la santé et la sécurité des salariés en entreprise face à l’épidémie de Covid-19 a été actualisé le 9 août puis le 31 août 2021 avec une entrée en vigueur le 1er septembre 2021 en vertu de la loi sur la gestion de la crise sanitaire du 5 août 2021.

LOI n° 2021-1040 du 5 août 2021 relative à la gestion de la crise sanitaire (1) - Légifrance (legifrance.gouv.fr)

Il a notamment été mis à jour pour prendre en compte la mise en œuvre du passe sanitaire pour les personnes travaillant dans les lieux qui y sont soumis.

Le passe sanitaire

Le dispositif du passe sanitaire a été instauré par la loi du 31 mai 2021 pour les voyageurs en provenance ou à destination de la France et pour l’accès à de grands rassemblements occasionnés par des activités de loisirs (salles de cinémas, théâtres, musées...) ou des foires et salons.

Le Conseil constitutionnel a considéré dans sa décision du 31 mai 2021 que la notion « d’activité de loisirs » soumise à un passe sanitaire ne concernait pas une activité politique, syndicale ou cultuelle.

Décision n° 2021-819 DC du 31 mai 2021 | Conseil constitutionnel (conseil-constitutionnel.fr)

La loi du 5 août 2021 prolonge le passe sanitaire jusqu’au 15 novembre 2021 et étend son périmètre à de nombreuses autres activités de la vie quotidienne.

Depuis le 30 août 2021, les personnes (salariés, bénévoles, prestataires, intérimaires et sous-traitants) intervenant dans certains lieux, établissements, services ou événements doivent présenter un passe sanitaire. Pour les salariés de moins de 18 ans, cette obligation s’impose à compter du 30 septembre.

Le « pass sanitaire » consiste en la présentation, numérique ou papier, d’une preuve sanitaire, parmi les trois suivantes :

- La vaccination, à la condition que les personnes disposent d’un schéma vaccinal complet et du délai nécessaire après l’injection finale (7 jours après la 2e injection pour les vaccins à double injection ; 28 jours après l’injection pour les vaccins avec une seule injection ; 7 jours après l’injection pour les vaccins chez les personnes ayant eu un antécédent de Covid (1 seule
injection).

- La preuve d'un test négatif de moins de 72h (ou 48h pour les tests antigéniques dans le cadre de voyages vers certaines destinations, comme la Corse, les collectivités d'outre-mer et l'Union européenne) Tous les tests RT-PCR, antigéniques et les autotests sous la supervision de professionnels de santé génèrent une preuve. Les délais en vigueur pour la validité des tests (72h ou 48h selon les cas) sont stricts au moment de l'entrée sur le site.

- Le résultat d'un test RT-PCR ou antigénique positif attestant du rétablissement de la Covid-19, datant d'au moins 11 jours et de moins de 6 mois.

Les employeurs doivent contrôler le respect de cette obligation. Lorsqu’un salarié concerné par le passe sanitaire ne présente pas les justificatifs, il peut, avec l’accord de l’employeur prendre des jours de congés ou de RTT.

Aucun, l’employeur lui notifie par tout moyen la suspension de son contrat de travail. Un entretien a lieu au plus tard dans un délai de trois jours ouvrés suivant la suspension afin d’examiner, avec le salarié, les moyens de régulariser sa situation (proposition d’affectation sur un autre poste ou de travailler à distance lorsque c’est possible, etc.).

La possibilité d’un licenciement spécifique pour défaut de passe sanitaire au bout de deux mois, initialement voulue par le gouvernement, a été supprimée par les sénateurs. La faculté pour les employeurs de rompre les contrats de travail à durée déterminée (CDD) et intérimaires a été censurée par le Conseil constitutionnel.

Décision n° 2021-824 DC du 5 août 2021 | Conseil constitutionnel (conseil-constitutionnel.fr)

Les professionnels intervenant dans les lieux et événements soumis au passe sanitaire ne seront plus tenus de porter le masque. En revanche, le port du masque peut être rendu obligatoire par le préfet, ainsi que par l’exploitant ou l’organisateur.

L’employeur doit porter une attention particulière aux salariés chargés de vérifier la validité du passe sanitaire en adaptant si besoin l’évaluation des risques aux difficultés spécifiques liées à cette activité et en apportant à ces salariés l’accompagnement adapté pour faire face aux difficultés éventuelles. Ces mesures sont prises dans le cadre habituel de l’évaluation des risques.

**La vaccination**

Les employeurs doivent favoriser la vaccination de leurs salariés en les autorisant à s’absenter pendant les heures de travail. Les absences pour les salariés et les stagiaires n’entraînent pas une baisse de la rémunération et sont assimilées à du temps de travail effectif.

L’absence pour se faire vacciner n’est pas limitée dans le temps, sa durée doit cependant être raisonnable au regard du temps de déplacement nécessaire. L’autorisation d’absence peut être accordée au salarié qui souhaite accompagner un mineur ou majeur protégé pour se faire vacciner. Les employeurs peuvent demander au salarié, la confirmation du rendez-vous de vaccination ou un justificatif de la réalisation de la vaccination.

La vaccination est obligatoire pour les soignants et les travailleurs des établissements et services sanitaires et médico-sociaux. Elle sera mise en place en deux temps. Entre le 15 septembre et le 15 octobre, une première dose de vaccin ainsi qu'un résultat de test négatif seront exigés. A
partir du 16 octobre, la présentation d'un justificatif du schéma vaccinal complet sera demandée.

Les employeurs doivent contrôler le respect de cette obligation. Les personnes ayant des contre-indications médicales doivent présenter un certificat médical.

Les salariés de 18 ans et plus peuvent être vaccinés par les médecins du travail.

À défaut d'avoir été vaccinés dans les temps, les salariés et les agents publics pourront être suspendus, sans salaire. La possibilité d'un licenciement en cas de défaut de vaccination au Covid au bout de deux mois, initialement voulue par le gouvernement, a été également supprimée par les parlementaires pour les soignants.

Professions concernées par la vaccination obligatoire :

Il s'agit du personnel listé par l'article 12 de la loi n°2021-1040 du 5 août 2021 et par l'article 49-2 du décret du 1er juin 2021 : de manière générale, toutes les personnes travaillant dans des établissements ou centres de santé, les hôpitaux des armées, le secteur médical ou paramédical et tous les professionnels touchant le médical : sapeurs-pompiers, personnels navigants de la sécurité civile ou encore les personnes assurant les transports sanitaires.

Professions concernées par le passe sanitaire:

Il s’agit des salariés des lieux et établissements recevant du public dont la liste est énumérée par la loi n°2021-1040 du 5 août 2021 (art. 1, 2e). Sont notamment concernés les secteurs suivants : · hôtellerie et tourisme ; · restauration et débit de boissons ; · cinémas, théâtres, salles de spectacles ou de concert, monuments, musées, etc. ; · établissements sportifs clos et couverts ; · bowling, salles de jeux, etc. ; · séminaires, foires et salons professionnels (de plus de 50 personnes, organisés en dehors des locaux de l’entreprise) ; · transports longue distance de personnes ; · zoos, parcs à thèmes, etc. ; · grands centres commerciaux (sur décision préfectorale).

Certains salariés et autres professionnels ne sont pas soumis au passe sanitaire si leur activité se déroule dans des espaces non accessibles au public ou hors des horaires d’ouverture au public ou en cas d’interventions urgentes ou pour les activités de livraison.

Passe sanitaire et dialogue social :

Le déploiement du passe sanitaire se fait dans le cadre du dialogue social. La mise en place du contrôle du passe sanitaire ou de l’obligation vaccinale au sein des entreprises concernées nécessite d’informer et de consulter le comité social et économique (CSE), instance de représentation du personnel dans l’entreprise, si, en application de l’article L. 2312-8 du code du travail, cette mise en place a des conséquences sur « l’organisation, la gestion et la marche générale de l’entreprise ». Dans l’urgence, la consultation peut se faire après la mise en place du passe.

QR- Obligation vaccination et pass sanitaire pour certaines professions (travail-emploi.gouv.fr)

La loi du 10 novembre 2021 portant diverses dispositions de vigilance sanitaire a été publiée au Journal officiel du 11 novembre. Elle permet le maintien du passe sanitaire jusqu’au 31 juillet 2022 et prolonge la possibilité de majorer les taux d’activité partielle. De plus, elle rétablit les dispositions adaptant les missions des services de santé au travail à l’urgence sanitaire et
permet de proroger celles relatives aux modalités d’indemnisation des arrêts de travail dérogatoires.

**LOI n° 2021-1465 du 10 novembre 2021 portant diverses dispositions de vigilance sanitaire (1) - Légifrance (legifrance.gouv.fr)**

Le 30 décembre 2021, le ministère du Travail a publié une version actualisée du protocole national pour assurer la santé et la sécurité des salariés. Le texte final prévoit qu’à partir du 3 janvier 2022, les employeurs fixent "pour une durée de trois semaines, un nombre minimal de trois jours de télétravail par semaine, pour les postes qui le permettent", pouvant aller jusqu’à quatre jours "lorsque l’organisation du travail et la situation des salariés le permettent".

Le protocole sanitaire en entreprise a été actualisé, le 21 janvier 2022 pour acter la poursuite de l’obligation de télétravailler au moins trois jours par semaine pour les postes qui le permettent, jusqu’au 1er février inclus. Après cette date, le télétravail redeviendra une simple recommandation au sein du protocole national.

Le protocole national en entreprise a été à nouveau actualisé le 16 février 2022. Les réunions professionnelles au sein de l'entreprise sont désormais possibles, même si « les réunions en audio ou en visioconférence restent à privilégier ». Les personnes y participant doivent respecter les gestes barrière.

Le télétravail reste « recommandé » et « les employeurs fixent, dans le cadre du dialogue social de proximité, les modalités de recours » à ce mode de travail à distance.

**Protocole national entreprises covid-19 - santé et sécurité salariés (travail-emploi.gouv.fr)**

Le protocole sanitaire cessa de s’appliquer en entreprise le 14 mars 2022, date à laquelle le port du masque ne sera plus obligatoire dans les lieux fermés. Les règles d’hygiène : "aérer les locaux, se laver les mains" restent recommandées. Le télétravail pourra être maintenu selon des modalités définies avec les représentants du personnel.

Le ministère du Travail a publié le 15 mars 2022 un nouveau "guide repère " qui résume les dispositions à prendre en entreprise.

**Relying on social dialogue for solutions**

Les conditions de réunion des instances de représentation du personnel ont été assouplies.

Le décret n° 2020-419 du 10 avril 2020 précise les modalités de consultation et de réunion des instances représentatives du personnel pendant la période d’état d’urgence sanitaire.

Pour sécuriser les accords collectifs une ordonnance portant diverses dispositions sociales pour faire face à l’épidémie adoptée le 15 avril (ici), réduit les délais d’opposition aux accords collectifs conclus pour faire face au Covid-19.

Le ministère du Travail a publié un "questions/réponses " sur le dialogue social en période de coronavirus. Le document détaille comment poursuivre le dialogue social pendant l’épidémie : négociation collective, signature d’accords, consultation des salariés, etc. Il précise notamment
dans quelle mesure les séances de négociation peuvent être organisées sur le lieu de travail.

Renault: Trois organisations syndicales ont donné leur accord pour la signature d'un "contrat de solidarité et d’avenir" en France au 2 avril 2020. Le constructeur s’y engage notamment à maintenir à 100% la rémunération des salariés au chômage partiel et à négocier localement la reprise d’activité.

PSA: La Direction et 4 organisations syndicales ont signé un accord prévoyant le maintien de la rémunération à 100% des salariés via un fonds de "solidarité Covid-19".

Danone: Un accord sur la gestion de l’activité et la préservation de l’emploi a été signé par 3 syndicats majoritaires.

Le Medef, la CFDT et la CFTC ont adopté le 30 avril 2020 une déclaration commune selon laquelle: « la vie économique et sociale doit être progressivement restaurée dans des conditions de sécurité optimales pour les salariés » et qui précise le cadre de l’organisation du travail et des déplacements.

Un accord sur la transformation d’activité a été signé au sein du groupe Safran, le 8 juillet 2020, entre la direction et les quatre organisations syndicales représentatives de l’entreprise (CFE-CGC, CGT, CFDT et FO). Le texte prévoit le recours à l’activité partielle de longue durée pour permettre de sauver les emplois menacés à la suite de la crise liée au Covid-19, mais également des mesures de modération salariale, de mobilité interne et externe et de recrutement par la voie de l’apprentissage.

Les partenaires sociaux de la branche de la métallurgie ont paraphé, le 24 août 2020 une « contribution » à un plan de relance de l’industrie

53 accords de branche et plus de 8 000 accords d’entreprise ont eu pour objet de faire face aux conséquences de la crise sanitaire depuis mars 2020.

Un accord national interprofessionnel (ANI du 26 novembre 2020) pour une mise en place réussie du télétravail, a été signé par la CFDT, FO, la CFE-CGC et la CFTC d’une part et par le MEDEF, la CPME et l’U2P d’autre part.

Accord national interprofessionnel du 26 novembre 2020 pour une mise en œuvre réussie du télétravail


Une deuxième "conférence de dialogue social" entre le gouvernement et les partenaires sociaux s’est tenue le 26 octobre 2020 pour "faire un point d’étape" sur les nombreux sujets de l’agenda social 2020-2021 (notamment le plan jeunes, le plan de relance, l’assurance chômage, les retraites, les métiers en tension, le télétravail, la santé au travail ou encore le partage de la valeur), et présenter des premiers résultats sur le Plan jeunes ou encore l’activité partielle de longue durée.
Une troisième "conférence du dialogue social" a réuni le 15 mars 2021, autour du Premier ministre, les leaders syndicaux et patronaux, la ministre du Travail et le ministre de l'Économie pour faire le point sur l'avancée des multiples dossiers inscrits à l'ordre du jour de l'agenda social : suivi du plan de relance et notamment de son volet dédié aux jeunes (prolongation des aides au recrutement des jeunes et des alternants) ; concertation sur une meilleure participation des salariés à la gouvernance de l'entreprise, sur l'intérêtement au résultat et sur l'actionnariat salarié, sur l'équité salariale ; concertations sur la formation dans les entreprises et évaluation de la formation professionnelle ; travaux sur les formes particulières d'emplois (travailleurs des plateformes notamment), sur le travail détaché, l'évolution de la protection sociale, son financement et sa gouvernance et la gestion de la sortie de crise : levée des restrictions sanitaires et fin progressive des aides.

L'agenda social tripartite a été remis à jour par le gouvernement, la concertation sur la "sortie de crise" a fait son entrée dans l'agenda social.

Agenda social tripartite mis à jour (12/04/2021)

Malgré la crise, le dialogue social n'a pas connu de rupture montre le bilan de la négociation collective en 2020, publié début juillet 2021 par la Direction générale du travail. Outre les deux accords nationaux, sur le télétravail et la santé au travail, et un peu moins de 1.000 du fait des branches, syndicats et patronat ont conclu 76.650 accords au niveau des entreprises. Soit 4.130 de moins qu'en 2019, mais un millier de plus qu'en 2018.

L'épargne salariale, le temps de travail et les salaires restent les trois thèmes dominants. Avec 1.980 accords, le télétravail est resté très limité bien que représentant plus de la moitié des négociations sur les conditions de travail. 340 accords de performance collective ont été conclus, soit 138 de plus que l'année précédente.

Other measures

Au printemps 2020, le télétravail a été la règle impérative pour tous les postes qui le permettaient.

Lorsque le télétravail était impossible à mettre en œuvre pour certains postes, l'employeur devait organiser le maintien de l'activité de telle sorte qu'il préserve la santé et la sécurité des salariés qui devaient se rendre dans l'entreprise.

Le Ministère du travail a publié le 9 mai un guide sur le télétravail en concertation avec les partenaires sociaux pour accompagner les entreprises qui n'étaient pas habituées au télétravail, n'avaient pas mis en place d'accord et éprouvaient des difficultés à mettre en place une organisation adaptée.

L'action des services de santé au travail a été adapté au contexte de crise sanitaire.

En Septembre 2020 après la rentrée scolaire sont mis en place des dispositifs d'indemnisation des parents contraints de garder leurs enfants en cas de fermeture de classes: activité partielle pour les salariés du privé, indemnités journalières pour les indépendants et autorisation spéciale d'absence pour les fonctionnaires.
Décembre 2020, le ministère du Travail publie sur son site internet trois "guides" sur la mise en place du télétravail, destinés respectivement aux employeurs, aux managers et aux salariés.

### Activities of workers' organizations

**Résumé**

- En réponse aux mesures prises par le gouvernement français, toutes les organisations syndicales le pressent de confirmer le caractère temporaire des dérogations au code du travail. Elles lui demandent de désigner quels sont les secteurs essentiels pour la continuité économique et sociale du pays. Elles appellent à protéger les travailleurs vulnérables et précaires et insistent sur la nécessité de relever le plafond des indemnités de chômage partiel afin de maintenir le niveau de salaire. Certains syndicats demandent l’interdiction des licenciements afin de sauvegarder les emplois.

- Des accords d’entreprise et de branche sont en cours de négociation afin de mettre en œuvre les dérogations au code du travail et de stopper ou réduire l’activité dans certains secteurs comme celui du bâtiment ou des services publics. La CGT demande l’arrêt de l’activité des plateformes digitales avec maintien à 100 % du revenu de leurs salariés. 2 actions collectives ont été organisées à cet effet le 27 mars et le 3 avril.

- Dans le secteur des services, la création d’un fonds de solidarité Covid-19 a été négociée entre une fédération syndicale et des mutuelles de la branche hôtels cafés restaurants (HCR). Ce fonds permettra aux salariés et employeurs du secteur d’être exonérés totalement de cotisations pour le second trimestre 2020 et de continuer à être protégés quelle que soit leur situation. La branche HCR emploie 800 000 personnes et est fortement impactée par les décisions de fermeture des établissements liées au confinement.


**Voir aussi…**

- [https://www.unsa.org/La-FAQ-UNSA-utile-aux-salarie-es.html](https://www.unsa.org/La-FAQ-UNSA-utile-aux-salarie-es.html)

### Activities of employers' organizations

Une cellule de crise a été mise en place au MEDEF pour répondre aux questions des membres.

Un site web spécifique contenant des nouvelles, des informations et des directives relatives à COVID-19 a été mis en place. Des webinaires sont régulièrement organisés et les informations pertinentes sont partagées avec les membres.
Afin d’aider à la sécurisation de l’activité économique et à la protection de la santé et la sécurité des travailleurs dans le contexte de pandémie du Covid-19, le MEDEF a publié un guide de bonnes pratiques à destination des chefs d’entreprise.

Le 29 avril le MEDEF a publié un guide du télétravailleur.

Le MEDEF a réalisé 2 enquêtes lors de la crise afin de mieux comprendre l’impact que celle-ci a eu sur l’état d’esprit des chefs d’entreprise et des salariés.

Le MEDEF a entretenu un dialogue régulier avec le gouvernement en ce qui concerne les mesures de soutien aux entreprises : une task force nationale a été créée, à laquelle participent les partenaires sociaux. Le 14 Juin, le MEDEF a plaidé pour une accélération du déconfinement pour relancer l’économie.

Le MEDEF a présenté son plan de relance pour faire face à la crise liée à la pandémie:

- crédits d’impôts pour renforcer l’innovation, ou pour la transition écologique,
- des exonérations de charges pendant 12 mois sur les premières embauches pour soutenir l’emploi des jeunes,
- un système d’activité partielle de long terme,
- une taxe écologique aux frontières de l’Europe et une fiscalité numérique au niveau mondial.

Le 15 juin, la négociation interprofessionnelle sur la santé au travail a commencé - le Medef reste déterminé à engager une réforme en profondeur de la gouvernance et du fonctionnement de la santé au travail, afin qu’elle soit plus efficace et mieux adaptée aux besoins des entreprises.

Le 30 avril, une déclaration commune des partenaires sociaux (le MEDEF, la CFDT et la CFTC) a été signée affirmant que la vie économique et sociale doit être progressivement restaurée, dans des conditions de sécurité.

Le 19 mars, une déclaration commune des partenaires sociaux a été signée pour réaffirmer l’importance du dialogue social et l’engagement en matière de santé et de sécurité.

---

**Georgia**

**Stimulating the economy and employment**

**Fiscal, monetary and other policies**

- **Income tax concessions:** Over the course of 6 months, salaries up to 750 GEL (about $235.48/€218.35) are fully exempt from income tax - the budget for which is 250 million GEL (about $78.49m/€72.78m).
[Additionally introduced on 26 November 2020] Persons with a salary of up to 1,500 GEL will be exempt from income tax on up to 750 GEL in December 2020 - May 2021. (Estimated number of beneficiaries: 33,000 companies and 425,000 employees. Budget: 260 million GEL.)

- As part of the ongoing “VAT returns” reform, an additional 600 million GEL ($188.4 mln/€175 mln) is planned to be returned to the private sector (1.20 billion GEL to be returned during one year).
- Subsidies for nine food products were introduced to prevent price inflation.
- Banks allowed loan deferments for a period of three months.

**Support to specific sectors**

- Stimulus packages were developed to support businesses in the tourism sector. Property and personal income taxes for businesses in the sector have been deferred for 4 months. The government also introduced a programme to co-finance interest payments on bank loans made to hotels with 4-50 rooms throughout the country for the next 6 months.
  
  [Additionally introduced on 26 November 2020] Deferred income tax payments in the tourism sector from before 1 December 2020 will be written off. (Budget: 20 million GEL): Businesses in the sector will be exempt from property tax in 2021. (Budget: 45 million GEL): Interest subsidies for the bank loans of hotels will continue; additionally, interest subsidies will be provided for the bank loans of restaurants over a period of 6 months. (Estimated number of beneficiaries: 3,700 companies)

- Support targeting the agricultural sector is provided. Farmers looking to start small businesses are able to receive grants up to 30,000 GEL ($9,418/€8,749). Interest rates for agro-credits totalling 50 million GEL ($15.7 mln/€14.6 mln) are being financed. Meanwhile, farmers are exempt from paying irrigation tax in 2020 and accumulated tax of past years.

**Supporting enterprises, jobs and incomes**

**Social protection**

The Social Service Agency is ensuring the continuous issuance of state transfers (state pensions, compensation, social packages, etc.), regardless of the origin of the suspension(s) established by law. (Announced in Government Decree No. 184, issued on 23 March 2020)

Cash transfers to poor and vulnerable households are also provided. Assistance is provided for 1) families with a rating score of 65,000 - 100,000; 2) families with a rating score of 0 - 100,000 and have three and more children under the age 16; and 3) persons with severe disabilities and children with disabilities. For this, 600 GEL (about $188.38/€174.68) has been allocated.

  [Additionally introduced on 26 November 2020] Assistance in the amount of 100
GEL (on average per month, depending on the number of family members), to be provided for families scoring between 65,000 and 100,000 social points for 6 months starting from January 2021. (Estimated number of beneficiaries: up to 81,000 families or 220,000 individuals. Budget: 55 million GEL): Assistance in the amount of 100 GEL, to be provided for 6 months (January-June 2021) for families scoring between 0 and 100,000 social points that have 3 or more children under the age of 16. (Number of beneficiaries: 25,000 families. Budget: 15 million GEL): 100 GEL per month to be provided for 6 months for PwDs under the age of 18 and persons with severe disabilities. (Number of beneficiaries: 44,000 individuals. Program budget: 27 million GEL.)

Government provides temporary unemployment assistance benefit for private sector formal wage workers and a one-off benefit for self-employed/informal workers who lost their jobs due to the negative impacts of the measures adopted to contain the outbreak and the resulting economic downturn. The latter group receive a one-time assistance of 300 GEL (about $94.19/€87.34) if they substantiate claims of job loss – the budget for this is 75 million GEL (about $23.55m/€21.84m). State Employment Support Agency is the implementing body.

- [Additionally introduced on 26 November] One-off compensation in the amount of 300 GEL will be issued to individual entrepreneurs and persons employed in the outlets or facilities whose operation will be suspended in December 2020 and January 2021 as a consequence of the additional restrictions. (Estimated number of beneficiaries: 100,000. Budget: 30 million GEL.)

People who lost their jobs because of the coronavirus crisis or are on unpaid leave receive 1,200 GEL (about $376.77/€349.37) over the course of 6 months, which is 200 GEL (about $62.79/€58.23) per month. A total of 460 million GEL (about $144.43m/€133.92m) has been allocated from the budget, 131 197 200 GEL was spent.

- [Additionally introduced on 26 November 2020] Formal sector employees who will temporarily lose their jobs will receive assistance in the amount of 200 GEL for 6 months starting from January 2021. Estimated number of beneficiaries: 125,000 individuals. Budget: 150 million GEL.

The rule of indexation of pensions will be introduced from January 2021. The annual increase in pensions will be higher than inflation. Pension increase will not be less than 20 GEL, and for pensioners aged 70 and above less than 25 GEL. Decision to increase pension by 30 GEL for retirees aged 70 and above from July 1 remains in force.

**Utility subsidies:** Covering utility fees, including sanitary service, gas and water bills for 3 months (March, April, May 2020) for households which consume less than 200 kWh of electricity and 200 cubic meters of natural gas per month.

- [Additionally introduced on 26 November 2020] Utility bills (corresponding to the consumption of up to 200 kWh/m$^3$) over a period of 4 months (November-February) are subsidized. (Estimated number of beneficiaries: 1.1 million households. Budget: 270 million GEL.)

**Employment retention**
A state subsidy is provided for employers for each job they maintain.

**Assistance to business and business continuity**

- Loans for the primary affected businesses have been rearranged.
  - [Additionally introduced on 26 November 2020] Bank loan deferment for companies whose operation will be restricted in the December 2020-January 2021 period.
- The government has doubled the volume of VAT refunds to businesses (USD 1.2 billion), to supply businesses with enough liquidity to pay wages.
- For SMEs, loan and lease payments were deferred for 3 months.
- Enterprise Georgia increased the period of co-financing loans and leasing from 24 to 36 months. Also, the share of the state in co-financing has increased. Enterprise Georgia has increased activities of co-financing and decrease the minimum loan (leasing) requirement.
- A microgrant programme for entrepreneurship is underway, which will fund thousands of new business projects (2020 programme) (Budget: 40 million GEL)
- Credit-Guarantee Fund (100 million GEL in 2021)

**Protecting workers in the workplace**

**OSH**

The Order of MoIDPLSA approved the general recommendations for all business sectors. Employers shall develop a plan for readiness for and response to infectious diseases. The plan shall foresee the risk levels related to the different workplaces and the assignments which the employees are to perform. Among other issues, the employers shall develop policies and procedures for immediate isolation of persons who show signs and/or symptoms of coronavirus. Furthermore, employers are obliged to provide employees with the personal protection equipment required for their safety when employees are performing their job responsibilities. Employees are obliged to observe hygiene rules at the workplace and to clean their workplace and the devices they use for work with disinfectants. They are also obliged to maintain distance of 2 metres from other people and use alcohol-containing hand-cleaning solutions if they are unable to wash and dry their hands.

The Labour Conditions Inspecting Department under the MoIDPLSA has published sectorial recommendations for preventing COVID-19 in the workplace.

**New work arrangements**

According to MoIDPLSA’s general recommendations prescribed for all permitted sectors of business activities, employers shall develop a flexible working regime and inform the employees about it. Furthermore, employers are obliged to develop flexible sick leave policies, in compliance with the public health instructions. Employers shall carry out control activities, such
as by introducing remote working, to minimize contact between employees, clients and consumers.

Access to paid leave

In order to ensure access to paid leave, Ministerial Decree No. 281/n was amended to enable the issuance of forms equal to medical leave to persons in quarantine or self-isolation, upon which the period spent in quarantine or self-isolation will be paid.

COVID-19 Vaccination

According to the National Implementation Plan for COVID-19 Vaccination, vaccination remains free and voluntary, including for medical staff. Nevertheless, medical and health care personnel has been prioritised for COVID-19 vaccination during the first phase of the Plan implementation.

It is, however, a frequent practice when employers request their employees to undergo vaccination or periodic PCR tests in order to get access to workplace. In August-September 2021, Georgian Trade Unions Confederation (GTUC) provided 56 legal consultations on this issue.

On 26 July 2021, the Order of the National Health Care Centre Order# 26 expanded the lists of those eligible for free vaccination in Georgia. The list includes:

- Foreign employees of diplomatic missions, consular establishments, representatives of international organizations accredited in Georgia, as well as equivalent missions, and their family members;
- Foreign citizens participating in the state program "Work from Georgia", and their family members;
- Persons working in projects funded by diplomatic missions and international donor organizations, and their family members, regardless of their citizenship.

Relying on social dialogue for solutions

- The Georgian Trade Union Confederation (GTUC) negotiated with the government so that the state will pay full sick leave benefits to workers who are in quarantine or in mandatory self-isolation.
- The GTUC has also collected information and reported to the State Labour Inspectors concerning violations of workers' safety and health measures announced by the government in relation to COVID-19 (regarding regular disinfection of workplaces, equipping workers with face masks, etc.) and monitored the actions taken.
- The GTUC facilitated nine social dialogue spaces to protect at-risk populations and groups in hazardous and harmful conditions and on migrant workers.

Activities of workers' organizations

Summary
Georgian trade union Confederation (GTUC) has launched a nation-wide awareness raising and information campaign in support of the tens of thousands of market vendors who are eligible to a state financial support for self-employed and informally employed in the amount of 300 GEL ($100) as a compensation for 2 months lockdown caused by Covid19.

The campaign aims at getting the market owners to provide the vendors with written document certifying the latter have been carrying out economic activities at the markets under their administration. With this step the GTUC is trying to extend its support and services to informal workers in order to overcome the reluctance of the market administrations and make them fulfill their obligations before the vendors who pay them daily while working at the markets.

Source: GTUC

For more information, see also:

http://gtuc.ge/aqcia-dezertirebis-bazarshi/

http://gtuc.ge/samushao-adgilebze-axali-koronavirusis-gavrcelebis-tavidan-acilebis

https://www.facebook.com/gtuc.ge/


Activities of employers' organizations

The Georgian Employers Association (GEA) provides, on a special COVID-19 webpage, relevant information and advice for business

GEA also provides direct services to members as regards the following:

- Support and advice regarding obtaining a permission from the municipalities to operate.
- Assistance regarding the development and implementation of an emergency preparedness and response plan.

GEA organized online distance trainings on labor relations for member companies during the crisis and post-crisis period.

GEA organizes a series of online meetings for members on topics of importance for business sector, with the goal The meetings are aimed at providing relevant information to companies important for their operations, in particular on existing limitations and requirements that they will have to take into account when carrying out their activities during COVID crisis.

GEA organizes a series of trainings for members aimed at assisting members to overcome the crisis and to improve their operations.

GEA development of a document containing policy recommendations to the government. The
GEA developed a guidebook for Employers on COVID.

GEA prepares a desk research and review of existing force-majeure legislation and court practice.

GEA run the research and review of international best practice for employers in crisis situations.

Germany

Stimulating the economy and employment

The federal government has given a service guarantee for social services and welfare until the end of December 2021.

A number of tax reliefs were granted: moratoriums on tax debts, adjusted prepayments, sequestrations suspended.

Loss carryback for 2020 and 2021 was extended to increase liquidity of enterprises.

The Economic Stabilisation Fund was prolonged until end of June 2022 to support large-scale enterprises in need.

Supporting enterprises, jobs and incomes

Government aids are shifting from protection of enterprises and jobs to restart support:

- A restart bonus is paid to enterprises that bring back their employees from short time work or hire new staff.
- Restart support for single self-employed persons has been increased until end of March 2022.
- Interim aid to bridge economic problems for enterprises has been prolonged until June 2022.

The cultural sector was supported with 2.5 billion € in 2021 with a fund that grants to types of aid:

- A backstop for cancellations partly reimbursing if an event needs to be cancelled because of the pandemic.
- Profitability support if events must be held with reduced number of participants due to infection protection.

Rules to access to short-time working benefit have been eased until end of 2021.
A number of measures ease the requirement for access to the basic income support for job seekers (Arbeitslosengeld II based on book II of Social Code): This increases the number of people eligible for the basic income support for job seekers, especially for single self-employed workers, and speeds up the decision of the job agencies to grant the basic income support. Measures were extended until end of 2021.

VAT for food served in the gastronomy has been reduced from 19% to 7%, limited until end of 2022.

A „child bonus“ of 150€ per child was paid in 2021.

**Protecting workers in the workplace**

There is a compulsory COVID-19 vaccination in Germany for the health sector coming into effect on March 16th 2022.

Employers must enable vaccinations during the paid working time for their employees.

All employees must proof that they are either fully vaccinated, recovered or tested with a test not older than 24 hours before entering the workplace.

All federal states imposed a duty to wear masks in public transport, in shops and at work.

**Relying on social dialogue for solutions**

All measures have been consulted with and endorsed by the social partners. The decisions were ultimately taken by the German parliament, and supplementary decisions were approved at the level of the federal states (Länder). Following decisions have been discussed with the social partners as well in the course of legislation and regular consultations with government and parliament.

In some sectors trade unions and employer’s associations concluded special collective bargaining agreements regarding the COVID 19 crisis that e.g. increase the short time work benefit, adds benefits for parents on childcare or exclude operational based dismissals.

**Activities of workers' organizations**

Summary

- Ver.di has completed an agreement that enables short-time work in the public sector. It is taking into account the burdens on municipalities due to closures of facilities such public swimming pools, transport or museums. Accordingly, layoffs during short-time work and for three months thereafter are off the table. The short-time work allowance is increased to 90-95 percent. The collective agreement does not cover local core administration, social and educational services. It comes into force on April 1, 2020 and runs until December 31, 2020. The union also stroke an agreement with the airline company “eurowings” enabling
Union demands are evolving with time. As such, **IG Metall is calling for higher short-time work allowance**. According to first estimates in their sectors, employers tend to contribute less (or do not contribute), which leaves workers well beyond their normal income. In 60 percent of affected companies, IG Metall and works councils have got the employer to pay the employees an increase in their short-time work allowance. A new DGB position examines a better financial protection of students.

Many students have lost their jobs with which they finance their studies, yet usually they are not entitled to unemployment benefits (type I or II). They are also usually not entitled to short-time work benefits. Therefore, the DGB demands an emergency fund for students and a broader access to the services under the Federal Law on Support in Education (BAföG). The benefits are normally attached to the financial situation of the student. In addition, the DGB asks to introduce binding contract extensions of six months for scientists and higher education professionals employed on a fixed-term basis.

For apprentices, the **DGB proposes ‘a protective umbrella’**; companies that take over trainees or dual students could be supported with a financial bonus until 31.12.2020. The aim is to secure existing training contracts and to stabilize the offer for the new training year.

The DGB issued further demands regarding short-term employment schemes. It demands a significant increase in short-time work benefits – to 80 percent (87 percent for employees with children). Another demand concerns workplace regulation including the maximum daily and weekly working hours.

**Source:** The German Trade Unions Confederation-DGB

**For more information, see also:** DGB Press

**Activities of employers' organizations**

The **Confederation of German Employers’ Associations** has set up a dedicated COVID-19 information for business webpage in which it provides regularly updated info and advice on COVID-19 issues of relevance to employers, including:

- **Occupational safety & COVID-19** (what to do in the event of a Corona case in the company; how to set up a company pandemic plan during/after Covid-19; recommendations regarding use of protective masks)
- **A BDA pandemic guide** – support for companies
- **FAQ – working from home during the pandemic**
- **Overview of residence law issues** in the context of COVID-19
- **Use of the Corona warning app in connection with labour law** and related labour law issues
o Return from vacation in times of Corona

o Weblinks to other state institutions at national and federal state level of importance in the COVID-19 context.

On a “CORONA SPEZIAL” webpage, five current BDA positions on the pandemic are presented:

o Short-time work has been a key instrument in the corona crisis. However, the approved increase of short-time working benefits goes beyond emergency aid and drives unduly high expectations towards the welfare state.

o A European Union that is capable of action and solidarity in Europe are of paramount in and after the Corona crisis. However, Eurobonds or other variants of the same - namely unconditional liability for credit debts of other countries - are counterproductive.

o Important legal steps have been taken to deal with the corona crisis, including temporary derogations from regulations on maximum working hours and rest periods. While further legal changes may be considered to meet flexibility needs of companies in the crisis, BDA gives a clear rejection of a legal claim to home office.

o Numerous collective agreements in March and April 2020 addressing the consequences of the Corona crisis are proof of the ability of the social partners to act swiftly in difficult times. However, as it will take many companies months and years to make up for the effects of the crisis, more “down-to-earth” collective bargaining is now the right way after the trade union heights of the past years.

o A rapid recovery of the economy will depend crucially on the general conditions of the restart. In this regard, a comprehensive moratorium aiming at limiting social security contributions, excluding new taxes or tax increases, and avoiding more bureaucracy and additional regulation for companies is indispensable.

In July 2020, BDA presented on a dedicated webpage its proposals for Germany’s EU Council Presidency in the second half of 2020: “Facilitating recovery, enabling renewed growth”. The proposals relate to measures to be considered at EU level and the level of EU member States to support a strong and sustainable recovery from the COVID-19 pandemic.

On 20 March 2020, a pilot collective agreement meant to respond to the COVID-19 crisis for the metal trades industry was concluded. Party to the agreement on the employer side is Metall NRW, the regional employer branch in Northrhine-Westphalia of Gesamtmetall, which is the BDA member organization in the metal trades. The agreement provides, among others, for a pay freeze, short time work and free days for employees that need to look after their children. The agreement also enables the (modified) reactivation of a collective agreement from the financial crisis year 2010. Gesamtmetall recommended the nationwide adoption of the agreement taking into account regional particularities.

On 12 June, BDA, together with the German Confederation of Skilled Crafts and Small Businesses (ZDH), the association Bitkom and the Federal Ministry of Economy and Energy, issued a joint statement on the new economic stimulus package adopted by the Federal Government to help companies bridge the COVID-19 crisis.
On 24 June, the head of BDA, other business organizations and trade unions together with the Federal President made a joint appeal for vocational training in times of the corona pandemic. They stressed that it was particularly important to keep an eye on the concerns of young people at the transition from school to work. Companies should continue their commitment for vocational training and young persons should apply for a training place. This was about the future of young people who are on the threshold of building their own, self-determined lives, about securing the skilled labour needs of companies in the country, and about securing the economic dynamism and innovative strength of the economy to deal with upcoming global challenges such as climate protection, and thus about future-proof and well-paid jobs.

Greece

Stimulating the economy and employment

Fiscal policy

The government has announced a package of measures totaling €10 billion financed from national and EU resources. Key measures include: (i) health spending increases for new hiring, procurement of medical supplies, and cash bonuses to health sector workers; (ii) transfers to vulnerable individuals, including a € 800 cash stipend through April 30 for employees in hard hit firms (the number of beneficiaries was extended to include all businesses harmed by the pandemic, all freelancers and self-employed workers and the majority of private sector workers), extension of unemployment benefits by two months, and paid leave for parents who have children not going to school; (iii) liquidity support to hard hit businesses through subsidized loans, loan guarantees, interest payment subsidies, and deferred payments of tax and social security contribution. As a prerequisite for the tax suspension, enterprises need to retain all their workers. The state will also cover the cost of beneficiaries’ insurance, pension, and health payments.

A freeze on VAT collection and debt payments to the state will be in place for four months. Greece is going to participate in an emergency assets purchases’ program launched by the European Central Bank, worth 750 billion euros, and also stated the 3.5% primary surplus target for Greece is no longer in effect, according to a Eurogroup decision. In addition, there is a 25% discount on certified tax liabilities with payment date from 30 March to 30 April 2020, for individuals and self-employed, in case the remaining 75% is paid in due time, with the exemption of VAT and withholding taxes.

Monetary policy

Greece will participate in the asset purchasing programme of the ECB. Banks will allow deferral of principal payments on existing loans for hard-hit individuals and firms through end-September.
**Support to specific sectors, incl. the health sector**

EUR 85 million have been allocated to the Ministry of Health to support the purchase of sanitary equipment and the hiring of 2000 health professionals.

The State pays private clinics for every ICU bed contributed for treatment of patients (EUR 1,600), as well as private diagnostic laboratories for tests (EUR 30 million).

**Supporting enterprises, jobs and incomes**

**Social protection:**

Social security contributions for workers and employers are suspended for four months in enterprises that were ordered to close by state decree, with the sole condition that they do not dismiss any workers. The measures also include an €800 stipend for workers and freelancers who work in sectors affected by the pandemic. In particular, the stipend applies to workers whose labour contracts have been suspended or terminated, workers who were forced to resign or departed voluntarily, as well as freelancers, liberal professionals, self-employed, sole traders, sole proprietorships, and general partnerships, limited partnerships, limited liability companies, and private companies with 1-5 employees.

All support measures, in cash or in the form of payment deferrals, or in the form of SSC coverage, apply on condition that no dismissals take place.

The expense of full social security coverage is calculated on workers’ nominal wages. The expenditure of the special purpose allowance and employee social security coverage shall be covered by the Greek State.

Extension of regular unemployment benefit, long-term unemployment benefit and unemployment allowance for 2 months from their expiration date for beneficiaries for whom the relevant entitlement expired by 31 March 2020. Payment of a 400-euro one-off economic aid to non-subsidised long-term unemployed.

For Liberal Professionals (i.e. freelance scientists) who are active in the six main scientific sectors in Greece [specified by the Ministry of Finance] and have been economically affected by the pandemic, a 600-euro Special Purpose Compensation will be paid.

**Assistance to business and business continuity**

In addition to the tax suspensions outlined in the fiscal policy section, enterprises whose operation is mandatorily suspended shall be liable to pay 60% of the agreed rent for their business premises for the months March and April.

Private-sector employers who are significantly affected (the list of is determined by a decision of
the Minister of Finance), may suspend the employment contracts of part or all of their staff for up to one month, starting from 20.03.2020, with the possibility of extension following a joint decision of the Ministers of Finance and Labor and Social Affairs, taking into account the development of the crisis. Private-sector employers making use of said measure are expressly prohibited from terminating the employment contracts of their entire personnel. They are also required, after the expiry of the measure, to maintain the same number of headcount for a period equal to that of the suspension.

Enterprises are also allowed to transfer employees within the enterprise group. The group enterprises that will implement said measure are obliged to maintain, overall, the same number of workers employed prior the transfer. Said transfer must be electronically reported on the Ministry of Labour and Social Affairs (MoLSA) IT system ERGANI.

Protecting workers in the workplace

OSH

Special measures have been put in place for operation of businesses with safe operation staff, which limit the staff presence on enterprise premises. These measures enable the employer to appoint personnel for the secure operation of the business. Measures are being adjusted in accordance with the gradual easing of containment measures.

Workers in elderly care (by mid-August 2021) and health care (by mid-September 2021) have to register for COVID-vaccination or will face suspension from their job, starting from 1 September 2021.

New work Arrangements

Enterprises are encouraged to facilitate telework arrangements until further notice, if operations are not suspended. For employees working in the private sector, the employer may impose a teleworking policy. Said arrangement must be electronically reported on the Ministry of Labour and Social Affairs (MoLSA) IT system ERGANI for the numbers of workers involved.

Legislation enables rotational work in businesses with a major drop in turnover with each employee working for half a month - an arrangement that businesses will be able to continue for six months - but there is no guarantee that employees will not be laid off thereafter. Furthermore, any dismissal that may take place in the future when the work arrangements are restored to full time, should not incur reduced compensation, but dismissal compensation should be calculated based on prior full time remuneration. The said staff must be electronically reported to the MoLSA IT system ERGANI.

Access to paid leave

Employees whose employment contract is suspended are entitled to exceptional financial assistance as a special purpose allowance. Employees whose employment contract has been terminated from 1 March 2020 to 20 March 2020 by either termination by the employer or by voluntary retirement are also eligible. The special purpose allowance is tax-free and may not be offset by any debt.
A special purpose leave of 15 days was introduced for working parents to cover care needs arising from the closure of childcare facilities. The State, together with employers and employees, is sharing the costs. Only one parent per affected family may apply for special leave, and only if both parents are employed (unless medical reasons do not allow the unemployed parent to provide care). Out of any four days of leave granted, three will be considered special leave, whilst one will be count towards the employee's annual leave. For two days of the special leave, the employer is required to grant the employee his/her remuneration, while a third day will be covered by the State. For the fourth day the employee is entitled to payment for annual leave. Employers need to notify ERGANI of any employees making use of special leave.

Other measures

OTHER LABOR PROVISIONS - SOC. POLICY

Remote working and tele-working is generally in force in the public sector where applicable, making use of safety platforms and IT systems provided for this purpose. New digital services are available for the public with a view to limiting physical contact with public employees to the minimum. In this regard, the MoLSA has initiated the digital issuance of a number of social security certifications through the e-EFKA services, facilitating 1.500.000 beneficiaries: freelancers, self-employed and farmers.

- Suspension of a ban on political recruitment and any form of deployment during a strike (Article 12 LA 20.3)
- Extension of the term of office of the trade unions of workers and employers (Article 17 LA 14.3)
- Extension of time limits for social policy measures (Article 7 LA 11.3)
- Emergency application of the retraining method to the unemployed or workers' programs (Article 19 LA 14.3)
- Leases of principal residence (Article 2 LA 20.3): Employees of companies whose employment relationship has been suspended, shall be exempt from the obligation to pay 40% of their main house rent for the months of March and April 2020.
- Extension of validity for free pharmaceutical administration for the uninsured.
- Temporary extension of disability pension benefits and welfare benefits in cash. The social security capacity for those people is equally extended.
- Extension of the validity period for one month, for beneficiaries of GMI and of housing/rent benefit.

Activities of workers' organizations

Summary

- As the COVID-19 pandemic is hitting working people hard, the GSEE established, as a first step towards protecting workers and jobs, an ANTI-COVID-19 Information and Workers' Support Network with a special dedicated webpage providing all relevant information and guidance on employment rights and an online complaint form to the working people who
have already been reporting a wide range of bad and abusive behaviour from some employers.

- The GSEE complaints assessment team screens all complaints received, which are then forwarded to the competent public authorities and to the Labour Ministry, to their supervisory bodies mainly, while protecting the anonymity of individuals who file the complaints. The GSEE ANTI-COVID-19 team is composed of experts committed to serve workers' interests with the participation and active involvement of all GSEE affiliated members, the first level labour unions included, in cases where further trade union intervention is required so as to be able to collectively support workers and their families.

- In addition, the Information Center for Workers and the Unemployed (KEPEA) of the GSEE and the Union of Working Consumers of Greece (EEKE) have joined forces with GSEE playing a significant role in this respect by providing guidance and advice to workers and the unemployed people. EEKE, in particular, provides guidance and protection for workers - consumers who have been affected during this time. It is worth noting that EEKE is facing particular challenges due to this crisis since coronavirus-related complaints from consumers to EEKE involving fraud and scams have surged in recent weeks.

- The GSEE Legal and Press departments are closely monitoring the complaints procedures while, together with branch federations, regional labour centres and enterprise unions, remaining vigilant in their action to cope with employers who respond badly to the needs of the workers by forcing workers to work in unsafe working conditions (e.g. call center staff in crammed workspaces) and by violating labour rights such as, changing from full-time to part-time employment or job rotation, exhausting underpaid work in supermarkets, companies asking people to go on unpaid leave, continuing to operate non-essential businesses despite the suspension of business activity, loss of the right to the special purpose compensation for employees working for multiple employers.

Source: The GSEE

Activities of employers' organizations

The Hellenic Federation of Enterprises (SEV) provides on its website relevant information and advice for member enterprises related to COVID-19. This includes among others:

- A Practical Guide on how to continue work under the COVID-19 regime
- Q&A and a Guide on telework
- Regular bulletins related to topical COVID-19 themes, for instance “Restarting the economy requires ground-breaking policies” (15 April), “It is time to restart the economy with bold decisions” (23 April), Priority in supporting employees and businesses (21 May)

SEV also continues to organize seminars (via videoconference) on subjects of interest to members.

In its Flash Report (13 April), SEV informs about possibilities of co-operation between companies.
to maintain employment in the crisis, in particular between companies in sectors that need to lay off staff (e.g. tourism) and companies in other sectors that have a need for additional staff (e.g. food retail).

In another Flash Report (4 May), SEV draws some conclusions from the first 42 days of the crisis (1: Jobs lost in March 2020 heralded the biggest unemployment rise of the decade; 2: Seasonal recruitment collapsed; 3: Jobs were mainly lost in catering and accommodation services; 4: The productive economy has maintained its jobs; 5: The measures adopted have reduced redundancies; 6: The crisis rearranges and creates new jobs).

SEV has also called upon member companies, where possible, to make contributions to help address the COVID-19 crisis in the country. Such contributions have been made either in cash, in kind (including special intensive care beds, ICU electronic equipment, respirators, protection masks and other health & medical supplies) or as support services and have reached a value of more than € 37,000,000 (15 April).

Articles:

· “The meaning of kurzarbeit” (22 April)
· “Human Resources Management: Critical in the crisis” (8 May)
· “Two – three lessons from the Corona crisis” (10 May)
· “How Exports Can Become a Development Guide” (14 June)
· Telework after Covid-19: Myths and Reality (9 July)
· Digital transformation is key to business flexibility and resilience (10 July)

Hungary

Stimulating the economy and employment

Fiscal Policy

Fund for the protection and restructuring of the economy announced on April 4th, 2020. HUF 1,345 Billion will be allocated (3.2 % of GDP, 2018), details of interventions not yet known, start of the program on 15th April or 1st May.

Monetary Policy

- The Central Bank introduced a long term, unlimited collateralized lending facility and suspended the minimum-reserve requirements of banks.
- Suspension of payments for all credits, loans, and financial leases disbursed until 18th
Mar 2020. Corporate and private debtors benefit from this moratorium suspending all payment obligations of capital, interest, and banking fees until 31st Dec 2020.

- Annual percentage rate of charge for consumer credits is limited to the prime lending rate plus 5%. For bank cards, the contract-less limit has been tripled.
- HUF 2,000 billion in subsidised credits and HUF 500 billion in state guarantees will be made available to struggling businesses.

**Support to specific sectors, incl. the health sector**

- HUF 663 Billion will be made available for disease control (announced on April 4th).
- Annual bonus payment of HUF 500,000 for workers in health sector (approx. USD 1,500), to be paid in June 2020.
- Nurses and healthcare professionals will receive a 20 percent wage increase in November 2020.
- HUF 600 billion will be allocated to the tourism sector. The tourism tax is suspended up to the end of the year.

**Supporting enterprises, jobs and incomes**

**Social Protection**

- Seniors will receive an extra week’s pension in February 2021, to be followed by the same amounts in 2022, 2023, and 2024.
- The social insurance of workers sent on unpaid leave will not be terminated.

**Employment retention**

- The government will cover up to 70% of the net salaries of employees who work reduced hours at companies affected by the coronavirus pandemic (starting May 1st). This scheme requires for the affected employees to attend training sessions. The support will be paid for a period of three months. The scheme will not cover workers who lost their job.
- Wage subsidies can be claimed for teleworking and working from home (if it can be proven that reduced working hours are directly linked to the ongoing state of emergency).

**Assistance to business and business continuity**

- Those under the small business flat tax regime KATA (around 80,000 SMEs mainly in the service sector) are exempt from this tax until June 30. Tax arrears before 1 March will only be payable when the state of emergency ends.
- Special measures for the most affected sectors (tourism, catering, entertainment, sport, cultural services and taxi services):
  1. Employers’ social security contributions temporarily suspended,
  2. The payroll tax paid by employers is waived,
  3. The tourism development tax is cancelled,
  4. Rent contracts cannot be terminated nor can the rent be increased,
  5. Employees working in these sectors shall only pay the 4% health care contribution –
they are exempt from 10% pension fund contribution, 3% health care contribution and 1.5% labour market contribution. The 4% health care contribution is capped at HUF 7,710, the amount does not increase above a gross salary of HUF 192,750.

Protecting workers in the workplace

New work arrangements

- Temporary amendments to labour legislation to allow for teleworking, home office, and flexible work hours, while also authorising employers to take the necessary measures in order to inspect the health of employees.
- The documents of sick leave can also be submitted in electronic copies.

Access to paid leave

- All maternity leave benefits are prolonged until the end of the state of emergency.
- If an employee is infected, s/he receives 70% of their salary which is paid by the employer (for up to 15 working days per calendar year). Afterwards, the state covers between 50-60% of an average salary.
- Employees on mandatory quarantine receive between 50-60% of an average salary paid by the state.

Other measures

Other measures

The government is releasing 75,000 persons currently working in jobs requiring secondary qualifications from the obligation of taking foreign language examinations because of the absence of language certificates. This exemption applies to all students who will have successfully completed their higher education studies by 31 August 2020.

Government & other relevant sources

- Hungarian Government: https://www.kormany.hu/en

Activities of workers’ organizations

Summary

- The Government developed measures without any social dialogue. The biggest unions have provided concrete proposals to the Government and their coordinating committee, but only one reply is received (from the secretary of the committee). A meeting was planned for 19th of March between the Government and tripartite body, but it was cancelled. Trade unions and employers have jointly requested for dialogue. As of 3rd of April, this has not yet taken place
- Trade unions has clearly communicated dissatisfaction with parts of the Government
response, in particularly the lack of wage guarantees. Both unions and ETUC (as well as several European Governments) have expresses alarm at a new law which offers Prime Minister Orban the opportunity to extend the state of emergency for an indefinite period of time, without requiring the consent of Parliament and. Through special decrees, the prime minister can suspend certain laws and take exceptional measures to guarantee “public health, the safety of citizens and the economy”. The law introduces prison terms of up to five years for anyone publicizing false information, and ETUC has raised fears that this could be used against trade unions if they oppose the Government decrees

- Trade unions work to engage with the Government on Covid-19 response
- The main teachers' union has been active challenges the Government on school politics, asking for delays in introduction of new curriculum during the crises

Source: MSZOZS

Activities of employers' organizations

The Confederation of Hungarian Employers and Industrialists (MGYOSZ - BUSINESSHUNGARY) closely follows national and international developments regarding COVID-19 and provides on its website info/news of relevance to business. This includes, for instance, the following:

- On 23 March, MGYOSZ made recommendations to the government for quick economic relief in the COVID-19 crisis (document in English)
- On 3 April, MGYOSZ provided detailed info on the relief package, announced by the Hungarian Prime Minister, to diminish the immediate effects of the coronavirus pandemic on the Hungarian economy
- On 14 April, MGYOSZ welcomed that the government decree on the support of reduced working hours (wage subsidy) would enter into force on 16 April, significantly earlier than previously planned, but also called for improvements in view of some restrictive conditions and obligations which hindered many companies to benefit from this support.
- Statements, guidance, recommendations, policy responses at international level (OECD, European Commission, BUSINESSEUROPE, IOE)

The National Association of Entrepreneurs and Employers (VOSZ), on its website, has set up a dedicated Koronavírus webpage on which it gives info and advice to its member enterprises, such as:

- Info on the main points of the government `s economic protection action plan (7 April)
- Results of a survey on the impact of the COVID-19 crisis on the digital economy (main outcome: urgent need for a digital relaunch program as part of
the economic rescue operations, focusing in particular on the sectors hardest hit by the crisis) (7 April)

- Purchase offer of medical masks for members

- Weblink to the Small Business Development Foundation (SEED) which provides free support to entrepreneurs in four areas: leadership/mental support; adaptation of business models; adaptation of online presence; change management

- Recommendations for construction companies to reduce COVID-19 risks

- Help for businesses in managing the effects of the coronavirus situation - link to a special webpage of the Ministry of Innovation and Technology (ITM) (8 May)

- FAQ on reduced working hours (11 May)

- Invitation to a webinar on “Return to the world of work” (guidance on changed rules and good practice on OSH) (13 May)

- Info about tax payment discounts for business and tax payment discounts for individuals and entrepreneurs (18 May)

- Info about the possibility for Hungarian companies to apply for new government grants and soft loans for development, job retention and job creation (2 June)

---

### Iceland

Last Updated: 28 September 2021

**Stimulating the economy and employment**

Fiscal policy measures included the following:

- Three packages of fiscal measures approved by parliament to ease the strain on households and firms and help the economy recover (the first amounting to USD 1.6 billion or just under 8 per cent of GDP and the second amounting to USD 420 million);

- Key measures to support households and firms include tax cuts, deferrals and loss offsets, increased unemployment benefits, child allowances, quarantine grants, state contributions to firms’ dismissal costs to prevent bankruptcies of viable firms and protect workers’ rights, state-guaranteed loans to companies, support and protections for small enterprises, innovation and vulnerable groups;

- Key measures to restart the economy include public investment, tax incentives for real estate improvement, temporary tax relief for the tourism sector and acceleration of
infrastructure projects;

- Simpler temporary rules for financial restructuring of companies; and
- 2021 budget and accompanying medium-term fiscal strategy plan envisage continued fiscal support and a gradual reduction in the general government deficit.

**Monetary policy measures included the following:**

- Central Bank of Iceland monetary support and measures to preserve financial stability: policy rates cut by 200 basis points to 0.75 percent and deposit institutions' average reserve requirements reduced from 2 to 1 percent to ease their liquidity positions;
- Elimination of intake of 30-day deposits;
- Reduction of the countercyclical capital buffer from 2 to 0 percent, providing scope for banks to increase lending by ISK 350 billion;
- Intervention in the foreign exchange market, selling about EUR 165 million and buying about EUR 60 million; and
- Programme of FX sales for up to EUR 295 million.

Main source: **IMF Policy Tracker**

**Supporting enterprises, jobs and incomes**

**Action on enterprises and jobs included the following:**

- Certain companies given the opportunity to apply for government support to pay a portion of salary costs for any staff member during their notice period;
- Resilience subsidies as a direct continuation of the revenue loss subsidies, intended to help companies that suffer at least a 60 percent loss of revenue to maintain a minimum level of activity while the impact of the pandemic persists (also applicable to sole proprietors);
- Flexibility for businesses experiencing temporary difficulties, e.g. extended deadlines for taxes and other public charges;
- Immediate support loans for small and medium-sized enterprises;
- VAT reimbursement provision extended to third sector organisations, including charities and sports associations;
- Sector-specific temporary relief to the tourism industry, including temporarily reducing industry-specific tax payments; and
- Bank tax reduction expedited.

**Action on incomes included the following:**

- One-off child benefit payment to all families with children under the age of 18;
- Payment of unemployment benefits up to 75 percent of salary for short-term workers, the self-employed and the unemployed, to encourage businesses to keep employees on their payrolls;
- Option for full-time workers to move to part-time with government support, allowing employees to reduce their hours or salary to as low as 25 percent or 50 percent and top
up their earnings with support from the government;

- Wage enhancement paid to healthcare workers;
- Possibility to withdraw a monthly sum from third pillar pension savings;
- Increased VAT reimbursement for construction and maintenance work from 60 to 100 percent;
- Creation of 3,000 temporary summer jobs for students aged 18 and over and support for young entrepreneurs;
- Special 2.5 percent supplement over and above basic unemployment benefits to support the large group of people whose income-linked unemployment benefits will expire (in addition to the 3.6 percent increase provided in a previous budget proposal);
- Increased payments for support of job-seekers’ children extended, with a 6 percent supplement added to basic unemployment benefits for each child instead of the previous 4 percent;
- A supplement of just over ISK 86,000 paid to confirmed job-seekers;
- Means-testing threshold in the child benefits system permanently raised, thereby ensuring that it changes with developments in the lowest wages in the labour market; and
- One-time payment of ISK 50,000 to recipients of disability and rehabilitation pensions who are eligible for pensions, in addition to the (above) supplement that is usually paid plus permanent changes at the beginning of 2021 to the disability pension system (internal reductions scaled down, lowest-paid disability pensioners to receive a supplement of nearly ISK 8,000 per month in addition to the planned 3.6 percent increase provided for in the fiscal budget proposal); and
- Quarantine payments (see below).

Main source: Government of Iceland

Protecting workers in the workplace

Measures included the following:

- Closure subsidies to compensate companies forced to halt their operations for public health reasons;
- Focus on mental health with remote medical services being strengthened and a new campaign against domestic violence;
- Guidelines published by the Administration of Occupational Safety and Health for workplaces; and
- In the event of an infection in the workplace, a tracing team contacts the person and the employer and enquires about the circumstances and interactions to determine quarantine.

Measures related to vaccination:

- No mandatory vaccination for any occupational groups.
- Healthcare professionals can expect employers to require vaccination if there are no medical reasons for not being vaccinated. Healthcare professionals who do not receive vaccinations may be transferred internally according to the rules of each institution.
Vaccination status can also affect new hires in healthcare institutions.

- There are no rules on employers’ requirements for vaccinations in the general labour market within Iceland, but the rights of people in the labour market are comparable to healthcare workers and other workers who are within the Icelandic trade unions.

Main source: Government of Iceland & Administration of Occupational Safety and Health

Relying on social dialogue for solutions

- A joint tripartite statement set out a wage guarantee while in quarantine;
- Bill on quarantine payments covers payments by employers who pay wages to employees who have been quarantined when other entitlements, such as sick leave per collective agreements, do not apply. The bill is also intended to apply to payments to employees who are quarantined but have not received wages from their employer. In addition, they are intended to apply to self-employed individuals who are quarantined;
- Model agreement on temporary reduction in working time with reduction in pay as well as guidance on the new measure on partial unemployment benefits; and
- Social partners have generally speaking played a substantial role in the design of the measures taken by the government, with some measures taken on the basis of a joint statement (see above); however, there have also been calls for more consultation.

Main source: Icelandic Confederation of Labour & TUAC

Other measures

- Marketing campaign planned to promote Iceland as a tourist destination;
- Prioritisation of sustaining innovation through the pandemic through additional contributions to companies investing in growth, research and development;
- Multi-faceted support for children through a special recreational subsidy for low-income families;
- Funds set up to support summer school terms; and
- Strengthening of food production through innovation and marketing.

Main source: Government of Iceland

Activities of workers' organizations

Summary

- Trade union in Iceland (ASI) has negotiated the Government response to Covid-19
- In May 2020, trade unions launched ideas for rebuilding the economy after the Covid-19 crises, based on a green shift and a pro-workers approach. The approach is linked to inputs from ITUC, ETUC and ILO conventions and recommendations.
- Trade unions have initiated online campaign and access to legal services as a response to the Covid-19 crises. The online information campaigns are in several languages, in order
to also reach migrant workers

- In the midst of the Covid-19 crises, some municipalities in Iceland refused to negotiate agreements with the unions Efling (affiliated to ASI). The municipalities accepted a collective bargaining agreement after threats of strikes
- The trade union of Iceland Air has expressed dissatisfaction with the CEO’s way out of the crises, demanding that workers are at the centre of any solution. The union accuses the CEO of contacting workers directly, circumventing the company’s negotiation committee, and thereby undermining the bargaining taking place. This would violate the provisions in the Act on Trade Unions and Labour Disputes.

**Source:** The Icelandic Confederation of Labour (Alþýðusamband Íslands ASÍ)

### Activities of employers' organizations

The **Confederation of Icelandic Enterprise (SA)** has set up a dedicated “Covid 19” webpage on its website that provides info and advice related to COVID-19 to enterprises, including questions & answers, on:

- Part-time jobs and benefits 2020
- COVID-19 and quarantine
- Infection prevention at work – COVID19

On 25 March, SA issued a statement in which it, while declaring its general support for government measures taken to address the COVID-19 crisis, makes additional proposals for action to ease the economic difficulties for companies.

On 1 April, SA expressed its disappointment at the refusal of the trade union ASÍ to postpone or reduce a wage increase, foreseen in a collective agreement concluded in 2019, despite the unprecedented difficulties for companies owing to COVID-19. SA is concerned that the related increase of labour costs in this situation may contribute to more lay-off than would otherwise have been required.

On 5 April, SA published on its website the outcome of a survey amongst corporate executives on the economic situation and prospects of their enterprises.

On 5 April, SA presented the results of an enterprise survey on the effects of COVID-19 on Icelandic companies. Among others, respondents said that company revenues in March 2020 had fallen by 50% compared to March 2019.

On 28 April, SA informed about new government support measures for companies, in particular: the prolongation of short-time work, the facilitation of financial restructuring, and support for wage payments.

On 12 May, SA presented recent economic analysis jointly conducted with the Icelandic Chamber of Commerce according to which the economic impact of COVID-19 in Iceland would be much more extensive and take much longer than expected. This year’s economic contraction could be the greatest in a century. It was pointless to assume too optimistic scenarios.
On 14 May, SA informed of the adoption of a new law on financial support (loans and grants) for smaller companies that suffered temporary revenue cuts or had to close down due to COVID-19.

On 18 June, SA informed about the approval of a new bill on Payment Protection Assistance by the Minister of Justice. According to this bill, companies in special need owing to the COVID-19 can receive a “payment shelter” for up to a year. Sheltered companies are given the opportunity to negotiate with creditors, with the assistance of a special assistant, lawyer or certified public accountant chosen by the company. It is hoped that, with this new remedy, the bankruptcies of many companies that would have had good future prospects under normal circumstances can be avoided.

Ireland

Stimulating the economy and employment

- fiscal policy
  - The Irish authorities have announced a comprehensive fiscal package of €24.5 billion (about 14 percent of GNI*), distributed over 2020 and 2021, which includes €20.5 billion in direct support and €4 billion indirect support through (a) €2 billion credit guarantee scheme and (b) €2 billion Pandemic stabilisation and recovery Fund (ISIF). The direct supports include: (i) €2.9 billion taxation measures, i.e., warehousing and deferrals; (ii) €17.6 billion expenditure measures through (a) €11.4 billion labor market support, (b) €2 billion health sector capacity enhancement, (c) €1.5 billion business support, (d) €0.5 billion capital works. (source: IMF)

2 May 2020

- a €2 billion COVID-19 Credit Guarantee Scheme to support lending to SMEs for terms ranging from 3 months to 6 years, which will be below market interest rates
- the ‘warehousing’ of tax liabilities for a period of twelve months after recommencement of trading during which time there will be no debt enforcement action taken by Revenue and no interest charge accruing in respect of the warehoused debt
- the waiving of commercial rates for a three month period beginning on 27 March for businesses that have been forced to close due to public health requirements
- provision of a Restart Fund for micro and small businesses of €250 million for micro and small enterprises
- a €2 billion Pandemic Stabilisation and Recovery Fund, which will make capital available to medium and large enterprises on commercial terms

- monetary policy
  - in addition to European measures announced by the ECB, the Central Bank of
Ireland (CBI) also announced the following: (i) the release of the countercyclical capital buffer, which will be reduced from 1% to 0% no later than April 2; ii) agreement on the payment moratoria proposed by the largest banks for mortgages and individual loans. SMEs will have the possibility to defer loan payments up to 3 months.

- support to specific sectors, incl the health sector
  - Additionally, there is a further package, subject to final approval, of €1bn in 2020 for the health sector to further scale up its response actions and maintain service levels at community level particularly for vulnerable people. In addition, further measures underway include expanding capacity in public hospitals, developing primary and community-based responses and procurement of additional essential equipment. (IMF)

February 2021

Government announces extensions to various economy measures:
- extending the Employment Wage Subsidy Scheme, currently scheduled to close on 31 March 2021, to 30 June 2021
- extending the Pandemic Unemployment Payment, currently scheduled to close on 31 March 2021, to 30 June 2021 for current recipients, and continue to allow new entrants to join the Payment
- extending the COVID-19 enhanced illness benefit, currently scheduled to end on 31 March 2021, to 30 June 2021
- extending the COVID Restrictions Support Scheme, scheduled to close on 31 March 2021, to 30 June 2021 and will conduct an economic assessment of the scheme in line with the statutory requirements on the impact, design and sustainability of this important support
- continuing to provide significant supports, through loans, grants, vouchers and support schemes to business affected by the pandemic, and to keep such supports under review as the situation develops
- extending the suspension of redundancy provisions, currently in place to 31 March 2021, to 30 June 2021, in order to help avoid further permanent job losses at a time when approximately 480,000 people are in receipt of the Pandemic Unemployment Payment
- extending the current commercial rates waiver for a further three months for those businesses most seriously affected by the restrictions

**Supporting enterprises, jobs and incomes**

- a temporary wage subsidy of 70% of take home pay up to a maximum weekly tax free amount of €410 per week.
- self-employed will be eligible for the Covid-19 Pandemic Unemployment Payment of €350.
- workers who have lost their jobs due to the crisis will receive a
Covid-19 Pandemic Unemployment Payment of €350 per week (an increase from €203)
- the Covid-19 illness payment will also be increased to €350 per week (also previously €203)
- enhanced protections for people facing difficulties with their mortgages, rent or utility bills.
- a €200m Strategic Banking Corporation of Ireland Working Capital scheme
- a €200m Rescue and Restructuring Scheme available through Enterprise Ireland for vulnerable but viable firms
- the maximum loan available from Microfinance Ireland has been increased from €25,000 to €50,000 (these loans are now interest free with no repayments for 6 months)
- a Finance in Focus grant of €7,200 will be available to Enterprise Ireland and Údarás na Gaeltachta (regional authority responsible for the economic, social and cultural development of the Gaeltacht (Irish speaking regions)) clients.
- the Government has agreed with local authorities that they should defer rates payments due from the most immediately affected businesses, primarily in the retail, hospitality, leisure and childcare sectors, until the end of May
- Revenue (Government department) has also posted specific advice for businesses experiencing trading difficulties as a result of COVID-19 including information on tax returns, the application of late payment interest, debt enforcement, tax clearance and customs
- all banks have announced they may be able to provide payment holidays or emergency working capital facilities. A deferral of up to 3-months on loan repayments will be available to many businesses. In addition, the banks are offering a wide variety of tailored supports including extensions of credit lines, risk guarantees, and trade finance.

8 April 2020

The Government announced a major expansion of supports for all businesses impacted by COVID-19. The package is now worth €1 billion in liquidity measures including:
- Expansion of two Strategic Banking Corporation Ireland Loan Schemes by €450m to provide an extra €250m for working capital and €200m for longer-term loans, bringing the total allocation to support liquidity in companies affected by the COVID-19 crisis to €650m
- €180m Sustaining Enterprise Fund for firms in the manufacturing and international services sectors
- Extension of supports for online trading to €7.6m
- Expansion of Microfinance Ireland funding by €13m to €20m for COVID-19 loans with interest rates dropped from 7.8% to 4.5%
Free mentoring, free online training for all businesses

Protecting workers in the workplace

- OSH
  - Information and guidance on OSH related issues to workers and employers
  - Work Safety Protocol
  - Guidance on returning safely to the workplace

- Vaccinations
  - No mandatory vaccination for any occupational groups. If an employer, having carried out a risk assessment in line with their duties under the Safety Health and Welfare at Work Act, concludes that there is a risk of an employee coming into contact with the virus, or, that there is a risk of putting patients at risk, the employer can consider re-assigning the employee to another role if they are unwilling or unable to be vaccinated.
  - Employers should arrange a health and safety risk assessment carried out by a health and safety professional to establish what measures are required to allow employees to return safely to the office. A vaccination requirement is likely only to be appropriate in very limited circumstances, e.g. frontline healthcare work, and is unlikely to be justifiable in an office workplace.
  - The Health Service Executive (the largest employer of healthcare workers in Ireland) has been permitted to seek information about employee’s vaccination status as part of assessing risk to patients and other staff.

Relying on social dialogue for solutions

- both IBEC and ICTU advocated (amongst other things) for temporary wage subsidy scheme.
- ICTU Submission to the Committee on Social Protection about the Pandemic Unemployment Payment (PUP) Scheme: [www.ictu.ie/download/pdf/oireachtas_committee_on_soc_protection_pup_nov_2020submission](http://www.ictu.ie/download/pdf/oireachtas_committee_on_soc_protection_pup_nov_2020submission)
- Work Safety Protocol (see above) developed and agreed by the the Labour Employer Economic Forum (LEEF), which is the forum for high-level dialogue between Government, Trade Union and Employer representatives.

Other measures

3 May 2020

Prime Minister (Taoiseach) announced a [roadmap](http://roadmap) for reopening society and business to be gradually rolled out between the 18 May and 10 August.
The Government announced a Return to Work Safely Protocol. This Protocol was developed and agreed in consultation with the members of the Labour Employer Economic Forum, which is the forum for high-level dialogue between government, and union and employer representatives on labour market issues.


    www.ibec.ie/employer-hub/covid-19

    https://www.ictu.ie/

**Activities of workers' organizations**

**Summary**

A report by The Irish Congress of Trade Unions has set out a detailed plan on the way forward for the country, amid the unprecedented economic global crisis caused by the Covid-19 pandemic.

‘No Going Back’ A New Deal Towards a Safe and Secure Future for All

**Congress General Secretary Patricia King** said “the COVID-19 pandemic has caused unprecedented disruption to societies and economies around the world. This crisis has fundamentally changed the relationship between the state, businesses and workers”.

The ICTU document ‘No Going Back’ sets out in detail how to revive the economy and ensure that workers are rewarded and protected as the country gradually emerges from the pandemic.

Patricia King said , “crucially there can be no cliff edge, no sudden removal of supports for the hundreds of thousands of workers currently laid off as a result of the pandemic. The response to this crisis has to be different this time. Austerity is neither socially acceptable nor economically necessary. We believe that the length and depth of the recession will be determined, at least in part, by the policies we choose and values that guide us”.
The General Secretary said “once the virus is in abeyance we can move to the stimulus phase of the recovery and there must be a new economic and social model based on progressive values - there can be ‘No Going Back’. The report sets out how to pay for the new deal and how stimulus measures can get the country up and running. “The State, like all states will need to borrow and take advantage of low interest rates. But we also need to couple this with reform. Our paper clearly shows that employers pay considerably less than their European peers when it comes to employers PRSI. The State as the backer of last resort needs to be adequately financed and all sectors have to pay their fair share.”

Our document sets out how the country can use the crisis to debate what sort of society we want and finally resolve major issues such as housing, health care, worker’s rights, social protection and benefits, and climate action.

**Source:** Ireland Irish Trade Unions congress ICTU

**For more information, see also:**

- [Public health advice](https://www.forsa.ie/covid-19-advice-to-forsa-members_3103/)
- [Calls for government action to address childcare crisis for all essential workers](https://www.ictu.ie/download/pdf/no_going_back_final_document_may_2020.pdf)
- [Condensation of companies seeking to use the crisis to victimise workers](https://www.ictu.ie/download/pdf/no_going_back_final_document_may_2020.pdf)

### Activities of employers' organizations

**Ibec**, which is the largest business association in Ireland, has created a dedicated [COVID-19 Hub website](https://www.ibec.ie/coronavirus/) on which it provides comprehensive info on its advocacy activities and employer relations/HR support related to COVID-19. Among others, Ibec has made available the following info/advice for members:

- Remote working during COVID 19 outbreak (11 March)
- HR guidance: Business continuity planning/coronavirus (COVID-19) (18 March) and Business continuity planning FAQ
- COVID-19 OHS FAQs
- Guideline for temporary layoff and short-time working
- Ibec member survey “COVID-19 Business Challenges” (27 March)
- Government essential business list (28 March)

On its website, Ibec also informs about its [COVID-19-related policy advocacy](https://www.ibec.ie/coronavirus/) and respective proposals made to the government, for instance:

- Proposed solutions to the liquidity crisis (3 April)
- Update on political engagement, the economy and a credible reboot campaign (9
April)

- Business welcomes announcement on COVID-19 Temporary Wage Subsidy Scheme (TWSS) (15 April)
- Latest engagement on reopening the economy (22 April)
- The government’s publication of the Return to work safely Protocol / COVID-19 Specific National Protocol for Employers and Workers, which was developed jointly by Ibec, ICTU, government and its agencies (9 May).
- The major new Ibec campaign "Reboot and Reimagine" setting out Ibec`s vision and roadmap for recovery and a sustainable economy. The campaign outlines a comprehensive range of thematic policy actions in three phases: 100 days, end of 2020, and the end of 2023 (12 May).
- Latest CEO updates, for instance on the urgency to bring forward the reopening roadmap and relax social distancing measures (29 May)
- Ibec Quarterly Economic Outlook Q2 - A long road ahead (4 June)
- Government announcement of the acceleration of the Covid roadmap as well as the extension of the Temporary Wage Subsidy Scheme (TWSS) (5 June).

Israel

Stimulating the economy and employment

Fiscal policy measures included the following:

- First stimulus package of NIS 80 billion, including NIS 11 billion for health expenses, NIS 20 billion to support the social safety net, extended unemployment benefits and grants for self-employed workers, NIS 41 billion in liquidity assistance for enterprises and NIS 8 billion for infrastructure projects and a one-time NIS 500 grant for families with children, the elderly and other vulnerable groups; extension of first stimulus package by NIS 20 billion, including employment incentives grants, support for high-risk businesses and SMEs;
- Second stimulus package of NIS 80 billion, including NIS 50 billion in budgetary measures, NIS 30 billion in loans and guarantees and the extension of unemployment benefits for furlough workers, of grants to self-employed workers and SMEs and of loan programmes for SMEs as well as support for populations at risk; and extension of stimulus packages by NIS 10.5 billion to support businesses and to increase eligibility for social benefits.
- In total, approved measures amount to about NIS 202.3 billion, of which NIS 105.7 billion
Monetary policy measures included the following:

- Government bond purchases up to NIS 50 billion, subsequently increased by NIS 35 billion;
- Repo operations to provide shekel liquidity to banks, in particular subject to the provision of credit to small and micro businesses;
- A cut in the policy rate from 0.25 to 0.1 percent;
- Expanding the acceptable collateral for repos to include corporate bonds rated AA or higher;
- A term funding scheme amounting to NIS 13.8 billion to provide three-year loans for banks to fund credit for small and microenterprises;
- A plan to purchase corporate bonds on the secondary market for up to NIS 15 billion;
- Reduction of banks’ regulatory capital requirement by one percentage point;
- Increase of the loan-to-value cap on residence-backed loans;
- Elimination of the additional capital requirement on housing loans;
- Allowing banks to calculate the debt-payment to income ratio for mortgage loans using pre-crisis income under certain circumstances;
- Raising the cap on banks’ loan portfolios allocated to construction companies;
- Allowing commercial banks to increase customers’ overdraft credit facilities and to suspend restrictions on accounts of customers with insufficient funds; and
- Advance announcement of foreign market purchase of US$30 billion in 2021 (after US$21 billion were purchased in 2020) in order to provide the market with certainty regarding the Bank’s commitment to dealing with the sharp appreciation of the NIS.

Main source: IMF Policy Tracker

Supporting enterprises, jobs and incomes

Action on enterprises and jobs included the following:

- Designated assistance stipends, expenditure grants and business assistance grants under the "Economic Safety Net" for self-employed workers and business owners;
- Bimonthly-to-monthly stipends and/or property tax refunds for self-employed workers and business owners who experienced a decline in turnover and for new businesses;
- Loans subsidized by state guarantees and assistance stipends for businesses according to a predefined scale based on annual turnover and decline in turnover;
- Increase in the scope of professional training; and
- Extension of business licences.

Action on incomes included the following:

- One-time assistance grants of NIS 750 to all citizens (excluding high earners), with an additional NIS 500 for each child up to the third child;
• Full unemployment benefits for all employees who are laid off or on unpaid leave until unemployment drops below 10 per cent (thereafter compensation reduced to 75 per cent of unemployment allowance) and payment of double unemployment allowance;
• Reduction of the required period of employment for eligibility for unemployment benefits from 12 to six months (within the past 18 calendar months) and cancellation of the five waiting days between unemployment periods;
• Adjustment stipend of up to NIS 4,000 per month for senior citizens;
• Possibility of tax-exempt withdrawals from advanced training funds of up to NIS 10,500 per month;
• Possibility for soldiers who have been discharged in the last five years to withdraw up to half of the balance of funds in the deposit;
• Assistance to special populations for health and enforcement needs: mapping and responding to the needs of the elderly; responding to the needs of the disabled and populations at risk; reinforcing epidemiological investigations, checks, information and enforcement; and citizens in quarantine and lockdown;
• Suspension of mortgage payments for three months; and
• Grants to the long-term unemployed of NIS 2,000 (i.e. to individuals who received unemployment pay for a period of at least 100 days, whether consecutive or not, in a specified period, on condition that their effective wage before the crisis was lower than the average daily wage in the economy and the grant will also be given to people aged 67 who lost their place of work due to the pandemic).

Main source: Israel Ministry of Foreign Affairs

Protecting workers in the workplace

Measures included the following:

• 30 per cent of public sector workers working from home;
• Workplaces without public reception need to appoint a “coronavirus supervisor” on the employer’s behalf, follow hygiene rules, keep a two-meter distance and/or install dividers, implement mandatory mask wearing and use personal equipment as much as possible, take workers’ temperature upon entering the workplace (and not allow anyone with a body temperature over 38 degrees Celsius to enter) and assign worker groups to the same shifts as much as possible;
• Professional meetings allowed with up to 50 people per room, as long as a two-meter distance is maintained (subject to more stringent rules during lockdown – see below);
• Separate Ministry of Health guidelines address, among other things, at-risk groups;
• Essential workplaces exempted from several of the rules applicable to workplaces; and
• Ministry of Health indicated that, although there would be no obligation to vaccinate, there may be workplaces where employees will be required to vaccinate or to test for COVID-19 every 48 hours in order to work.

Measures related to vaccination:

• Mandatory vaccination for employees in the health care system. If they refuse, they will
be transferred to jobs that do not involve contact with high-risk patients.

- A Tel Aviv labour court in March 2021 allowed a day care centre to bar a teaching assistant who refused to get vaccinated or undergo COVID-19 testing. The decision is expected to be appealed.

Main source: Israel Ministry of Health

**Relying on social dialogue for solutions**

- Histadrut and employer organizations initially criticized government’s loan-based plans as being inadequate for SMEs;
- Histadrut demanded that employees who are forced into home quarantine be given sick pay from the first day of their confinement and businesses and self-employed workers be supported;
- A public sector collective agreement was concluded securing paid leave, deducted from annual holiday entitlement;
- A collective agreement set conditions to re-open the public sector; and
- Histadrut announced its intention to establish a union for self-employed workers and provide them with legal services and it intended to cooperate with the Chamber of Independent Organizations and Businesses.

Main source: TUAC

**Other measures**

- Coordination and optimization of employment data to improve monitoring of the labour market and determination of half-yearly goals for lowering the unemployment rate;
- Ministry of Health announced a "Green Pass" for those who have a vaccination certificate or a recovery certificate, with which individuals can enter businesses complying with certain requirements; and
- Ministry of Health is also holding a National Survey of Resilience and Burnout among all healthcare workers in Israel, to learn the effects of the COVID-19 crisis on healthcare teams.

Main source: IMF Policy Tracker

**Activities of workers' organizations**

**Summary**

- Histadrut and the employers’ organizations call on the government to establish an alternative employment model for unpaid leave

- Employees and employers are jointly calling on the government to adopt a wage subsidy model to replace the furlough model currently implemented in Israel. In a joint letter to
Prime Minister Benjamin Netanyahu, the Histadrut, and the Association of Manufacturers, the Israel Chamber of Commerce and the Israeli Farmers Association (representing employers), based on a similar model operating in Germany as a significant instrument for returning the economy to activity.

- "Returning the economy to employment and stimulating the return of workers from furlough and preventing workers from leaving the workforce, requires the use of alternative policy tools for the workforce, which will allow flexibility for employers and employees on the one hand, and economic security on the other, in the near term."

- The proposed model, if adopted by the government, would allow employers to hire part-time workers instead of placing them on unpaid leave. In this case, the employer continues to pay the employee his wages for hours worked.

- For reduced hours, the employer pays the employee a reduced salary at a corresponding rate to the unemployment benefit rate. The employer would receive compensation from the government for the part of the salary, which he paid to the employee for the hours he did not work. Thus, the government allows the business to maintain reduced activity without affecting employee income.

- According to the Histadrut and the employers' proposal, operating the model will be conditional on a 25% reduction in the business’s income and with the employee’s and employer’s consent to enter the model. Also, it will allow a "In the absence of alternative subsidy tools, employees face an incentive to favor the unpaid leave over the employment at a reduced job rate, and employers are forced to give up employees who could benefit from the business, even if the employment volume is reduced."

- The proposal is based on the German model, which was first successfully deployed in the 2008 crisis, has proven particularly effective in light of the Corona crisis.

- According to the letter’s authors, 25 of the 35 OECD countries are already implementing a wage subsidy mechanism, and the European Commission has allocated 100 billion euros to loans to member states that will adopt such models.

Source: The Histadrut

Activities of employers' organizations

The Manufacturer's Association of Israel (MAI) has set up on its website a dedicated webpage “corona virus” on which it provides daily updated info and advice of relevance to enterprises. This includes, among others,

- Emergency assistance for businesses and enterprises in dealing with the Corona crisis (financial benefits, tax authority relief, guarantees for loans to SMEs)
- COVID-19 related info/uploads by Ministries and public authorities
A Telegram page for real-time updates on COVID-19

MAI recommendations for reducing the COVID-19 infection risk in companies (4 April)

A database of manufacturers and suppliers of hygiene and protective products

Enterprise surveys, e.g. on the impact of proposed new government financial support for employee retention (27 May)

Video statements by MAI leadership, e.g. interview with Mai President Dr. Ron Tomer who warned that a further delay in returning the economy to activity would result in hundreds of thousands more unemployed. (14 April)

Info about meetings of MAI management with government representatives, e.g. the meeting of MAI President Dr. Ron Tomer with the Minister of Finance to discuss the various plans for exiting the severe economic crisis and returning workers to activity (21 May)

Webinars and virtual conferences on topical COVID-19 topics, e.g. “From crisis to growth – the road to Industry 4.0” (2 June)

Letter by the MAI Director-General informing about business continuity procedures developed in cooperation with the Ministry of Health in the face of the beginning second COVID-19 wave (7 July)

MAI publishes letters that it (sometimes along with other Israel business organizations) sent to the Prime Minister government related to COVID-19:

Proposals for providing compensation and liquidity to the business sector against the background of the ongoing COVID-19 restrictions (6 May).

Urgent request to implement a comprehensive centralized compensation and retention plan for each business and sector affected by the COVID-19 crisis. While the health crisis had been tackled, it was now time to address the economic crisis. The authors attached to the letter their own proposal for a compensation and retention plan based on recognized programs in Israel and the world “including the German model, which is supported by the International Labour Organization (ILO).” (11 May)

Italy

Stimulating the economy and employment

The government intervened with a series of legislative decrees to sustain the economy during the pandemic. In 2020, the first main intervention was the so-called “Cure Italy” decree in March 2020, which strengthened the health system and provided immediate economic relief to workers and businesses. The “Liquidity Decree” in April 2020, introduced further support to protect
economic activities by easing access to credit. In May 2020, the “Relaunch Decree” introduced measures to restart in safety and revive the economy. The “August Decree” introduced additional support to sectors that were hardest hit by the pandemic. In the fall of 2020, four different “Ristori Decrees” introduced a series of measures to support workers and businesses that were facing financial difficulties. These measures were adapted and/or extended by the “Sostegni Decrees” in March and May 2021.

**Fiscal policy**

In order to respond to the crisis related to the Covid-19 pandemic, the Italian government put in place several an unprecedented financial and fiscal package to support workers, enterprises and the economy. The main measures included in the package that was adopted in March 2020 and revised over time can be grouped with the following three main types: (i) postponement of tax payment; (ii) reduction and/or cancellation of tax obligations; (iii) direct financial support to workers and enterprises.

*Postponement of tax payments*

- **Tax postponements for enterprises in hard-hit sectors** For some hard hit sectors (e.g. tourism, passenger transport, bars and restaurants, culture, sports, education, amusement parks, events), *Decree No. 18 of 17 March 2020* established that social security contributions and other income taxes that enterprises should have paid for the periods of March and April 2020, were postponed until 16 September 2020. These amounts could have been settled via a lump-sum payment or with four equal instalments, without any interest nor sanction;

- **Tax postponements for small and medium enterprises**: *Decree No. 18 of 17 March 2020* also established that social security contributions and other income taxes could be postponed for companies (i) with annual revenues below 50 million Euros, and (ii) a drop in revenues of at least 33 per cent in March and April 2020, compared to the same months of the previous year. The same conditions applied to enterprises with revenues above 50 million Euros, but with a yearly drop in revenues of at least 50 per cent;

- **Postponement of tax payments for self-employed individuals**: *Decree 104 of 14 August 2020* established that self-employed individuals, with revenue levels below 400,000 Euros in 2019, could postpone tax payments related to the periods between 17 March and 31 May 2020 to September 2020. 50 per cent of the amount due could further be paid in monthly instalments starting from January 2021;

- **Other provisions**: Payment of a series of other national and local taxes was also postponed. This included, among others, the extension of tax payment certificates, the postponement of advance payments of excise duty on natural gas and electricity, the delay in the introduction of the “plastic tax” and the “sugar tax” and the postponements of the sum to be paid to national authorities following tax inspections resulting in a settlement.

*Reduction and/or cancellation of tax obligations*

- **Suspension of automatic VAT adjustments**: Starting from January 2021, the government abolished the automatic increase in VAT rates that were supposed to apply in case public budget goals were not met;

- **Cancellation of IRAP payments**: Self-employed individuals and enterprises with annual
revenues below 250 million Euros, do not need to pay the 2019 balance and the first 2020 instalment for the regional tax on productive activities (IRAP);

- **Exemption from the property tax (IMU):** A series of establishments (e.g. beach establishments) were exempted from IMU payments for 2020, while other types of businesses (e.g. cinemas and theatres) obtained the exemption also for 2021 and 2022;

- **VAT reduced** The VAT tax rates for specific health equipment (e.g. masks, ventilators) were reduced from 22 to 5 per cent on a permanent basis, while VAT payments for these goods was totally suspended on a temporary basis until the end of 2020.

**Direct financial support to workers and enterprises**

- **Non-refundable grant:** Decree No. 41 of 22 March 2021 established a non-refundable compensation for businesses that experienced at least a 30 per cent loss in revenues in 2020, compared to 2019. The grant ranges from 60 per cent of the loss for businesses with annual revenues below 100,000 Euros to 20 per cent of the loss for businesses with annual revenues between 5 and 10 million Euros;

- **Tax credit for the adaptation of work environments** The government introduced tax credit for expenses incurred by businesses in order to adapt work environments to comply with COVID-19 regulations. The tax credit covers 60 per cent of expenditures, up to a cap of 80,000 Euros. An additional tax credit was introduced for the purchase of medical equipment;

- **Tax credit for rent** Legislative Decree No. 34 of 19 May 2020 introduced a tax credit for tenants of properties for non-residential use, for a value equal to 60 per cent of the rental expenses. In order to be eligible, businesses need to have experienced at least a 50 per cent drop in revenues and they need to have a level of annual revenues below 5 million Euros;

- **Direct support to hard-hit sectors:** Through a series of Legislative Decrees, the government also introduced specific support to hard-hit sectors, including tourism and culture. 500 million Euros have been allocate to the tourism sector, for non-refundable grants for businesses that had registered in June 2020 less than two thirds of the revenues obtained in the same month of 2019. The maximum amount of the grant is equal to 1,000 Euros for individuals and 2,000 Euros for businesses. Non-refundable grants were also instituted for individuals operating in the culture industry (2,400 Euros for those with an annual income below 75,000 Euros) as well as to support the activities of museums and other artistic and cultural sights. In an effort to stimulate these sectors, the government also introduced a voucher worth 500 Euros for low-income households (i.e. annual income below 40,000) to be spent in hotels and other tourist accommodations. This measure has been extended until the end of 2021.

**Monetary policy**

As part of the Euro Area, the European Central Bank (ECB) manages the monetary policy for Italy. In this respect, the ECB has acted swiftly to respond to the crisis, with the purpose of lowering financing costs and supporting credit. The main intervention implemented by the ECB corresponds to the pandemic emergency purchase programme, which provided liquidity for 1,850 billion Euros. Additionally, the ECB kept interest rates low and eased the conditions under which commercial banks can access liquidity and lend to creditors.
Recovery measures

In addition to the measures implemented to tackle the crisis, other interventions have been introduced with the purpose of sustaining the recovery over the medium- to long-run. In this respect, an important role is being played by the EU-sponsored National Recovery and Resilience Plan (henceforth, Recovery Plan). In particular, the government is finalizing a series of investment projects in the areas of infrastructure, digitalization, transition to the green economy and labour market policies. The three main cross-cutting themes set by the Recovery Plan are (i) promoting youth employment and youth social inclusion, (ii) eliminating gender disparities in the labour market and in the society, (iii) tackling geographical inequalities. The government also established that projects financed by the Recovery Plan need to have a minimum of 30 per cent of youth and women employed. The total investments planned for the Recovery Plan amount to 235 billion Euros to be spent between 2021 and 2026, with an estimated impact on GDP equal to 3.6 per cent and an increase in employment levels of 3 per cent. While many of the details of the investment plans are still being finalized, the main pillars and areas of interventions evolve around the following “missions”:

- **Digitalization, Innovation, Competitiveness, Culture and Tourism:** 49.2 billion Euros will be allocated to this first areas of interventions as part of the Recovery Plan, with the aim of increasing economic productivity by modernizing the economy and investing in key strategic sectors. Investments in this area include the expansion of the high-speed broadband network, the digitalization of the public administration and incentives to private enterprises to adopt new and more sustainable technologies;

- **Green revolution and ecological transition** The Recovery Plan allocates 68.6 billion Euros to this policy area. The main interventions within this mission include measures to promote the circular economy, the introduction of more efficient waste management practices, fiscal incentives for increasing buildings’ energy efficiency, financial support to businesses that invest in the renewable sector and incentives for sustainable transportation;

- **Infrastructures:** The Recovery Plan will allocate 31.4 billion Euros to the construction of new infrastructures and the renovation of existing ones. Interventions include investments in high-speed trains, improvements to the regional railway networks, streamlining import and export duties, digitalization of logistics procedures, development of integrated transportation systems (e.g. connections between ports and railways);

- **Education and research:** 31.9 billion Euros will be allocated to strengthening the education system and supporting research. This will be done by increasing the number of available places at all levels of the educational system, from childcare to university. The Plan also aims at tackling gaps in the provision of education across regions as well as fostering the transition from education to the labour market. The Recovery Plan also aims at reforming the hiring system of teachers and professors as well as renovating schools and universities buildings;

- **Social cohesion and inclusion:** Investments worth 22.4 billion Euros are planned as part of this mission, with the main purpose of fostering gender equality and promoting the inclusion of youth in the labour market. Interventions include an increase in the resources allocated to active labour market policies (e.g. public employment services, support to female entrepreneurship), increased support for individuals with disabilities and marginalized groups, investments in public housing, reduction of regional inequalities.
The number of labour inspectors is also set to increase by 2,000 units (4,500 inspectors are currently operating), as part of an attempt to addressing informal employment and undeclared work;

- **Health**: 18.5 billion Euros will be invested in health, with the main purpose of strengthening the local provision of health services and investing in telemedicine. Additional funds will be allocated to investing in research and development within the health sector and for increasing the number of hires in public hospitals.

**Additional sources of information**

- Prime Minister Office: Summary of current legislation
- Ministry of Economy and Finance: Fiscal measures to respond to the COVID-19 crisis
- The National Recovery and Resilience Plan (NRRP)
- Measures adopted in Italy to support workers, families and enterprises during the COVID-19 emergency (28 March 2020)

**Supporting enterprises, jobs and incomes**

**Employment retention/income support**

The government implemented a series of interventions with the purpose of retaining jobs and supporting incomes. The main interventions in this area include the following:

- **Job retention scheme**: First, the governments expanded the coverage and maximum duration of the already existing employment retention scheme (Cassa Integrazione, see Legislative Decree No. 18 of 17 March 2020). This scheme provides workers with income support (80 per cent of gross salary up to a ceiling of 1,200 Euros, plus full social security contribution) during periods of temporary disruption of production resulting from economic, industrial or financial hardship. The scheme was extended to all sectors — except for domestic work — and enterprises, regardless of their size. Workers not eligible to the scheme could access a wage compensation (€600/month), always worth 80 per cent of hourly wage;

- **Ban on dismissals**: The government introduced in March 2020 a ban on individual dismissal for economic reasons. While this ban on dismissals initially covered all enterprises, it has been subsequently restricted to those businesses that have been benefiting from government support in relation to the crisis (including those that access the employment retention scheme described above). The ban on individual dismissals has been gradually phased out as of July 2021 (Legislative Decree No. 73 of 25 May 2021) and it is set to permanently expire at the end of 2021. Collective dismissals have been banned throughout the entire period in all types of enterprises, while, since July 2021, the ban on collective dismissals has been limited to enterprises benefiting from the employment retention scheme;

- **Unemployment benefits**: The government also relaxed eligibility requirements for
participation in the unemployment benefit scheme for dependent employees (NASPI) and self-employed individuals (DISCOLL) and extended the maximum length of benefit receipt. In particular, Decree No. 104 of 14 August 2020 established that individuals, whose unemployment benefit entitlements were supposed to end between May and June 2020, were eligible for an additional two months of benefit receipt, at the same rate of the last benefit instalment;

- **Waiver on social security contributions for youth** The 2021 budget law introduced hiring subsidies for youth below the age of 36. The subsidy corresponds to a full waiver on social security contributions, up to a maximum of 6,000 Euros per year. The duration of the support is of 48 months in Southern regions and 36 months in the rest of the country. The subsidy is available for both new hires on a permanent basis and the transformation of fixed-term contracts into permanent ones. The individuals need be at his/her first permanent contract;

- **Waiver on social security contributions for women** The 2021 budget law also introduced hiring subsidies for women. This is available to women below the age of 50 who are unemployed by at least 12 months, but in Southern regions coverage is extended to women of all age who are unemployed since six months. The subsidy corresponds to a full waiver on social security contributions, up to a maximum of 6,000 Euros per year. It last for 12 months in case of hiring on a temporary basis and 18 months for hires with an open-ended contract;

- **Amnesty for workers in selected economic sectors** Legislative Decree No. 34 of 19 May 2020 established an amnesty for workers in the care economy, the agriculture sector and domestic workers. This is available under two tracks. First, the employer can ask for the regularization of an employment contract which was previously undeclared, for both national and foreign citizens. Secondly, foreign citizens whose residence permit has expired but still live in Italy, can ask for a new permit with a validity of six months;

- **Fixed-term contracts** Decree No. 104 of 14 August 2020 also introduced the possibility to extend fixed-term contract more than four times, as normally set in the legislation. In particular, fixed-term contracts can be renewed one additional time for a maximum duration of 12 months.

The government also introduced a series of transfers to households and individuals, with eligibility requirements depending on either income levels or specific conditions. The main intervention in this respect is the so-called “last resort income”. This is available to households with an annual income below 15,000 Euros, real estate ownership below 10,000 Euros and with earnings below the amount of the benefit entitlement for the month of April 2020. The last resort income has been initially introduced in May 2020, for a benefit level between 400 and 800 Euros depending on households’ conditions. The income support has then been extended in August 2020.

Other income support measures, introduced by the Government at different stages of the pandemic, include the following interventions:

- Voucher for care services (babysitting) for a maximum amount of 1,200 Euros (raised to 2,000 Euros for individuals employed in the health sector or in the police/military);

- 600 Euros per month for income loss of seasonal workers, self-employed and external collaborators, who are not eligible to other social protection schemes or emergency
measures;
  - 500 Euros per month for April and May 2020 to domestic workers who are not benefiting from the last resort income and were working in February 2020;
  - 100 Euros to workers with an annual income level below 40,000 Euros who, in March 2020, were working in the workplace (i.e. not remote working)

Support to liquidity of enterprises

Another set of interventions included those aimed at providing liquidity to enterprises, with the primary goal of avoiding bankruptcies due to the temporary suspension of activities imposed by the national health restrictions. In this sense, these measures need to be read in conjunction with the monetary policies set out by the ECB, as well as the fiscal interventions implemented by the government and summarized above. Most of the measures that provide liquidity support to enterprises have been introduced by the Legislative Decree No. 23 of 8 April 2020. However, most of the measures have been expanded and/or extended with the Legislative Decree 104 of 14 August 2020.

- **Moratorium on debt repayments**: The government introduced a moratorium on debt repayment for small and medium-sized enterprises, as well as self-employed individuals. Enterprises simply need to present a statement declaring that they are experiencing liquidity shortages following the pandemic;
- **Credit guarantee for small and medium enterprises**: The government also strengthened the role of the Central Guarantee Fund (Fondo Centrale Garanzia), by allowing guarantees up to 5 million Euros and for enterprises with up to 499 workers. The maximum amount to be covered is also increased to 90 per cent for debts of a maximum length of six years;
- **Credit guarantee for large enterprises**: A similar fund, with an initial endowment of 200 billion Euros, was set up for large enterprises (i.e. above 499 workers). The guarantee is equal to 25 per cent of a total amount that is computed as the highest between (i) enterprise revenues in 2019 or (ii) twice the wage bill, always in 2019;
- **Debts of the public administration**: The government established a fund that could be used by the public administration, for accelerating the repayment of outstanding debts contracted in favour of the private sector;
- **Compensation Fund**: As part of the crisis-response interventions, the government introduced a compensation fund for shareholders and bondholders for the losses due to bank crisis with advance payment (covering up to 40 per cent of the loss).

Additional sources of information

Prime Minister Office: Summary of current legislation

Minister of Economy and Finance: Measures introduced to support work

Measures adopted in Italy to support workers, families and enterprises during the COVID-19 emergency (28 March 2020)

Protecting workers in the workplace

Measures to protect workers in the workplace included a wide range of interventions, with the
dual objective of (i) increasing the possibility of working remotely, and (ii) ensuring safe working conditions for those who had to be present in the workplace.

Within the measures to favour remote work, the following interventions have been introduced by the Legislative Decree No. 18 of 17 March 2020:

- **Simplified procedures for teleworking**: Private sector employees with a child below the age of 14, can work remotely even in the absence of an explicit agreement with the employer, for the duration of the state of emergency related to the pandemic. For public sector employees, remote working can be applied to all forms of employment;

- **Parental leave**: A special leave of 15 days is instituted for private sector employees and self-employed individuals with children below the age of 12. This leave is paid at the 50 per cent of the normal remuneration. Legislative Decree No. 34 of 19 May 2020 extended the duration of this entitlement to 30 days, which can also be taken non-consecutively;

- **Leave for COVID-19 exposure**: Parents whose children are subject to quarantine measures following direct or indirect exposure to COVID-19, have the possibility to telework. In case none of the parents can conduct his/her work remotely, one of them is entitled to special leave for the entire period of the quarantine, paid at 50 per cent;

- **Additional leave for workers with household members with disabilities**: In March 2020, the government also added 12 days of leave per month, fully paid, to workers who need to take care of family members with disabilities in March and April. Legislative Decree No. 34 of 19 May 2020 extended this provision to the months of May and June.

Within the second set of interventions, different measures were implemented, through collective bargaining and national legislation, to ensure safe working conditions in the workplace:

- **Protocol to contain the spread of the virus**: Enhanced OSH measures were agreed between the government and the social partners and resulted into the adoption of a “Protocol to contain the spread of COVID-19 in the workplace” (see section on social dialogue for further details). Enterprises that cannot abide to these guidelines, need to temporarily suspend their activities and, in the meantime, they can obtain wage compensation from the job retention scheme;

- **Incentives for adapting and sanitizing workplaces**: Legislative Decree No. 34 of 19 May 2020 introduced tax credits for 60 per cent of the expenses undertaken to adapt workplaces to COVID-19 security measures, up to 80,000 Euros per enterprise. An additional tax break covered 60 per cent of the expenses for the purchase of health equipment (e.g. masks), up to 60,000 Euros per enterprise;

- **COVID19 infection at work as an occupational illness**: The employer can be held accountable for COVID-19 infections occurred in the workplace if the laws and regulations in the area of containment measures were not respected.

**Mandatory COVID vaccination**

The decree No. 44 of 1 April 2021 introduced mandatory Covid-19 vaccination for all health care professionals with a view to ensuring a safe work environment and safe provision of public and private health care services. This requirement extends to physicians, nurses, pharmacists and other care workers in both public and private health care facilities and other places in which...
health care services are provided (e.g. home visits and extended residential care establishments for persons requiring long-term care support such as persons with disability and the elderly). Exceptions can be granted if the health situation of the worker, documented by a medical certificate, is incompatible with the COVID-19 vaccine. In all other cases, health care workers who refuse the COVID-19 vaccine can be suspended from their job without payment of their salary. Where possible, the employer can alternatively assign the worker to other tasks that do not require direct contact with patients or other staff. In this case, wages and conditions of employment are adjusted to the new tasks and responsibilities. Since the enactment of the mandatory vaccination, there have been a number of cases brought by health care workers before the courts. Up until now, all court rulings have rejected such claims, confirming the legitimacy of the application of the provisions set out by the decree.

Other safety and health measures: Covid-19 “green certificate”

On 22 September, the government introduced the regulation (decree No. 127 of 21 September 2021) on “urgent measures to ensure safety in public and private workplaces” that requires workers to be subject to screening of their COVID-19 green certificate while entering into the workplace. This mandatory requirement will start as of 15 October 2021 and be valid until the end of the health emergency (currently valid until 31.12.2021). This regulation applies to all workers in the public and the private sector, independently from their employment status. This certificate is granted after having received the (partial or full) Covid-19 vaccination and has a 12-month validity, or, alternatively, after having recovered from COVID-19 (6-month validity) or after having taken a COVID-19 test with negative result (48 hours validity in case of an antigenic test and 72 hours for a PCR test). For workers whose health status is incompatible with COVID-19 vaccination, as documented by a medical certificate, they can benefit from free COVID-19 tests.

The Public and private sector employees who fail to present the COVID-19 certificate there is no prejudice for the employment relationship, they are not suspended and no disciplinary measure can be taken. They can however be temporarily placed in unjustified absence without remuneration. This is valid until they present a valid COVID-19 certificate. For enterprises with less than 15 employees and in addition to the possibility of placing the employee without a valid certificate in unjustified absence, the employer can also temporarily suspend the worker after a waiting period of five days. For these workers, the duration of the suspension cannot exceed 10 days. During the suspension period, the employer can recruit a replacement to carry out the tasks of the suspended worker. Workers who carry out tasks from remote are not required to go through the scanning of the certificate. However, they cannot request such a modality of work simply on the grounds of lack of certificate. Access to workplaces in violation of the obligations set out by legislative decree n. 127 is punished with an administrative sanction that ranges between Euro 600 and 1,500 for the worker – lack of mandatory Covid-19 certificate - and between 400 and 1,000 for the employer – lack of Covid-19 certificate verification, including through scanning procedures.

Relying on social dialogue for solutions

Both the Minister of Labour and Social Policies and the Prime Minister organized a number of
triplartite discussions and consultations with the social partners for the formulation of the labour legislation and other policy measures enacted during the COVID-19 emergency. The main initiatives are the following:

- **Essential activities**: During the first phase of the crisis, tripartite consultations were held for the identification of essential economic activities and services that had to be exempted from the lockdown;

- **Protocol to contain the spread of the virus**: The social partners developed and adopted in March 2020, with the mediation of the Prime Minister, a "Protocol to contain the spread of COVID-19 in the workplace". It contained OSH guidelines for safe work in essential activities and services during the lockdown and the updated version of April 2020 provided guidance for the restart of activities in May-June 2020. The national agreement was declined into specific protocols that adjusted the guidelines according to the economic sectors and types of enterprises. These sector-specific agreements were the result of bi-partite social dialogue at sectoral and local levels. The Protocol was last updated in April 2021;

- **Income support**: An agreement by the social partners was signed in 2020. In order to accelerate the transfer of income replacement to workers included in the short-term work schemes, employers agreed to pay the benefit in advance to their employees, while the government would have compensated employers at a later stage;

- **Public administration**: A bi-partite agreement has been reached in March 2021 with respect to the public administration ("Pact for innovation in public employment and social cohesion"). This included the provisions for wage increases, recruitment of public civil servants and provisions for training of staff and career development;

- **Recovery Plan**: The social partners were involved in April 2021 in the consultation process for the definition of the investment measures of the National Recovery and Resilience Plan (see above for details on the Plan). Their involvement is also envisaged for the governance of the implementation of the Recovery Plan;

- **Ban on dismissals**: Social partners were involved in the definition of the gradual phase-out of the ban on dismissals (see above for details). This led to the agreement of 30 June 2021 for the use of the short-time job retention scheme (Cassa Integrazione) prior to recurring to individual and/or collective dismissals. Social partners were also consulted in the definition of hard-hit sectors, where the ban on dismissals has been extended until 31 October 2021 (i.e. textile, footwear and fashion industry);

- **Vaccinations at the workplace**: Social partners signed in April 2021, with the mediation of the Government, a protocol to conduct COVID-19 vaccinations at the workplace. This includes the possibility for enterprises to either directly organize a vaccination hub for their employees or, alternatively, to give the possibility to health authorities to organize a public vaccination hub within their premises.

**Additional sources of information**

Labour relations and COVID-19 in Italy

**Activities of workers' organizations**
Summary

- COVID-19 is now classified as an occupational accident in Italy. Unions welcomed this. However, they demand further clarification on corporate responsibility and burden of proof. The National Institute for Insurance against Accidents at Work (INAIL) has adopted the criteria of reasonableness, connected to the principle of simple presumption, and the logical-scientific criterion connected to a principle of qualified presumption. INAIL has distinguished two fundamental categories of workers. The first category includes workers exposed to high health risk, such as, first of all, health workers and then all workers who are in contact with the public/users (such as for example front office workers, cashiers, bankers, employees cleaning in healthcare facilities etc.). The second category includes all other workers. The first category is not set in stone. Meanwhile, workers in the second category need to prove that the virus was contracted in the workplace.

- The re-launch of the economy is taking shape. Unions point to the need of quality investments as part of the so-called ‘Relaunch Decree’. According to CISL, this would entail ‘non-refundable transfers, immediate liquidity support for SMEs, and linking the ‘drivers’ of innovation, new technologies to construction investments and supply chain policies that redeem the sectors most affected: manufacturing and industry, but also tourism, transport, and logistics. As part of the Decree some Solidarity Funds might be drastically reduced – such as in the Craft and Administration sectors – which Unions criticized.

- The “Shared protocol for the regulation of measures to combat and contain the spread of the Covid-19 virus in the workplace” (initially signed on March 14) had been renewed between the government and social partners. Lockdown measures are relaxed from May 4 – gradually. The protocol is part of a decree. Two specific protocols for the transport and construction sector are in annex.

Sources:

- www.cisl.it
- www.cigl.it
- www. Uli.it

Activities of employers' organizations

An internal Task Force was established to coordinate Confindustria work on the COVID-19 response.

A website was launched with information related to coronavirus. It presents Confindustria proposals to face the emergency including on urgent economic support measures and long-term economic development strategy. It also contains news, information on PPE (including an agreement to facilitate production and import and a supply handbook), and relevant initiatives undertaken by Confidustria’s territorial branches.

Confindustria also conducted a survey of Italian companies (associated and non-associated) about the impact of the COVID-19 crisis.
Confindustria, in collaboration with ICC Italia International Chamber of Commerce, has prepared recommendations for companies unable to meet contractual commitments due to the COVID-19 emergency.

Confindustria's policy proposals to mitigate the impact of COVID-19 on the economy and relaunch economic growth are structured around 6 pillars: 1) Relaunch of public investments and infrastructures, as the first engine of economic growth; 2) Ambitious recovery plan at European level; 3) Measures to guarantee liquidity of companies; 4) The launch of a new and vast simplification program; 5) Incentives for youth employment; 6) An action plan aimed at attracting, stimulating and relaunching private investment.

Confindustria and Italian Banking Association made an addendum to the 2019 Credit Agreement to support companies affected by COVID-19. The Addendum underlines the need for banks, where possible, to offer better conditions than those explicitly provided for in the Agreement, in order to meet the needs of businesses.

On 14 March, a tripartite agreement was signed on measures to contain the spread of COVID-19. This was updated on 24 April to facilitate a safe return to work.

---

**Kazakhstan**  
Last Updated: 30 September 2021

### Stimulating the economy and employment

#### Fiscal, monetary and other policies

- In 2020, the total volume of government anti-crisis measures to support the economy and the population amounted to 6.3 trillion tenge, which is 9% of the GDP.
- The Government and the National Bank presented the Comprehensive Plan for Restoring Economic Growth to support the most affected sectors. An "Employment Roadmap" (ERM) was adopted. The State Commission in charge of enforcing the state of emergency is reorganized into the State Commission for restoring economic growth.
- The Government has agreed with other countries to reduce import duties on a number of food products that the country is not self-sufficient.
- The interest rate for end borrowers will not exceed 5%. An additional fund will be allocated for these purposes in the framework of the program "Economics of simple things" (soft loan program).
- Interest payments on unfulfilled tax liabilities were postponed until 15 August 2020.
- The deadline for submitting tax reports was moved to Q3 of 2020.
- The availability and quality of food products are monitored on an ongoing basis.

#### Support to specific sectors

- Exemption from property tax for enterprises whose activities are associated with large retail facilities, shopping and entertainment facilities, exhibition expositions,
as well as health, fitness and sports facilities.

Support will be provided to the agricultural sector:

- Agricultural producers are exempted from paying land tax on agricultural land, and individual entrepreneurs are exempted from paying individual income tax.
- Allocated 200 billion tenge for spring agricultural work, including 70 billion for the development of seed production, the purchase of fertilizers and pesticides.
- The cost of diesel fuel will be reduced for agricultural producers by 15% of the market price. About 390,000 tons of diesel fuel will be allocated for this purpose at a reduced price.

Support will be provided to the health sector:

- Health workers (doctors, nurses, etc.) and police officers received bonuses. Under the new regulations, medical workers are entitled to compensation for transportation costs and harm to life or health inflicted while on duty, as well as to social support, additional benefits and incentive payments from local budgets. The Government plans to gradually increase medical workers’ salaries to twice the average salary by 2023.

Stimulating domestic manufacturers of medicines.

Supporting enterprises, jobs and incomes

Social protection (including employment services)

- [Updated on 7 April 2021] A total of 3 434 758 664.3 thousand tenge were allocated on social benefits from the republican budget in 2020 to cover more than 4 million people. Individuals who lost their primary income sources during the state of emergency received one-off payment of 42,500 tenge from the State Social Insurance Fund (SSIF).
  - The Government continued to provide one-off assistance payment of 42,500 tenge (approx. USD 103) to citizens who had lost a source of income due to the introduction of lockdown measures in July 2020.
  - [Updated on 31 July 2020] Applications for this social payment to cover loss of income were accepted until 1 September 2020.
  - [Updated on 7 April 2021] During the state of emergency, one-off payments were provided to 4.6 million people in the amount of 322.8 billion tenge, and to 2.4 million people in the amount of 153.5 billion tenge during the lockdown period that followed.
- [Updated on 7 April 2021] The SSIF administered one-time social payments of 2 million tenge to 9,300 infected medical workers and 10 million tenge to 186 families of deceased
medical personnel. The total SSIF expenditure for this purpose amounted to 20.5 billion tenge.

Expanding the list of citizens who are entitled to a new SSIF social payment in connection with the loss of income, simplifying the conditions for their enrolment and submission of necessary documents, as well as reducing the processing time.

- [Updated on 7 April 2021] Laid-off workers may receive social benefit in relation to their income loss up to 6 months, depending on the length of their contribution to the compulsory social insurance system and income for the last 24 months. The payment amounts up to 40% of the lost income.

- [Updated on 7 April 2021] In 2020, 99.1 thousand people benefited from the SSIF social payments in case of income loss, which amounted to 15.8 billion tenge.

- [Updated on 7 April 2021] In January 2021, the number of recipients of social payments in case of income loss was 30.8 thousand people.

[Updated on 7 April 2021] In March - May, July, August 2020, citizens from socially vulnerable segments of the population received payments of 2 MCI (5,556 tenge) to purchase food and household sets. The payment covered more than 1.1 million citizens, and amounted to 25.6 billion tenge.

In order to prevent the spread of coronavirus infection, comply with the quarantine measures and exclude direct contact between specialists of the employment centres and applicants for targeted social assistance (TSA), the TSA was automatically prolonged.

- In Q2 of 2020, the TSA was prolonged for 560 thousand recipients with the simultaneous increase in its value; in Q3 - for 627 thousand recipients, in Q4 - for 614.3 thousand recipients.

- [Updated on 7 April 2021] In the first quarter of 2021, 524 thousand had their TSA automatically extended.

Citizens applying for the TSA for the first time can apply through the e-Government Portal.

- In Q2 of 2020, 149.9 thousand people applied for the TSA for the first time, in Q3 of 2020 - 211 thousand people, in Q4 of 2020 - 202.1 thousand people.

- [Updated on 7 April 2021] Since the beginning of 2021, 66.2 thousand families or 355.7 thousand people have applied for the first time for TSA.

Since January 2020, an allowance to families with four or more children has been introduced.

- The allowance is paid regardless household income to families with four or more minors or full-time students under the age of 23.

- The amount depends on the number of children in the family. Payments vary from 44,532 tenge (4 children) to 77,951 tenge (7 children), with additional 4 MCI
added for each child starting from the 8th.

- [Updated on 7 April 2021]In 2020, 392.4 thousand families received this payment, which totalled to 236.2 billion tenge.

[Updated on 7 April 2021]In 2020, as part of the Enbek (Employment) Programme (see details below), 1.4 large and low-income families benefited from micro-crediting for entrepreneurial and business activities.

[Updated on 7 April 2021]As part of the TSA, the work has been underway to provide preschool children from low-income families with a guaranteed social package (GSP). In 2020, more than 218 thousand preschool children were provided with food sets on a monthly basis and hygiene products on a quarterly basis.

[Updated on 7 April 2021]In 2021, in order to provide assistance to low-income families with incomes below the poverty line, 169.7 billion tenge was allocated from the republican budget, including 122.8 billion tenge for TSA and 46.9 billion tenge for GSP.

[Updated on 7 April 2021]The development of the Digital Family Map aimed to facilitate identification of families in difficult life situations and connect them with required services for a comprehensive support, is ongoing.

- In April and May 2020, more than 1.6 million people received government assistance to pay utility bills.
- From 1 April 2020 to 1 July 2020, medical institutions provided comprehensive services to citizens, regardless of their compulsory social health insurance status.

In 2020, pensions and state social benefits were increased twice.

- [Updated on 7 April 2021]In 2020, the growth of the basic pension and benefits was 10% (5% to the projected inflation rate and additional 5% indexation in line with the Presidential instruction), the solidarity pension experienced a respective 12% increase (solidarity pensions are indexed above the inflation rate by 2%).

- A number of measures have been envisaged in order to prevent a decrease in pension and social payments due to the application of the "0" correction factor, i.e., exemption from paying mandatory pension and social contributions (see the Resolution of the Government of the Republic of Kazakhstan dated April 20, 2020 No. 224 «On further measures to implement the Decree of the President of the Republic of Kazakhstan dated March 16, 2020 No. 287 «On further measures to stabilize the economy» on taxation issues»).

[Updated on 7 April 2021]The Social Services Portal provided an online mechanism for obtaining disability status and connected recipients and providers of disability- and rehabilitation related social services through a unified digital platform.

A risk analysis was carried out for prompt and effective interaction on improving the social service system and strengthening control over the non-proliferation of coronavirus infection in the organizations providing special social services of a stationary type.
As a result, 7 proposals were made to the "National Plan to protect lives and health of Kazakhstanis in the pandemic context" - organization of mobile teams for the provision of medical services in Medical Social Institutions (MSI), including delivery of medicines, extension of public procurement procedures to priority needs under COVID-19 until the end of this year, provision of a stock of medicines, medical devices, personal protective equipment for employees/wards, development of visual materials on compliance with sanitary measures, etc.).

Since March 16, 2020, quarantine has been introduced in all MSI that provide special social services of a statuary type. Visits to the facilities have been limited and sanitary and epidemiological measures have been continuously observed.

Today, in cooperation with the Ministry of Health of the Republic of Kazakhstan:

- an algorithm has been developed to enhance the sanitary and disinfection regime in medical and social facilities (homes for the elderly and disabled, children's homes and others), which has been approved by the Resolution of the Chief Sanitary Doctor of the Republic of Kazakhstan "On measures to ensure safety of the population of the Republic of Kazakhstan in accordance with the Decree of the President of the Republic of Kazakhstan "On the introduction of a state of emergency in the Republic of Kazakhstan";  
- in the regions, express coronavirus testing of wards and employees of MSI is carried out on the rolling basis;  
- tele-meetings with regions on the situation in MSI are conducted on a weekly basis.

In order to prevent the spread of coronavirus infection, all MSI have taken comprehensive organizational measures (strengthening the sanitary and disinfection regime, quartzization of the premises, airing the rooms, staff and wards are provided with protective equipment - masks, suits, antiseptics, gloves, etc.).

Mass gatherings and events (festivals, concert, cultural and sporting events, conferences, seminars, exhibitions, etc.) and prohibited. Total quarantine is imposed with the prohibition of relatives and friends' visits to the MSIs. Awareness-raising activities are carried out on an ongoing basis with the wards and service personnel.

All MSI have developed information posters and explanatory leaflets on compliance with sanitary measures during the COVID-19 pandemic.

Since the introduction of the state of emergency and up to the present, all media resources have been used to raise the population’s awareness on the COVID-19 in MSI: regional TV channels, print media, radio, public pages of social networks, regional communications service, etc.

Information stands have also been set up in MSI. In the places that draw large crowds of recipients of special social services, information leaflets have been made available.

Medical and social expertise
To support persons with disabilities in course of medical and social examination (MSE) during the state of emergency and the period of restrictive measures, including quarantine, the following measures have been taken:

- conducting MSE in absentia on the basis of an electronic application submitted through the "Electronic appeal" service on the "Electronic Government" web portal (since 16 March 2020, more than 28 thousand Kazakhstanis have been examined in absentia);
- automatic extension of the disability term, the degrees of general and professional working capacity loss as well as an individual rehabilitation program for a disabled person, for three months from the previously established date of re-examination (the terms were extended for more than 55 thousand Kazakhstanis).

[Updated in April 2021] As part of the 2020-2021 Employment Roadmap (ERM), 6,5 infrastructure projects on repairing and constructing social facilities, including healthcare, social security and social services centres, engineering and transportation infrastructure, irrigation systems, and housing and communal services, along with the landscaping of settlements have been implemented.

- Mobile recruiting centres deployed to raise awareness, conduct rapid coronavirus tests, and collect and transport workers. (Employers are required to provide all these participants of the employment roadmap with decent working conditions and protective equipment.)

Employment support

[Updated on 7 April 2021] By the end of 2020, more than 1.4 million people were covered by employment support measures in Kazakhstan, including 783 thousand people who were on permanent employment contracts. The unemployment rate in the 4th quarter of 2020 was 4.9%.

- The State Programme for Productive Employment and Mass Entrepreneurship Development for 2017-2021, called Enbek, has been implemented. This includes an employment subsidy, youth apprenticeships, public works, short-term training courses, entrepreneurship training, microcredits and grants for entrepreneurships, and other types of support.

  - [Updated on 7 April 2021] In 2020, 649 thousand people were participants of the Enbek Programme. Unemployed youth made up more than a third of the participants (32%); 43% of programme beneficiaries were women.
  - [Updated on 7 April 2021] In total 437 thousand people were employed, 73% of whom on permanent basis. 210 thousand people were employed on subsidized jobs.
  - [Updated on 7 April 2021] More than 70 thousand people received training, re-skilling or upskilling through short-term courses, TVET and business skills development project “Bastau Business”.

ilo.org/covid19-policies
12,700 preferential microcredits and 44,900 non-repayable government grants were issued to implement new business ideas, which generated 13.7 thousand jobs.

By mid-2021, the Government plans to transform the Enbek programme into the national project on productive employment and mass entrepreneurship development. This national project will reflect the new employment and labour markets trends, including teleworking, flexible working arrangement, and digital and platform employment. It will, therefore, provide employment support to target populations through skills development, including on-the-job and online training, and job creation in the private sector through microcredit for anchor cooperation and production chains in regional economies.

Under the ERM 2020-2021, more than 239 thousand jobs have been created, 6.6 thousand of which are permanent. 50.3% of employees found placement through public employment centres. In 2021, 331 projects are planned to implemented, with the 27.3 thousand jobs to be created, of which 10.2 thousand will be permanent.

Workers arriving from other settlements for infrastructure projects under the ERM receive lump-sum financial assistance amounted to two minimum wages determined by the Law on the Republican Budget for the corresponding financial year.

Unemployed youth is among the priority populations for employment under ERM.

Contractors must ensure safe working conditions with the use of sanitary and epidemiological measures.

Within the framework of the TSA (see above), about 43 thousand measures to promote employment have been implemented. Able-bodied recipients of social assistance were supported to acquire permanent and temporary jobs, underwent retraining or entrepreneurship training, and also received preferential microcredits and grants to start their own business. As a result, more than 74% or about 201 thousand of able-bodied recipients of TSA were covered by active labour marker measures and engaged in employment.

JSC "Centre for the Development of Labour Resources" under the Ministry of Labour and Social Protection of the Population of the Republic of Kazakhstan (MoLSP) integrated 480 professional (occupational) standards developed by the associations of Kazakhstan employers (enterprises) and approved in the country into the Skills Bank of the Electronic Labour Exchange (ELE) - enbek.kz. This allows job seekers to better introduce themselves to their potential employers, and companies to quickly find the most suitable employees. This E-Skill Bank is, however, still operates in test mode.

Since 5 January 2021, the MoLSP has expanded online services of employment centres to 23 more cities of regional significance through the portal of the ELE.
o The portal allows to automatically change the status of job seekers registered at the ELE to unemployed if it fails to find a suitable job for a person within three working days;

o After receiving the status of unemployed, citizens can apply for income loss social benefits online through the ELE, and independently choose job vacancies subsidized by the state - youth internships, social jobs or public works.

o Unemployed Kazakhstani registered on the enbek.kz portal can take free continuing education courses in relevant skills and specialties in demand online with the issuance of the corresponding certificate. The courses last from 6 to 10 weeks.

o An electronic digital signature is required to register at the ELE.

o Online employment service could also be obtained through ELE self-service zones at the employment centers. Online service provision allows minimizing physical contact in the context of the COVID-19 pandemic.

o Since November 2020, more than 14.5 thousand people benefited from remote employment services: 11.7 thousand received the status of unemployed, 3.4 thousand were referred to jobs subsidized by the state, more than 1.6 thousand unemployed applied for social benefits.

o In 2020, more than 629 thousand people were employed through the ELE portal, of which 66% found a permanent job.

- Within the framework of the project "Development of labour skills and job stimulation", 1,500 staff of employment centres from all regions of the country received three-month training. Distance learning was also provided. The trained personnel of employment centres was then selected to provide cascade capacity building to internal trainers. Phased support to the new model of employment centres is the short-term priority of MoLSP and local executive bodies.

[Updated on 7 April 2021]From 15 September 2020 to 14 February 2021, under the joint project of the MoLSP, the Centre for the Development of Human Resources and Coursera online training platform, 15 thousand Kazakhstani completed free online courses from the leading educational organisations and universities in IT and computer science, business development, language learning, humanities and social sciences, and personal development.

- Educational grants will be issued at the request of employers.

- Employment promotion is further pursued under other state programmes, including Business Roadmap, Industrial and Innovative Development Programme, Regional Development Programme, Agro-Industrial Complex Development Programme, Digital Kazakhstan Programme, Nurly Zhol Infrastructure Development Program, Tourism Industry Development Programme and others.

o In 2020, 559 thousand jobs were created in the framework of the above programmes, of which 386 thousand jobs are permanent.
Promotion of business and business continuity

- A register of companies from sectors with high impact on the country’s economy has been introduced, to provide targeted support in order to avoid dismissal of workers and salary cuts.
- Involvement of local SMEs in production and delivery of the aforementioned household packages.
- Increased government guarantees for SMEs.
- Three-month exemption from any type of tax. Tax incentive measures covered more than 700 thousand companies and individual entrepreneurs, which allowed them to save about 1 trillion tenge. Funds were allocated for lending to SMEs at affordable rates. Tax exemption for businesses and individual entrepreneurs was extended to 31 December 2020.
- Deferral of loan repayment as well as reduction and unification of loan rates for SMEs. More than 1.6 million citizens and 11.5 thousand SMEs benefited from deferral of loan payments and other borrowings, totalling more than 360 billion tenge.
- Cancellation of assessment and payment of taxes and other duties from the payroll for SMEs in the most affected economic sectors for a period of 6 months. These sectors include catering, selected type of retail, transportation services, consulting services, information technology, hospitality, tourism and others.
- State revenue authorities’ inspections are suspended for the period of emergency.
- [Updated on 7 April 2021] As part of the Roadmap for Supporting Regional Entrepreneurship, by the end of 2020 201 projects amounted to 916.8 billion tenge were put into operation, with the creation of 18.6 thousand permanent jobs.

A special condition in implementing ERM infrastructure projects is ensuring the use of at least 90% of domestically produced goods and services.

Protecting workers in the workplace

OSH

- As a condition in the implementation of ERM infrastructure projects, contractors must ensure safe working conditions via sanitary and epidemiological measures.

New work arrangements

- MoLSP noted that, where possible, all enterprises, both state and private, should switch to teleworking.

Access to paid leave

- For better access to paid leave, employees could obtain a temporary "certificate of incapacity for work" for the period of home quarantine without visiting medical organizations.
COVID-19 Vaccination

On 30th March 2021, the Government Decree #173 introduced vaccination against the new coronavirus infection in the list of diseases requiring mandatory preemptive vaccination, compiled in Annex 1 to the Government Decree #612 dated 24 September 2020.

On 1st July 2021, the Decree of the Chief State Sanitary Doctor of the Republic of Kazakhstan # 31 has introduced the list of businesses and enterprises that have to restrict access to working premises to their unvaccinated employees. The exceptions are workers with permanent medical restrictions to COVID-19 vaccination, and workers recovered from COVID-19 within the last 3 months.

The enterprises included in the list are:

- facilities providing services to the population, including but not limited to post offices, population service centres, banks, exchange offices, insurance companies, estate agencies, law firms, accounting and finance firms, sports facilities, beauty and SPA centres;
- consumer goods storage, wholesale and retail facilities;
- culture facilities, such as museums, libraries, concert halls, theatres, art galleries, circuses;
- facilities providing accommodation services, such as hotels, hostels, campings and others;
- organizations providing passenger transportations – airports, railways, automobile and water stations, river and sea ports, bus stations;
- educational institutions;
- recreational and health resort facilities such as sanatoriums, recreation centres, children’s health camps, tourist centres and others;
- public catering facilities, including street food;
- medical and social facilities of all types;
- healthcare organizations including laboratories;
- pharmacies;
- communal services facilities, including organizations providing water, heat and power supply, waste disposal facilities, disinfection organizations, emergency services;
- leisure and entertainment facilities, such as computer clubs, entertainment centres, water parks, etc;
- organizations providing excursion services;
communication and telecommunication facilities.

The list of facilities is non-exhaustive and has been expanded and detailed in the subsequent Decrees of the Chief State Sanitary Doctor # 32-38.

According to the Decree # 31, workers had to be vaccinated with the first component of any COVID-19 vaccine available in the country by 15 July 2021, and with the second component by 15 August 2021.

The Decree of the Chief State Sanitary Doctor of the Republic of Kazakhstan # 38, issued on 2 September 2021, has recommended arranging PCR testing every 7 days for unvaccinated employees of the enterprises and businesses listed above. Following the Decrees, the Interdepartmental Commissions has established an algorithm for verifying vaccination status of employees in the selected business entities.

The Decree #38 has also enhanced responsibilities of regional Chief Sanitary Inspectors in defining business sectors and occupations where mandatory vaccination against COVID-19 should be introduced, developing on the epidemiological situation in the region and industry.

Relying on social dialogue for solutions

Social dialogue has contributed to the development and improvement of relevant policies.

The Trade Unions Federations of Kazakhstan agreed with the MoLSP on a "special package" for workers affected by medical and economic crisis caused by the COVID-19. A special state commission approved these measures, which include the following:

- state assistance in the amount of the minimum monthly wage of 42,500 tenge for workers who are in quarantine or will be in quarantine, and therefore will not be able to work;
- bonuses for health workers (doctors, nurses, etc.) and police officers;
- deferred payment of bank loans and utilities for employees;

Workers’ organizations also held consultations with the MoLSP on possible support in connection with the response measures to COVID-19.

Activities of workers' organizations

Summary

- In the framework of social partnership, the Federation of Trade Unions of Kazakhstan (FPRK) and its affiliates are focused on the preservation of jobs, the implementation of actual collective bargaining agreements nationwide
- In that context, in the Pavlodar region, at the enterprise – “Ekibastuz State District Power Station-1” LLP, the trade union has negotiated with the employer an agreement that due
to one registered Covid19 infection case at one of the plant’s workshops, 48 employees have been exempted from work with the preservation of wages for the full period of mandatory quarantine

- In April, in second largest city of Almaty, at the FPRK initiative, an additional clause to the regional sectoral agreement on Social Partnership for 2019-2021 was signed. This effectively means that payment for downtime, including for reasons beyond the control of the employer and employee, will be made in full. This provision applies to part-time workers too. According to the signed supplementary agreement, all existing collective agreements of educational institutions on the territory of city of Almaty will be amended to include the new clause
- Since April 21, the company “Kostanay Minerals JSC” had to suspend its work due to an outbreak of coronavirus. Thanks to the successful negotiations between the union and the employer, out of 2,300 employees, 140 did not stop working as the safety has been guaranteed. The remaining employees are granted paid leave or a remote format of work with the preservation of the average salary in full.
- In the Karaganda region, at the “ArcelorMittal Temirtau”, a trade union organization together with the employer has developed a special Action Plan to prevent the spread of coronavirus. The Plan is being implemented jointly by the social partners.

Sources:

- Kazakhstan Trade Unions Federation FPRK
- Kazakhstan Confederation of Labor KTK

Activities of employers' organizations

- To respond to the COVID-19 crisis, the Confederation of Employers of the Republic of Kazakhstan (KRRK) created an Advisory Committee of the Social Alliance of Industry Associations and Unions. KRRK has also prepared a survey on the state of social well-being inside of companies.
- By using ILO instructions, KRRK developed a Guide to assist employers in the country with COVID-19. The Guide has been sent to employers’ and business associations and business leaders, both to members and non-members of KRRK.
- In a public statement, KRRK invited their members and all the employers of the country to do their utmost and to try to avoid the measures of laying off employees, quoting the difficult social and economic situation in the country caused by the COVID pandemics and the measures to prevent it.
- KRRK proposed an initiative toward social partners and its members to create a Resource and Information Center at CRRC, which will allow employers to use the positive experience of other countries, enterprises and organizations in solving problems associated with COVID-19.
- KRRK is updating members on the state of pandemics at global level.
- Moreover, a consultation committee of KRRK sectoral associations has been created to address COVID-19 issues at sectoral level.
- KRRK works in several working groups created by the government and the tripartite commission.
Stimulating the economy and employment

- Fiscal policy
  - Provide grace periods and installment plans for the payment of tax debt caused by force majeure circumstances, without a bank guarantee in cases of damage to taxpayers.
  - Recommend local keneshes (councils) in cases when a taxpayer incurs material losses due to a force majeure, provide full or partial exemption for the payment of property and land taxes on agricultural land, and suspend rent charges for municipal property use in relation to affected tenants.
  - Postpone the deadline for submitting a single tax return for individuals and individual entrepreneurs until September 1, 2020.
  - For Q2 of 2020, reduce the current tax amount by 50% based on: 1) voluntary patents that grant a number of calendar days (not to exceed 30 days); and 2) mandatory patents.
  - Suspend rental payments under state property leases for affected tenants.
  - Enshrine the norm (article 4, part 3 of the Law of the Kyrgyz Republic “On public procurement”) of providing benefits to domestic suppliers in the amount of 20% during the process of public procurement.

- Monetary policy
  - Constantly monitor domestic and foreign financial markets and, if necessary, conduct currency interventions to smooth out sharp fluctuations in the exchange rate.
  - Implement monetary policies to limit inflation in the country.

- Support to specific sectors, including the health sector
  - Reduce by 50% the registration costs for sales of agricultural land.
  - Begin adjusting public procurement contracts and assisting major exporters / importers.
  - Elaborate upon the issue of channeling funds placed in corporate securities of the Russian Federation into soft loans to sectors of the economy in Kyrgyzstan.
  - Simplify access to credit resources.

Supporting enterprises, jobs and incomes

- Social protection
  - Provide cash to the population during the emergency (still in the drafting stage).

- Employment retention
  - Prohibit the dismissal of workers and employees, except for good reasons, and
amend the Labour Code accordingly.

- **Assistance to business and business continuity**
  - Restrict on-site inspections before 1 January 2021. (The following exceptions apply: scheduled inspections of businesses that produce and distribute excisable goods; unscheduled inspections resulting from reorganization, the liquidation of organizations, and the termination of an individual entrepreneur’s activity; and unscheduled inspections and cross-checks when tax authorities receive documentation evidencing incorrect tax calculations by taxpayers.)

**Protecting workers in the workplace**

- **OSH**
  - Managers, the deputy heads of medical organizations (and their subordinate organizations), should be under 65 years old, regardless of employment contract durations. Persons aged 65 and older occupying these positions, should be transferred, with their written consent, to other positions that correspond to their qualifications (amend the Labour Code accordingly). (Still at the stage of drafting).

- **New work arrangements**
  - Request employers to change their work plans and establish a special mode of operation.

- **COVID-19 Vaccination**

  On 29 June 2021, the Ministry of Health and Social Protection of the Kyrgyz Republic issues Order # 862 “On Organizational Measures for the Vaccination of Health Care Workers Kyrgyzstan”. Under this Order, the Ministry of Health and Social Protection introduces mandatory vaccination of medical and other healthcare workers. The compulsory vaccination was to be implemented within one month from the moment the Order # 862 was issued. The document, however, does not contain any information on sanctions to be used against unvaccinated health care personnel.

  The National COVID-19 Vaccination Plan released in February 2021 does not contain any provisions on mandatory vaccination. However, it has prioritised healthcare personnel, educational workers, law enforcement personnel as well as workers in the service sectors, trade and catering.

**Activities of workers' organizations**

**Summary**

- The leaders of Kyrgyzstan trade union federation and its affiliates regularly monitor health and safety conditions of the staff of the facilities which the FTUKg has temporarily handed over to the Government for two weeks isolation of those who return from abroad.
as well as for the health workers to stay for additional observation after having recovered from Covid19.

- At the moment these are four hotels and health resort houses in the capital Bishkek, as well as Jalalabad and Issyk-Kul regions.

- FTUKg and its affiliates have set up hot lines responding to calls of workers and ordinary citizens providing legal advice and necessary support to employment-related issues round the clock.

- They also provide humanitarian aid to workers in need across the country. This includes food, protective masks, disinfectants etc.

- FTUK and its affiliates have made voluntary donation to the special fund set up by the Government to resist spread of Covid19 and mitigate its impact.

**Source:** Kyrgyzstan Trade Unions Federation FPKg

**For more information, see also:**

https://www.facebook.com/fpk.kg.official/

https://www.facebook.com/fpk.kg.official/photos/pcb.13465715151463769/134656864797131/?type=3&theater

### Activities of employers' organizations

The [JIA Business Association](#) provides info and advice related to COVID-19 for its members on its website. This includes, among others:

- a detailed [list of measures taken by the government in support of business](#)
- [online guidelines](#) for members on how to improve their services and operation in the crisis
- [best practices](#) of foreign companies in combating the COVID crisis and disruption of operations
- [webinars](#) for their members, e.g. on 19 April a webinar on "The role of the post-pandemic IT industry."

JIA has also been taking the following actions for its members:

- Better information for entrepreneurs about government decisions on support to business and unforeseen obstacles resulting from the COVID-19 crisis situation; including [documents](#) and information
- Bringing issues for entrepreneurs to the attention of the government
- Organizing socially responsible and charity actions among members
- Conducting a survey among members on the impact of COVID on their activities
- Developing online learning/conference programs for members
JIA has made the following proposals to the government to face the COVID-19 crisis:

- Restructuring of loans of affected businesses, including deferred payment of the principal loan amount for the duration of quarantine measures
- Working with commercial banks towards recalculating loans issued in US dollars;
- Expanding the program of soft loans and guarantee support for business
- Provision of instalments (deferrals) for the payment of taxes, social security contributions, rent payments for the rental of state property, and utility payments to business
- Introduction of a moratorium on the calculation of penalties for late submission of fiscal obligations (taxes, contributions)
- Granting of tax privileges to commercial banks so that banks have the opportunity to provide relief to their customers on loans received
- Reduction of land and real estate taxes for enterprises forced to close due to quarantine measures
- Extension of visas for foreign workers and the lifting of sanctions for non-compliance with visa laws until the epidemiological situation stabilizes.

Latvia

Stimulating the economy and employment

**Fiscal Policy**

The Latvian support package is estimated to cost €1 billion (1.08 billion USD), which is about 3 percent of GDP. The aim is to support businesses and employees, including through tax reductions and sick pay leave.

Credit guarantees and loans to companies affected would be provided by the Finance Development Institution, for which the Government has increased the reserve capital

**Monetary Policy**

Latvia is part of the Euro-zone.

**Support to specific sectors, incl. the health sector**

About 4500 health care workers will receive a 20 percent bonus payment.

**Supporting enterprises, jobs and incomes**

**Social protection**
- **Paid sick leave:** Quarantined workers are entitled to receive paid sick-leave, also in case of care for quarantined children below 14 years or children with disabilities below 18 years.

The new emergency bill stipulates that for businesses that are struggling to keep staff due to the coronavirus pandemic - in the sectors that suffering the most from the Covid-19 crisis, employees will be paid 75 percent of their wages from the state budget, with the maximum monthly payment per employee set at EUR 700. These payments from the state budget will not be applied personal income tax and social contributions.

**Assistance to business and business continuity**

- Up to EUR 100 million will be issued to underwrite companies' liabilities, such as investment loans and financial leases, with the credit institution deferring principal payments for up to two years. Another EUR 100 million will be issued in loans to finance new current assets.
- Companies in sectors affected by the crisis will have the right to apply for an extension of tax deadlines. The State Revenue Service will have the right to defer such tax payments for up to three years, taking into consideration past cooperation with the taxpayer.
- The draft law also states that creditors will not be allowed to submit insolvency claims against legal entities until September 1, 2020.
- **Relaxed overtime regulation:** Overtime work has been extended up to 60 hours per week in the public health sector and other specified public services.

**Protecting workers in the workplace**

**Prevention of discrimination and exclusion**

On 24 March, Latvia’s government decided to close gyms. Shopping centres are to close down on weekends. This requirement does not apply to pharmacies, food stores, veterinary stores, gardening and construction stores, as well as optician stores.

**Access to paid leave**

The new emergency bill stipulates that for businesses that are struggling to keep staff due to the coronavirus pandemic - in the sectors that suffering the most from the Covid-19 crisis, employees will be paid 75 percent of their wages from the state budget, with the maximum monthly payment per employee set at EUR 700. These payments from the state budget will not be applied personal income tax and social contributions.

**Relying on social dialogue for solutions**

**Approaches to tripartite consultations**
The trade union LBAS has criticized the lack of proper social dialogue on the crises measures.

**Joint action of employers and workers**

Employers’ Confederation of Latvia (LDDK) and the Free Trade Union Confederation of Latvia (LBAS) has developed a joint statement and position on the emergency measures by the Government. While highlighting the need for social dialogue, they fully support the government measures that have been taken so far and called on the Parliament of Latvia (Saeima), the government and the Bank of Latvia to do their best to ensure that as many companies as possible survive this crisis by keeping jobs and employing Latvian citizens, paying taxes and social contributions, thereby ensuring the state budget so that after the crisis it could help to rebuild Latvia’s economy and the social security system after the crisis.

- joint responsibility of the government, businesses, workers and citizens to ensure that all we are doing is helping to tackle this crisis;
- decisive action by the government to maintain our businesses in the near future, preserve jobs and prevent the development of a new wave of emigration;
- a responsible decision by politicians immediately ensuring 100% sick pay from the state budget.

**Activities of workers' organizations**

**Summary**

- LBAS has spoken out on behalf of workers at national level, and employers and workers has given joint statements with regards to the crises measures. While LBAS welcomed Government measures, it has called for more protection of workers’ rights and increase the duration of unemployment benefits to 12 months, as well as to increase its amount.
- The social partners have called for a stronger dialogue on the country’s response
- The union has an online campaign, and aims at providing legal advice to workers in need. Detailed recommendations on trade unions have been developed and shared, including on:
  - Trade union role in health and safety at work
  - negotiations at enterprise level,
  - sustaining collective bargaining agreements
  - how unions can help business preventing impact
  - development of joint risk assessment with employers
- The Latvian Trade Union of Health and Social Care Workers (LVSADA) has negotiated free public transport in Riga for all health care workers in public health institutions.

**Source:** LBAS

**Activities of employers' organizations**
The Employers’ Confederation of Latvia (LDDK) has established a website with news, opinions, and links to relevant legal provisions related to COVID-19.

On 8 April, LDDK Council presented proposals regarding the support for companies affected by COVID-19:

- Continue state aid measures for companies affected by the crisis
- Ensure flexibility and focus in the state aid system for strategically important exporting companies
- Promote job retention in companies and prevent a sharp rise in unemployment by further improving the wage subsidy system
- Provide support to companies (regardless of sector, size, or form of ownership) which are forced to reduce their activities, through increased flexibility in employment relationships (partial unemployment, reduced working hours, etc.)

On 17 March LDDK made proposals on mitigating the social and economic consequences of COVID-19 including:
- a wage subsidy of 75% for affected enterprises should be introduced,
- the list of sectors eligible for support should be elaborated in consultation with business representatives,
- actions should be taken without undue delays.

On 16 March Latvian social partners issued a joint statement supporting government measures and emphasizing:
- the shared responsibility of government, businesses, workers and citizens to help address this crisis;
- the need for continued decisive action by the government to support businesses, preserve jobs and prevent a new wave of emigration;
- support for the decision to provide 100% sick leave payments from day one, from the state budget.

---

**Lithuania**

**Stimulating the economy and employment**

**Fiscal Policy**

The government has initiated a 2.5-billion-Euro (2.72 billion USD) economic stimulus plan to mitigate the effects of the pandemic. The needs of the healthcare system to cope with the anti-epidemic effort will be funded from the state and Government reserve, and also by borrowing and using the funds of the mandatory health insurance reserve. The Government has pledged to subsidise businesses and open up the possibility to use the long-term unemployment fund in order to support employers who do not opt for lay-offs and self-employed. In addition, measures concerning capital loans and partial interest compensation are envisaged.

**Monetary Policy**

Lithuania’s currency is the Euro.
Supporting enterprises, jobs and incomes

Social protection

- **Subsidies for maintaining workplaces.** If an employer had to shut down or limit operations due to government measures, the employer reserves the right to announce downtime or partial downtime. During downtime, employees may not be paid less than the minimum wage and cannot be required to fully perform their usual job functions (under the condition that the employee has a full working time employment agreement). Employers may apply for subsidies to maintain workplaces. Employers may appeal the subsidies to the Employment Services.
  Levels of subsidies:
  - 90% of the employee’s gross wages, but not more than EUR 607 gross.
  - 70% of the employee’s gross wages, but not more than EUR 910.5 gross.
  Employers who have benefited from the subsidies will also have to keep at least 50 percent jobs for at least 3 months from the end of the payment of the subsidies.

- **Benefits for self-employed.** Payments of EUR 257 per month (the minimum consumption requirement for 2020) to affected self-employed who paid social insurance contributions for at least 3 months during the last 12 months prior to the declaration of emergency and, due to emergency, cannot further carry out their activities. Furthermore, the social protection of artists is enhanced.

- **Training grant** to the unemployed persons when a declared emergency or quarantine results in the suspension of the training provider’s activity where the unemployed registered with the VET programme.

Assistance to business and business continuity

- **Tax payments** will be postponed. Only businesses that will not force their employees to take unpaid leave or dismiss them will be eligible to concessions.

- **Postponement of tax payments:** Enterprises will be allowed to postpone tax payments (also land and real estate taxes are exempted).

- **For SMEs** the state compensates 90% and the employer 10% of the minimum wage.

Protecting workers in the workplace

Access to paid leave

- **Sickness benefits were increased** for employees who became infected during the performance of their duties. If health care professionals, officials or other employees are infected with the COVID-19 virus, they are offered a maximum sickness benefit of 100% of the neto average wage (or 77.58% bruto of the average wage).

- **Sickness benefits are granted for persons who take care of children, elderly people, disabled individuals** (who are not allowed to attend daycare centers, nurseries, schools, etc.) - 65,94% of their bruto salary; **persons with chronic diseases** who are affected by
the virus-mitigation measures taken by government - 62,02% of their brutto salary. It will
be issued for up to 60 days, but no longer than the end of quarantine or emergency.
Possibility for all the customers to defer or arrange the payments in instalments for used
electricity and gas has been offered by the main provider of electricity and gas in
Lithuania (state owned company).

Relying on social dialogue for solutions

Approaches to tripartite consultations

- Existing social dialogue mechanisms have been utilized to negotiate the Covid-19
  response. Trade unions and employers have been able to articulate demands,
suggestions and responses to Government measures.
- Recommendations on measures to combat the economic consequences of the COVID-19
  pandemic is planned to be adopted by the Tripartite Council.
- Activities of workers’ organizations:
  - Trade unions are defending workers at national level, advocating workers’ rights,
    prevent unnecessary layoffs and unpaid leave and champion good social security
    for those losing income. They have also argued for better plans to support
    struggling business.
  - Trade unions have initiated information campaigns and helped advice workers
    seeking assistance.
  - At national level, they have advocated for the protection of workers. Unions have
    demanded better safety equipment for health workers in clinics receiving Covid-19
    patients.
  - Salaries for the frontline health care workers have been increased by 100%.
- Activities of employers’ organizations:
  - The Lithuanian Confederation of Industrialist (LCI) established a specific COVID-19
    related website. It contains updates on government measures, information about
    OECD and EU Members states measures, and other relevant links.
  - LCI mobilized private sector donations to support the health care system and the
    fight against the epidemics.

Activities of workers' organizations

Summary

- Existing social dialogue mechanisms have been utilized to negotiate Covid-19 response.
  Trade unions have been able to articulate demands, suggestions and responses to
  Government measures
- Trade unions are defending workers at national level, advocating for workers’ rights,
  prevent unnecessary layoffs and unpaid leave and champion good social security for
  those losing income. They have also argued for better plans to support struggling
  business
● The Lithuanian employers have suggested to suspend parts of the labour code for 6 months, a suggestion that all three unions have fought against. Trade unions have been excluded from parts of the dialogue between Government and employers on this issue. Still, the unions have successfully stopped (or delayed) the proposal as of 6th of April.

● Trade unions have initiated information campaigns and helped advice workers seeking assistance.

● At national level, they have advocated for protection of workers. Unions have demanded better safety equipment health workers in clinics receiving Covid-19 patients. According to the unions, workers are at risk because they lack proper equipment.

● Salaries for the frontline health care workers been increased 100%

Source: LPSK

Activities of employers' organizations

● LPK established a specific COVID-19 related website. It contains updates on government measures, information about OECD and EU Members states measures, and useful links.

● A state-level task force on business emergency coordination was formed by the government. LPK is represented by its President Robertas Dargis.

● LPK mobilized private sector donations to support the health care system and the fight against the epidemics.

Luxembourg

Stimulating the economy and employment

On 27 March 2020, the Luxembourg government adopted an economic stabilisation programme aimed at supporting the economy, businesses and maintaining employment during the Covid-19 crisis. On 20 May 2021, the government extended many of the measures outlined in the programme through to the end of 2021, in line with the European Commission’s decision to allow Member States to extend state aid relief until 31 December 2021. The total cost of support measures is expected to add up to €11.7bn or 18.6% of GDP.

To support immediate liquidity needs and to ease cash-flow difficulties of companies, the government took a number of measures:

● capital grant advances up to €500 000 to cover operating costs of businesses, particularly
in the crafts and trade sector
- moratoria and/or easing of loan payments
- advance repayments of VAT credit balances below €10,000 which is expected to benefit SMEs and self-employed
- possible deferral of certain tax-related payments (e.g. cancellation of tax advances, deferral of tax return filings).
- increased flexibility in the payment of social security contributions

Other measures aim at supporting companies in getting bank loans through state guarantees. For instance, new bank credit lines were put in place, for which the State guarantees up to 85% for a total amount of €2.5 billion up to 6 years, with the corresponding 15% for the participating banks. This scheme has been extended until 30 December 2021. In addition, “Special Anti-Crisis Financing” with certain banks have been put in place to provide indirect loans to companies ranging between €12,500 and €16 million. A special guarantee will open new working capital lines from banks for SMEs.

Moreover, the government announced support to exporting companies and to provide additional legal protection for companies which experience difficulties.

**Entertainment and cultural sector**

Support measures, such as subsidies and short-term work benefits, were put in place for independent professional artists and intermittent workers in the entertainment and cultural sector.

**Start-ups**

A number of initiatives have been launched to help start-ups:

- increase of the maximum co-financing rate from 50% to at least 70% for any financial aid for young innovative enterprises granted (extended until 31 December 2021), with a maximum ceiling of EUR 800,000 for small enterprises and EUR 1,200,000 for small enterprise in an assisted area. This temporary support measure will remain in force until 31 December 2021.

- SNCCI supports businesses in difficulties with a loan package of €600 million.

- Repayable government loans as financial aid up to EUR 500,000 in the form of a repayable advance to cover documented loss of income.

- Non-refundable and tax-exempt direct aid of an amount of EUR 5,000 will be available for very small enterprises. This amount does not have to be paid back and is not subject to tax. The aid will take the form of a capital subsidy

- a call for projects “Startups VS COVID-19”

- a series of webinars for start-ups

On 20 May 2020, the government launched a recovery package to relaunch its economy in the aftermath of the Covid-19 pandemic. See also the Luxembourg Covid update. The “New Start for Luxembourg” (“Neistart Lëtzebuerg”) includes 23 new measures and aims to maintain employment, to support enterprises in those sectors most affected and to accelerate a
transition to a more sustainable economy. It is envisaged that these new measures “will take over” from the stabilisation package launched to mitigate the immediate effects of the Covid-19 pandemic on the Luxembourg economy and that they assist workers and businesses to readjust to the post-Covid-19 economic reality.

Measures applied from 1 July 2020 and include simplified procedures to request short-term work for companies, a new solidarity fund for companies in sectors most affected, new lump sum payments for SMEs, and others (see below). Furthermore, the initiative includes a panoply of subsidies to encourage businesses consumers to invest in renewable energy and energy efficiency and in environmentally friendly transport. For instance, it includes a plan to stimulate sustainable private investment. Under this initiative governments could apply for government subsidies of up to 50% of the costs to carry out investments on economic development, digitalisation or environmental protection. Initially the initiative would have ended on 30 June 2021 but it has been extended until the end of 2021; with an increase in the ceiling per company from originally 800,000 to 1,800 000 EUR.

On 24 June 2020, the state of emergency in Luxembourg officially ended though many support measures to the economy, companies and workers have been continued.

On 25 November 2020, the Luxembourg government enacted a partial lockdown ordering certain non-essential businesses in particular in the Horeca, cultural and entertainment sectors to close down for the period 26 November-15 December 2020 (more).

Among several initiatives at a local level, Luxinnovation, with the support of the Ministry of the Economy, launched the Fit 4 Resilience programme, whose focus is on local businesses reinventing themselves after the COVID-19 crisis. Fit 4 Resilience takes the form of in-depth support for businesses of a certain size to:

- analyse how they have been impacted by the crisis internally and externally, and;
- study how to draw lessons from the crisis, both in their internal functioning (use of digital tools, leadership, internal communication, etc.) as well as from the perspective of systemic external changes (supply chains, more regional and/or circular approach, etc.).

Any other larger enterprise interested in taking part in the programme can also apply. By taking part in the programme, they can analyse and understand better new client needs as well as seize digital, sustainability and circular economy opportunities. The "Fit 4 Resilience" programme has a fixed duration and is a specific measure developed in the context of the Covid-19 crisis. Businesses can apply until 31 December 2021 on the Fit 4 Resilience online platform set up by Luxinnovation.

In April 2021, Luxembourg submitted its national recovery and resilience plan to the European Commission to benefit from the funds available under the Recovery and Resilience Facility. Luxembourg is eligible to request subsidies of approximately €93,53 million, of which €76,64 millions are available during the years 2021 and 2022, and about €16,89 million in 2023 (depending on the evolution of the economic situation in that year). On 19 July 2021, the European Commission endorsed Luxembourg’s €93.4 million recovery and resilience plan under the EU’s Recovery and Resilience Facility (RRF).

The national plan sets out a roadmap for economic recovery in a post-COVID-19 world. It is
based on three pillars: first ensuring social resilience and cohesion, second, fostering a green transition and third, digitalisation, governance and innovation. Each pillar is further divided in different components. Under pillar 1 on social resilience and cohesion a particular emphasis is placed on promoting gender equality and “skilling, reskilling and upskilling with a particular focus on digital skills and lifelong learning”. On 3 August 2021, the European Commission disbursed €12.1 million to Luxembourg in pre-financing, equivalent to 13% of the country’s financial allocation.

The Ministry for the Economy set-up a hotline and website ‘One-stop shop’ with information for enterprises, which includes a FAQ on support measures for companies, including SMEs (financial support and partial employment).

**Sectoral support**

*Introduction of aid to compensate for the increase of minimum wages*

The government put in place a new [financial compensation for businesses](#) in the tourism; events, HORECA, culture and entertainment sectors as well as companies operating a retail trade in shops and similar businesses. The aid will be in the form of a one-off capital subsidy that is tax exempt and will be calculated by multiplying by **EUR 500** the number of employees concerned who are in employment for one month between 1 January 2021 and 30 June 2021.

*Non-refundable aid for businesses and self-employed in certain sectors*

Due to the COVID-19 measures, the government made available a new monthly non-refundable [financial aid](#) for costs not covered to enterprises in the tourism, events, HORECA, cultural entertainment, retail and institutes for continuing vocational training. This [aid](#) was available from November 2020 to 31 June 2021. Importantly, this aid is available also to the self-employed. Applicants have until **15 September 2021** to apply for this aid.

Businesses in the above sectors can either benefit from this aid, or from the recovery fund (see recovery and solidarity fund under Supporting Enterprises, Jobs and Incomes). Eligibility conditions for companies changed for this period. Under the period February –June 2021 businesses have [suffered loss of turnover of 40 % or more](#), if they employ [staff](#): it must be properly registered with the Joint Social Security Centre (CCSS); if they do not employ staff: at least one self-employed person must be affiliated with the CCSS; and have a [turnover of at least EUR 15,000](#).

The “aid for costs not covered” has been [extended](#) until October 2021. Companies must have suffered a loss of 40% monthly turnover and the amount received cannot be higher than 20.000 EUR per months for microenterprises, 100.000 EUR/month for small enterprises and 200.000 EUR/month for medium and large enterprises.

In July 2021, the Ministry of the Economy set up a [recovery aid scheme](#). The scheme is intended to support businesses in the events, culture, entertainment, tourism and HORECA sectors during July 2021 to October 2021. Businesses seeking aid must have a valid business permit, suffered a loss of turnover of at least 25% and have an annual turnover of at least EUR 15,000. Applications must be submitted to the General Directorate for Small and Medium-Sized Businesses, Department for Support to SMEs [before 1 December 2021](#). The amount of aid per
employee/self-employed is EUR 1,250 per month for July and August and EUR 1,000 for September and October, with a cap of EUR 1,800,000 per enterprise and/or 85% of the loss of turnover for the month concerned.

Tourism sector

Since July 2020, to support national tourism, each citizen of Luxembourg (from the age of 16) as well as each cross-border worker received a voucher of 50 EUR for an accommodation in Luxembourg. This scheme expired on 15 September 2021. The vouchers, used to subsidise hotel and campsite stays, is expected to have generated €6.6 million for the sector.

In an initiative ‘Restart Tourism’ aimed to relaunch the tourism sector, the Luxembourg government supports touristic infrastructures in Luxembourg by contributing to the wage obligations of the different employers in this sector. To this end a subsidy of 1250 EUR per month per full time employee can be claimed until 31 March 2021.

Entertainment and Cultural sector

The recovery plan of the Luxembourg government foresees specific subsidies to relaunch the cultural and entertainment sector (including the sport sector).

Additional financial measures for self-employed artists and workers in the entertainment sectors have been put in place for the period 1 November - 31 December 2020 and have been prolonged until December 2021.

Special support to companies working on activities to fight the COVID-19 pandemic

The government has put in place special aid schemes to support companies working on projects and activities to fight the COVID-19 pandemic. This support has been extended until 31 May 2021.

Cancellation of fee to joint online sales platform for businesses

The government has also cancelled the annual subscription fees for companies registering to sell online on Letzshop.lu, an online sales platform for local businesses in 2020 and 2021.

Horeca

As this sector is affected by the partial lock down businesses can submit applications through the special partial short-term scheme (see section on Supporting Enterprises Jobs and Income).

New tax measures to support Horeca

On 2nd February 2021, the government introduced a new tax measure to support the HORECA sector. Under this measure businesses and self-employed persons who operate in the Horeca sector can apply for a refund and/or a cancellation of tax advances.

Accelerated special short-term work arrangement for the Horeca sector.

The Luxembourg government has decided to set up a "partial lockdown" short-time working scheme with an accelerated procedure for the Horeca sector. This scheme allows eligible businesses to benefit from short-time work at a rate of 100 % for the total number of
inactive hours during the period of closure for legal reasons. Applications can be made for employees on permanent and fixed-term contracts at the time the partial lockdown occurred and may include apprentices. Eligible businesses are permitted to put all employees on short-time work; and if there is a proven necessity make up to 25% of their employees redundant (those that had a contract on 30 June 2020).

**Retail trade in store**

In order to encourage and support small and medium-sized enterprises in the in-store retail trade, a specific aid has been made available for July-September 2020. This aid: takes the form of monthly capital subsidies; and is calculated on the basis of the number of employees and self-employed workers in the company. It is a direct non-repayable financial aid.

**Agriculture – pig farming**

A specific aid has been made available by the Ministry of Agriculture, Viticulture and Rural Development. Farmers operating in the pig sector in Luxembourg that have suffered turnover losses due to the COVID-19 pandemic can apply under certain conditions financial aid. This aid is non-refundable and has a maximum amount of EUR 20,000 for each of the quarters concerned. This aid can be asked for the month October 2020-March 2021.

**Agriculture – wine farmers**

As part of the fight against COVID-19 winegrowers or farmers employing seasonal harvest workers can have their staff tested for COVID-19 free of charge.

**Agriculture – fruit and vegetables**

On 22 August 2021, the Ministry of Agriculture, Viticulture and Rural Development set up new financial aid for agricultural holdings in the fruit and vegetable sectors, as well as in the sector of potatoes for human consumption.

It takes the form of a direct non-repayable aid that can be requested for the calendar year 2020. Depending on the holding’s individual situation, the amount of aid can amount to a maximum of EUR 20,000.

**Supporting enterprises, jobs and incomes**

**Short time working scheme**

In March 2020, the government introduced short-time working under the "structural, simplified short-time working" scheme with the aim of helping businesses to maintain employment during the COVID-19 health crisis period. In consultation with the tripartite Economic Committee (Comité de conjoncture) this scheme ended on 30 June 2021. From 1 July 2021, access to short-time working is defined in accordance with the legal provisions set out in the Labour Code. Access to short-time work may, where appropriate, be granted due to cyclical economic difficulties or structural economic difficulties or force majeure or economic dependence.

As part of the response to COVID-19, the government set up a force majeure short-term
Working scheme benefitting those businesses that have had to partially, or completely, cease their activities due to Covid-19 measures. Under the umbrella of the scheme, the government paid compensation of up to 80% of the salaries (limited to 250% of the social minimum wage). Any difference between this threshold and the salary was borne by the Employment Fund. A company benefitting from the scheme committed to refraining from dismissals for economic reasons. The government set aside €500 million/month to cover the scheme. It has put in place an accelerated procedure to deal with support requests and process payments. This scheme was extended until 31 December 2021.

In September 2021, there was 672 applications for short-time working for the month of October 2021. For the months of November and December 2021, the eligibility ceiling for short-time working for applications related to an individual or sectoral job retention plan will be 25% of the total hours of work lost.

The extension of this scheme by the government, as agreed by the tripartite Economic Committee (Comité de conjoncture), came with some modifications such as a changes in the calculation basis of these benefits and special provisions to enterprises operating in the horeca, tourism and entertainment sector. Special thresholds for dismissals that can be implemented while benefitting from the scheme are in place. The scheme has been officially extended until June 2021. From 1st July 2021 the “regular” short term working scheme as foreseen in the Labour Code will apply again.

Due to the partial lockdown decided by the Luxembourg government from 26 November – 15 December a temporary short-time working scheme has been put in place for businesses affected by this lockdown. These include restaurants and bars, cinemas, actors in the cultural centres (with some exceptions), sports/fitness clubs, swimming pools and others.

Access conditions to the short-term work scheme from May 1 to June 30, 2021 are the following (from FEDIL April 2021 COVID 19 update)

Industrial businesses will continue to benefit from the short-time working scheme in order to be able to react to disruptions in international markets. By applying the short-time working scheme, industrial businesses undertake not to make people redundant for economic reasons.

Businesses in the vulnerable horeca, tourism and events sectors will be able to benefit from accelerated access to partial unemployment from structural sources up to a maximum limit of 50% of the company’s total normal monthly working hours, as long as they do not make redundancies for reasons not inherent to the person. Normal working hours may not exceed 40 hours per week per employee.

Businesses affected by the health crisis, other than industrial businesses and those in vulnerable sectors, will also be able to resort to partial unemployment from structural sources through the fast-track process, provided they do not lay off workers. In this case, however, the number of working hours lost may not exceed 10% of the company’s total normal monthly working hours. Normal working hours may not exceed 40 hours per week per employee.

Finally, businesses in vulnerable sectors, industrial businesses, as well as businesses in other sectors affected by the crisis which should nevertheless proceed with redundancies or which should exceed the percentage set in point 3 can only do so on condition that these businesses
provide a recovery plan for small businesses with fewer than fifteen employees, respectively in the form of a job maintenance plan in accordance with the provisions of Articles L. 513-1 et seq. of the French Labor Code for businesses with more than fifteen employees.

**Repayable financial advance**

Until 1 December, Luxembourg offered a **repayable financial advance** to enterprises in financial difficulties due to COVID-19.

**Repayable financial advance**

Luxembourg offered a **repayable financial advance** ("régime des avances remboursables") to enterprises in financial difficulties due to COVID-19, this scheme has been extended until 31 December 2021.

**Increase in reimbursement rate of the employers’ mutual insurance scheme in case of quarantine or isolation of employees**

Due to the increased absences of workers during the pandemic and the employers’ obligation to continue pay in the event of workers incapacity to work (Lohnfortzahlung), costs for the employer mutual obligation have increased. To better support employers and the self-employed, the Employers’ Mutual Insurance scheme (Mutualité des employeurs) will reimburse the full amount (from 80 to 100%) for periods of incapacity for work corresponding to a quarantine or isolation measure. The measure is applied **retroactively from 1 July 2020**.

**Access to unemployment benefits**

The government has also simplified registration and access to unemployment benefits for workers who lost their job due to the Covid-19 pandemic. Unemployment benefits that are due to expire will be prolonged.

**Fund and aid for micro-enterprises**

An **emergency fund** for very small companies and self-employed persons who had their activities interrupted by Covid-19 measures has been set up. The fund will provide eligible companies as well as self-employed persons with an immediate and non-refundable financial aid of €5000. In addition self-employed are eligible for an **emergency support** of €2500.

The government has also adopted **aid measures for** certain micro-undertakings (less than 10 employees) and undertakings employing between 10 and 20 people.

On 20 November, the government announced **new support** for enterprises affected by COVID-19. Companies can receive a subsidy of 500 EUR per employee to cope with the increase in minimum wage as from 1 January 2021. The government will further more reinforce by EUR 20 million the public insurance provider (l’Office du Ducroire) which offers financial guarantees for export oriented companies located in Luxembourg.

**JobSwitch platform**

The **JobSwitch platform** is a tool to “loan” workers temporarily from one business that experiences difficulties to another. The Covid-19 pandemic forces many businesses (e.g. in
construction, Horeca) to stop/reduce their activities. Whereas other businesses, such as in agricultural production, food shops, logistics and transport face greater demand while facing staff difficulties linked to quarantine measures or provision of childcare. JobSwitch allows to temporarily “loan” staff between such enterprises. A precondition to use the scheme is the agreement of the employer, the worker and the hosting enterprise.

**Simplified short term work schemes**

From 1 July, companies affected by the measures to curb the Covid-19 pandemic are eligible for the simplified short term work scheme. The companies will have to present a recovery plan and should limit dismissals as much as possible.

**Recovery and solidarity fund for enterprises in most affected sectors**

From 1 July 2020, a recovery and solidarity fund will be available for six months to companies in the HORECA sector, events and entertainment (including cultural), tourism and fitness sector. This funds aims at maintaining workers in employment as well as supporting these sectors to re-start their activities post-Covid-19. Eligible companies will receive a monthly sum of 1250 EUR per employee and 250 EUR for each worker in short term work (with different monthly ceilings depending on the size of the company). Support from the fund will be additional to the payments under the short-term scheme.

This support will be provided to those enterprises who do not yet have the authorisation to restart their activities but commit to do so. In order to be eligible enterprises must have had a loss of 25% of their profits.

The recovery aid (“aide de relance”) has been extended until October 2021. For September and October the amount per employee available will be reduced to 1000 EUR while the 250 EUR for each worker in short term work will be retained. The application for this aid must be submitted before 1 December 2021.

**Support to SMEs in retail sector and the care sector**

New lump sum payments for companies in the retail and care sector are available for a three months period and consist of a payment of 1000 EUR per employee in June 2020, 750 EUR in July 2020 and 500 EUR in August 2020(with a ceiling of 50 000 EUR per month). This measure will be limited to SMEs with less than 250 employees)

**Stimulating private investment**

The government will create a new instrument offering particularly favourable investment subsidies to companies. The government aims to support companies with the digitalisations of their activities, their energy efficiency and their productivity in order to ensure their competitiveness in the long term. The instrument will include three streams: one for development of such projects, another one focusing on process and organisational innovation projects and a third one aimed at supporting projects on energy efficiency.

The instrument would provide support for up to 50% of eligible costs (with a maximum of 800 000 EUR per project).
Protecting workers in the workplace

In May 2021, the government in consultation with the social partners introduced a two-month pilot programme to distribute rapid antigen tests (TAR) to businesses in Luxembourg. For companies with more than 500 employees a direct distribution system was organised with more than 1 million tests were distributed. A further 3.6 million tests were distributed to SMEs and private households with domestic workers. UEL, OGBL and LCGB supported the campaign.

There is no mandatory obligation on an employee, or a particular group of employees, to be vaccinated against COVID-19.

An employer can establish a vaccination centre for their employees but the principles of confidently and choice remains paramount.

Adapt work arrangements (e.g., teleworking)

An employer can assign different tasks to an unvaccinated employee to protect the health and safety of the employee and/or third parties.

Prevent discrimination and exclusion

An employer who dismisses an unvaccinated employee due to their vaccination status is acting contrary to non-discrimination law and can open to criminal liability. Furthermore, an employee cannot be dismissed for their refusal to get vaccinated even in the limited circumstances where a vaccination might be mandatory (non-Covid-19)

Provide health access for all

There is no mandatory obligation on an employee, or a particular group of employees, to be vaccinated against COVID-19.

An employer can establish a vaccination centre for their employees but the principles of confidently and choice remains paramount

Expand access to paid leave

An employer is not required to provide paid leave for an employee to get vaccinated, however as with medical appointments, an employer should provide paid leave insofar as possible.

New certified emergency allowance for the self-employed

The General Directorate for Small and Medium-Sized Enterprises has set up a new certified emergency allowance (2021) for the self-employed. Self-employed are entitled to receive a single flat-rate cash payment, varying between EUR 3,000, EUR 3,500 or EUR 4,000, depending on the income bracket of the self-employed concerned. To be eligible for this assistance the self-employed (amongst others) has to experience temporary financial difficulties caused by the COVID-19 crisis. Self-employed workers are now also covered under the scheme for costs not covered (see section above Non-refundable Aid for businesses and self-employed)

Protection against dismissals in case of sick leave
Protection against dismissals in case of sick leave had been increased. Between 18 March and 25 June, the period of protection against termination due to illness for 26 weeks was temporarily suspended. From 25 June 2020 onwards this suspension was lifted again when the state of emergency in Luxembourg officially ended.

**Additional leave for family support due to Covid-19**

As part of the measures implemented in schools and childcare facilities to combat COVID-19, family leave related to the COVID-19 pandemic was introduced. The government has reserved €200 million per month to provide advance payment of the costs related to this leave.

This is a specific procedure which allows a parent of a child **between the ages of 4 and 13** to benefit from this extended leave in case of:

- quarantine or isolation of a child on the order or recommendation of the [Health Directorate](https://ilo.org/covid19-policies) or competent authority;
- partial or total suspension of activities in schools and childcare facilities.

On 14 September 2021, special family leave was extended **until 18 October 2021 due to the ongoing public health situation**. The parents are permitted to alternate their special leave.

As most of the schools and [educational facilities for schooled children](https://ilo.org/covid19-policies) were closed from 8 February until 21 February 2021, parents of children aged 4 to 13 were again able to resort to the leave for family reasons. On 14 September, the government extended the COVID-19 Family Leave scheme until 18 October 2021 (introduced on 21 January 2021).

Another type of special leave was introduced for workers caring for older persons or persons with disabilities due to closure of day care nursing/training institutions. This leave is available until 25 November 2021.

For the duration that childcare institutions are closed, [parents are exempt from paying related fees](https://ilo.org/covid19-policies).

As part of the measures implemented in schools and childcare facilities to combat COVID-19, family leave related to the COVID-19 pandemic has been introduced.

This is a specific procedure which allows a parent of a child **between the ages of 4 and 13** to benefit from this extended leave in case of:

- quarantine or isolation of a child on the order or recommendation of the [Health Directorate](https://ilo.org/covid19-policies) or competent authority;
- partial or total suspension of activities in schools and childcare facilities.

Due to the current health situation, this family leave has been extended **until 18 October 2021**.

**Special Covid-19 OSH guidance**

The labour inspections [has issued guidelines](https://ilo.org/covid19-policies) to protect the health and safety of employees at the workplace. These include in particular implementing telework, regularly disinfecting the offices and surfaces, limiting the holding of meetings favouring video conferencing and prohibiting unnecessary travel. Employers of workers at risk have [to provide particular](https://ilo.org/covid19-policies)
Teleworking agreements for frontier workers

To tackle the spread of Covid-19, employers in Luxembourg are asked to strongly encourage telework.

Luxembourg benefits from a high number of cross-border workers who are subject to strict rules regarding the number of days they can work outside Luxembourg without being taxed in their home countries. Agreements have been concluded with France, Belgium and Germany to allow cross-border workers from these countries to telework without suffering from financial tax disadvantages during the Covid-19 crisis.

Under these agreements, working days during which employment was carried out at home as a result of the measures taken to tackle the COVID-19 may be considered as having been worked in Luxembourg. The tax agreement with France for cross-border workers on telework and the agreement on social security affiliation have been extended until 15 November 2021. The tax agreements with Belgium on telework and the agreement on social security affiliation have also been extended to 31 December 2021. On 6 September 2021, the tax agreement with Germany, first concluded in April 2020, was extended to 31 December 2021.

Training in digital skills for workers in temporary unemployment

On 19 April 2021, the Luxembourg Minister of Employment announced a government pilot project which offers training on digital skills for all persons that were in short term unemployment between 1 January 2021-31 March 2021. Eligible persons will be able to chose between 240 online training offered by 34 different training centres for a value of €500.

Longer working hours for essential companies possible

On 27 March 2020, the government announced that enterprises, whose operation is deemed to be “essential”, can ask an extension of daily working hours up to 12 hours per day (60 hours/week). In order to do so they need a favourable opinion of the staff or the agreement of two representative trade unions. The Contrat de Durée Déterminée (CDD) for students in essential services can be extended from 15 to 40 hours per week. On 29 October 2020 this exemption on working hours was extended to 31 December 2020.

A number of measures have been taken in the area of social security, particularly concerning the incapacity for work due to illness: a temporary lift of financial responsibilities of the Employer to cover wages during the days of incapacity to work and a benefit for the employee; days of illness during COVID period will not be calculated against the limit of 78 weeks of incapacity for work due to illness over a reference period of 104 weeks.

Increase in working time authorised in the health sector

On 4 November 2020, due to the increase in COVID-19 infections, the government authorised temporarily an increase in working time for professionals in the health sector to maximum 12 hours/day and 60 hours/week.
Relying on social dialogue for solutions

Following an initial lack of involvement on the response to the crisis, the social partners in Luxembourg were engaged with the first meeting of the Tripartite Coordination Committee (Comité de coordination tripartite) organised in July 2020, which had not happened for 10 years.

The Economic Committee (Comité de conjoncture) agreed in November 2020 to the government’s proposal to extend the short time work scheme until the end of the first semester 2021. There was consensus amongst the social partners. On 26 January 2021 the Committee agreed to extend the deadlines for applications to benefit from the short time work scheme until 1 February 2021.

Social partners are involved in the Comité de Conjoncture and were consulted and provided input in the government’s economic stabilisation programme, in particular on the short-term employment scheme, to tackle the Covid-19 crisis. On 26 March 2020, the government and the two main trade unions OGBL and LCGB concluded an agreement with the government on the creation of the short-term work scheme to tackle the economic and social consequences of Covid-19 (see above).

The JobSwitch platform referred to above is a partnership between the government and the Luxembourg employers’ organisations and chambers of commerce.

Update of Collective Labour Agreement on Telework

On 20 October 2020, social partners (unions OEGBL, LCGB, employers UEL) agreed on an update of their collective agreement on telework. The agreement follows an opinion (avis) by the Economic and Social Council of Luxembourg. The agreement dates from 2006 and had been updated in 2011 and 2015. On 22 January 2021 the application of this interprofessional collective labour agreement was made generally binding by the Grand-Duc du Luxembourg.

The government is currently working on a draft bill that is expected to enter the legislative process before the summer break.

Social Partner agreement on the Right to disconnect

On 30 April 2021, social partners in the Economic and Social Council (Conseil économique et social) reached an agreement on an advice to the Government on the Right to Disconnect proposing legal changes to the current framework on occupational safety and health.

On 22 September 2021, the Ministry of Labour, Employment and the Social and Solidarity Economy announced that a draft bill for the right to disconnect will be discussed and voted on in parliament later in 2021. The basis of the bill was agreed by the social partners. The new law will introduce into the labour code the obligation for each company to define the rules governing the right to disconnect within the company.

Other measures

- No benefit cuts for workers in early retirement returning to work in essential
services

In case workers in pre-retirement are recruited to work in essential services during the Covid-19 pandemic, their salary for this work will not reduce the benefits they receive under their pre-retirement scheme. This rule has been extended until 30 June 2021.

- Free accommodation of cross-border health care workers

In addition, the government will provide temporary free accommodation in hotels, holiday accommodation, etc., subject to certain conditions, for employees in the health and care sectors who live in Germany, Belgium, and the 'Grand Est' region of France.

- Automatic of extension of residence permits

The residence documents of third-country nationals holding one of the following documents, expiring on 1 March 2020, shall remain valid for the duration of the state of crisis, without need to make any request. This includes visas, residence cards and permits.

- Housing

Tenants cannot be expelled for non-payment of their rents during the current Covid-19 crisis.

The government incentivises landlords of commercial rentals to reduce rents for businesses by offering tax reductions worth twice the amount reducing the rent (up to a ceiling of 15 000 EUR).

The government also decided that until next year rents in general may not be increased.

- The government will double the cost of living allowances for low income households and will introduce a family leave for those persons who had to stop working to care for elderly persons and those with elderly persons with disability.

- State aid schemes for companies in temporary difficulty will be extended for four moins. Enterprises can also ask for a (repayable) advance payment to cover part of their costs between 15 May to 15 September 2020.

Activities of workers' organizations

Summary

- The three trade union centers, the CGFP, the LCGB and the OGBL, issued a joint position deploring the lack of social dialogue. Their calls to convene a tripartite meeting were ignored such as a meeting of the Tripartite Coordination Committee.

- The unions have also been neglected in the development of the government’s exit strategy. A substantive set of comments on it was issued via the Workers’ Chamber (Chambre des salaires) at the end of April. The joint position stresses that the fast-track approach of the government to the new pandemic law does not leave much space for inputs. The 3 unions demand an emergency meeting with the Prime Minister, independently of any tripartite meeting. (May 12)
• Unions welcomed the revision of emergency working time legislation which relaxes the strain on essential workers. As such, the application of the “essential sector” category has been limited. (May 7)

Source:
• http://www.ogbl.lu/publications/ogbl-infos-covid-19/

Activities of employers' organizations

FEDIL provides regular updates to companies on the government measures related to COVID-19.

On 10 June, FEDIL presented its views on the future of telework.

On 15 April, FEDIL published a guide on safety and hygiene measures for enterprises in the manufacturing sector continuing or restarting their activities.

FEDIL has established a platform where member companies share good practices related to COVID-19 management.

A platform has also been established to match supply and demand for personal protective equipment.

Several industries face major organizational challenges caused by employee absences. FEDIL is trying to remedy this by stimulating temporary loans of employees between its members.

On 22 April FEDIL published the results of the survey among company owners on the impact of COVID-19 on companies.

FEDIL is in regular dialogue with the government concerning economic and social policy response measures. FEDIL welcomed the support package for the economy, in particular credit guarantees.

North Macedonia

Stimulating the economy and employment

Fiscal Policy

• Exemption from monthly income tax advance payments.
• Cancelling advance VAT payments for three months (April-June) for most affected companies, to facilitate liquidity problems.
• Reallocating surpluses on public agencies’ accounts to Budget for COVID-19 response.
• Decreasing legal penalty interest rate by 50%.
• All elected and appointed officials will receive only minimum salary of USD 260 in April and May 2020.
• Chairpersons and members of management and supervisory boards of public institutions will not receive compensation fee during the crisis.
• Temporarily ban of new employments in public sector, except for hiring appropriate staff in the health sector and other sectors that deal with the consequences of coronavirus.
• State-owned enterprises to reduce expenditures by 15% in 2020.
• Employees in the public sector will not receive holidays allowance for 2020, suspending the right from the Collective Agreement for the Public Sector.

Monetary Policy

• The National Bank of the Republic of North Macedonia decreased the reference rate for calculating the penalty interest rate to 1.75% (= a 0.25% decrease).
• Reduced mandatory reserves for new or reprogrammed loans to most affected companies.
• Regulatory easing in relation to liquidity assessments (credit risk management).
• Abolished fees for withdrawing and returning cash to the central vault.
• Decree that enables the banks to postpone the credits to their clients in an easy and simple manner, without signing any annexes or going to the physical locations of the banks.

Supporting enterprises, jobs and incomes

Social protection

• Unemployment benefit for the citizens who lost their jobs due to the crisis, amounting to 50% of the employee’s average salary, and up to 80% of the average salary in the country.
• For those who are left without work or were part of the informal economy, quick access to the social protection system for April and May. They will receive an average of USD 125 per household.
• Deferral of rent payment for social housing users.
• Freezing of prices of basic necessity products such as
  • Food: Bread, salt, oil, milk and dairy products, eggs, flour, meat and pasta
  • Medicines
  • Disinfectant

  at the price level these products had on the day the WHO declared a pandemic outbreak (unless imported at higher prices).

• The Law on Enforcement is suspended or ceased until the end of June 2020. The enforcement agents are obliged to stop taking any enforcement actions until then.

Employment retention

• Financial support for the private sector, by providing a minimum wage of USD 260 per employee for April and May, or alternatively, subsidized 50% of mandatory social
contributions, conditional to saving the same number of workers by September 2020. Not applying to those who received a net monthly salary higher than USD 715 in the last three months. The measure also covers the media sector, sport workers and 141 freelance artists.

**Assistance to business and business continuity**

- USD 15.5 million are made available for loans to micro, small and medium companies through the Development Bank of North Macedonia with 0% interest rate.
- The financial support received will not be repaid by employers who report a loss for 2020. For the others, the return of the funds is limited to 50% of pre-tax profit increased by taxable expenses.
- USD 56.5 million are made available for loans with low interest rates by the Development Bank of the Republic of North Macedonia placed throughout the commercial banks for protection of liquidity of the companies.
- During the crisis and 6 months after the crisis, the opening of bankruptcy proceedings is prohibited.

**Protecting workers in the workplace**

**OSH**

- Recommendations from the Ministry of labour and social policy for organizing the work process.
- Recommendations by the EOs.

**New work arrangements**

- The employees are encouraged to work from home, if possible.

**Prevention of discrimination and exclusion**

- The measures are publicly announced through the internet and national TV. Regular press conferences are available in Macedonian, Albanian and sign languages.

**Access to paid leave**

- Release from work obligations of one of the parents of children up to 10 years of age, chronically ill according to the recommendations of the Commission for Infectious Diseases and pregnant women.
- The period of paid leave from work due to pregnancy, childbirth and parenthood and adoption continues to flow and the salary compensation continues to be paid until the expiration of the temporary measures for protection from COVID-19 coronavirus spread and prevention.
- Mandatory use of the first part of the annual leave (for 2020), ie mandatory completion of the annual leave from last year until May 2020, which will be approved by the employer.

**Access to health care**
Universal health care

Relying on social dialogue for solutions

Approaches to tripartite consultations

- The second set of measures presented by the Prime Minister were harmonized and agreed among the social partners on the session of the Economic and Social Council held on March 31, 2020. At the session, the social partners jointly stated that the main priority in this specific period is the health and lives of workers and citizens, but that the situation must not be allowed to become labour market crisis, as well, and the burden to be on the back of the workers.
- First set of measures was discussed only with the chambers of commerce and experts.

Other measures

- As of 18 March 2020 the Republic of North Macedonia is in a state of emergency.
- The Government will establish a solidarity fund for COVID-19, which will collect donations from legal entities and individuals who are able and willing to donate funds that will be used for support and assistance for tackling the crisis caused by the Coronavirus.

Government & other relevant sources


Activities of workers' organizations

Summary

- Despite lack of social dialogue on the Government’s Covid-19 measures, the trade union movement has been able to have an influence
- One meeting was held in the Social Economic Council on the second governmental package of Covid-19 response, but without proper negotiations. Trade union SSM has been able to call out the Government response when it was seen harmful to workers, and managed to have changes made. Most of this influence have been after the initial measures were announced
- The other major unions, KSS has not been heard in the dialogue.
- Trade unions have been active in campaigning for workers’ rights and a pro-worker response to the crises.
- SSM has used a translated version of ILO’s Prevention and Mitigation of COVID-19 at
Work Checklist to reinvigorate their network of OSH-reps at workplaces. They are helping keeping work places safe.

**Sources:** SSM and KSS

### Activities of employers' organizations

The Organisation of Employers of Macedonia (OEM) provides on its website relevant information, mainly on government support measures for businesses. In addition, OEM offers free legal advice on the application of labour law during the crisis period and beyond.

Business Confederation of Macedonia (BCM) published on its website a Manual for Employers to offer information and guidance on how to prevent the spread of the virus in the workplace, actions to be taken if someone has symptoms of the illness, as well as useful links to official sources of information. BCM has also adapted and published the ACT/EMP Employer’s Guide on Managing the Workplace during Covid 19. Moreover, BCM developed a Manual on Safe Return to Work for its members. In addition, BCM offers advice and guidance on business support measures adopted by the Government, including financial support measures and OSH related issues in the context of Covid-19. BCM has launched an invitation for companies to join the organisation for free during the crisis period.

At an early stage of the crisis, OEM submitted a letter to the Government asking to consider exempting companies from paying sick leaves to workers who are unable to work due to childcare, or workers who need to be self-isolated or quarantined.

During the session of the ESC held on March 31, OEM presented a set of proposals, among which expanding the eligibility criteria for the state support measures for businesses; exempting companies from payment of social security contributions for workers with special needs during the crisis period; for workers with children up to ten years of age that need homecare, one parent shall be released from work and the absence shall be recorded as justifiable by the employer.

BCM claims that effective support measures can be achieved through flexible taxation policies and labour legislation, rationalization of public procurement, as well as budget rebalance. BCM keeps speaking about the negative impact of the crisis on businesses and advocates for more comprehensive support measure for the hardest-hit sectors.

In April, a first rapid assessment on the impact of Covid-19 was conducted in North Macedonia. According to a statement of OEM president, the pandemic has severely affected 82% of enterprises, 46 % reported a reduction in revenues by 50% or more and 10% closed down temporarily.

---

**Malta**

Last Updated: **28 September 2021**
Stimulating the economy and employment

- fiscal policy
  - The government has announced a series of spending measures, projected to cost €520 million (4 percent of GDP).

- monetary policy
  - Measures through the ECB.
  - The government will provide loan guarantees up to €900 million (6 percent of GDP). (IMF)
  - Banks have been directed to offer a six-month moratorium on repayments on capital and interest for borrowers who have been negatively affected by COVID-19. (IMF)

- support to specific sectors, incl the health sector
  - Malta Union of Teachers (MUT) and government agree on details for school closures. Agreement, amongst other things, on full payment of salary and allowances in state schools and MUT to discuss with independent schools but expects same from these schools.
  - An additional €35 million to be made available to health authorities to cover any expenses necessary to fight COVID-19. This amount may be increased if necessary.
  - As from 16 March 2020, childcare services are being offered to healthcare workers. This measure will keep all essential medical services at full capacity at this critical time.
  - The Malta Council for the Voluntary Sector is assisting in the co-ordination of specific services in the social and health sectors. Furthermore, the general public is being called upon to help out such as with the answering of the general COVID-19 helpline calls. The necessary training is being provided accordingly.
  - Arrangements have also been made within the education sector. A working group set up by the Ministry for Education and Employment, including all sectoral stakeholders, is exploring methods of online teaching and the impact of the present situation on the curriculum. Tablets are provided to children from year 4 to 6 in all schools for free.

Supporting enterprises, jobs and incomes

- social protection
  - €350 grant will be awarded to employers for each employee required to be on mandatory quarantine leave.
- Government will cover the equivalent of two days’ salary per week (based on a salary of €800 per month) in relation to employees of enterprises, including self-employed, which suffered from a complete suspension of operations (such as hospitality and entertainment and language schools). Self-employed persons in these sectors who employ people will get coverage for an additional day.

- Government will also cover the equivalent of one day’s salary per week (based on a salary of €800 per month) in relation to employees of enterprises, including self-employed, which suffered at least 25% reduction in operations. Self-employed persons who suffer such a reduction and who employ people will get coverage for an additional day. Persons with disabilities who have to stay at home due to health concerns that may arise as a consequence of Covid-19 and cannot telework will be entitled to a benefit of €800 per month for a specified period.

- Employees who lose their job and have rent to pay will be entitled to a rent subsidy including those not previously entitled to such subsidy. Furthermore, the government will increase the rent subsidy for those families where one dependent had his/her employment terminated.

- 3-month moratorium can be requested from banks in relation to both personal and business loans. (all points above from KPMG)

- assistance to business and business continuity
  - Deferral of payments of Income tax, Value Added Tax, Maternity Fund and National Insurance Contributions of up to €700 million.
  - €150 million worth of bank guarantees to be provided.
  - €750 million to be made available to businesses in the form of soft loans.
  - 3-month moratorium can be requested from banks in relation to both personal and business loans. (all points above from KPMG)
  - July, 2021 – The government of Malta has announced a €2 million programme to help entertainment event organizers and artists kickstart activities. There will be two schemes, one linked to ticket sales and the other on a more logistical side. The relevant announcement was made on the day seated mass events can resume for fully vaccinated people.

**Protecting workers in the workplace**

- OSH
  - March, 2020 - with regards to local transportation, no standing passengers are allowed on buses. The daily cleaning of buses has been intensified using chemicals instead of regular detergents.
  - January, 2021 - first remote workplace facilities have been launched for public
service employees with a view to having 15 functional by the end of 2021.

- May, 2021 - a mental health programme for frontline workers in the health sector has been introduced by health authorities of Malta. The programme will be implemented together with the Malta Union of Midwives and Nurses.

- new work arrangements
  - Refunds to companies on investments for teleworking. Malta Enterprise is prepared to offer up to €4,000 for employers and self-employed workers to invest in a teleworking set-up in a bid to combat a potential major outbreak of the COVID-19 coronaries. This would be limited for up €500 per teleworking agreement and will be awarded against 45% of the eligible cost.

- prevention of discrimination and exclusion
  - Enterprises which will terminate the employment of an employee will be denied the possibility to offer such employment to a Third Country National.
  - Work permit applications in relation to new Third Country Nationals will no longer be accepted except for highly skilled workers.
  - Assistance will be provided to Third Country Nationals to find alternative employment in case of job termination.
  - Jobsplus (PES) will be helping to find alternative employment to those who lose their jobs and to employers seeking recruits. (all points above from KPMG)

- access to paid leave
  - Additional leave for two months to be paid at the rate of €800 per month to families with children where both parents/guardians work in the private sector and neither is able to telework. (KPMG)

- Mandatory vaccination for workers in catering, the medical sector, childcare, elderly care, beauticians, massage therapists and tattoo artists. A vaccination certificate is also required for the renewal of a residence permit with the right to work in the country.

Relying on social dialogue for solutions

No information found

Other measures

Links to relevant website:

General information: https://covid19malta.info/
Activities of workers' organizations

Summary

- Various employees even though not organized within the union come forward to enquire about ad hoc measures taken by the GWU in other places to implement such measures.

- Various non-members employees come forward to report abuse. The department of Industrial and Employment Relations received about 6,000 complains or enquires.

- GWU continues discussions with the Office of the Prime Minister, Office of the Permanent Principal Secretary.

- Government and Opposition, Malta Council for Economic and Social Development, Employment Relations Board.

- GWU and their affiliates pay special attention on the protection of Health care including doctors, nurses, nursing aides, care workers, hospital cleaners and hospital maintenance, disciplinary forces (army, detention officers, police force, civil protection, correctional officers, community officers, security guards) are doing extra effort to help in fighting the virus.

- Sectoral unions discussed and agreed on the workers protection measures.

Source:


Activities of employers' organizations

Malta Employers Association (MEA) provides information to members, and has organised information sessions on COVID-19 through social media.

MEA developed “Dealing with COVID-19 - Employers' Handbook”, which helps companies obtain
information about and apply for available support measures related to COVID-19 crisis.

On 25 March MEA issued a press statement welcoming the package of measures announced by the Government to address the economic impact of the COVID-19, which was elaborated in consultation with the social partners. MEA advocates for continuous social dialogue so that there is sufficient scope to re-design the assistance package as necessary to reflect the continuously changing circumstances in different sectors.

The association continues to urge employers to adopt strategies of job retention to keep redundancies to a minimum.

Montenegro

Stimulating the economy and employment

Fiscal policy

- Financial support of USD 57 each to specific groups:
  - 8,583 families who receive financial support.
  - 11,957 pensioners who receive minimum pension.
- All energy entities are exempt from paying a fixed part of the electricity bill for the months of April, May and June (this refers to the companies whose work is prohibited).
- Each VAT refund requested will be finalised within max. 45 days.
- The Customs Administration will extend the limit of exposure of the customs guarantee for deferred payment of customs debt from 30 to 60 days for April and May, for economic entities whose activities are prohibited.
- Deferral of:
  - tax payments
  - contributions to wages
  - lease payments for state-owned real estate.
  - The total estimated value of the measures is around 163 million euro. New, elaborated package of measures contains two segments of support: support to vulnerable categories of citizens and support to economy. Package of measures envisages support for more than 100,000 citizens, which practically refers to every 5th citizen of Montenegro.
  - Retired population with minimal retirement will receive one-time support (50 euro). This refers to all retired citizens who receive less than 222 euro (minimum wage). The total of 34,000 of retired persons will be encircled with this package.
A one-time support of 50 euros is aimed for families with one or 2 members, or 100 euros for households with 3 or more members. The Government will help families with the most difficult social status in the country, as well as those who receive social assistance benefits and persons-with-disability benefits.

Monetary policy

- The Central Bank (CBCG) of Montenegro announced a moratorium on loan repayment during a timeline of up to 90 days.
- The CBCG issued a decision temporarily prohibiting the payment of dividends to shareholders, with exception when transformed into equity.

Support to specific sectors, incl. the health sector

- The Ministry of Agriculture and Rural Development announced a support package of EUR 17 million to support agriculture and fisheries.
- EUR 5 mio to tourism sector to pay employees’ salaries for 2 months.
- Loans to media of max. EUR 600.000, with interest rate of 2% and repayment period of 8 years.

New Government measures, presented 29 Jan 2021:

- When it comes to the tourism sector, the package of measures includes a continuation of the reduction of the fee for the maritime good by 50% in 2021, then subsidies for tour operators, and a new measure in the form of tourist vouchers. This measure aims to support the tourist turnover of registered private accommodation as well as support workers in sector of education and health.

Supporting enterprises, jobs and incomes

Assistance to business and business continuity

- Support to companies who were forced to shut down due to pandemic:
  - Customs guarantee for deferred payment of customs debt extended to 60 days (from 30) for April and May.
  - Do not have to pay fixed part of electricity bill.
- Support to entrepreneurs & MSMEs:
  - New credit line for up to EUR 3.4 mio per enterprise, no approval fee and interest rate at 1.5%, to improve liquidity.
  - Allowed to work again since May 4.
- Support to businesses that continued working:
  - Provision of bank guarantee to ensure liquidity.
- EUR 4 mio to companies engaged in capital projects, mainly in the Northern Region.
- EUR 28.2 mio used to support companies’ liquidities through loans.
- New Government measures presented 29. Jan 2021:
  - Regarding support to the economy, the Government has expanded the List of Vulnerable Activities by almost 20 new ones when it comes to wage subsidies. This stands for an increase of 40% compared to the number of activities that have been treated as
vulnerable so far. Activities in the transport sector and the manufacturing industry have been added to the list.

- The measure which covers activities whose turnover has fallen and which are treated as vulnerable is expanded: it has so far covered 3,500 companies or 16,500 employees, while now it covers 4,500 companies and 19,500 employees.
- In order to support the establishment of electronic fiscalization, the companies from the list of vulnerable activities will be supported in the amount of 100 EUR.
- The package of measures includes support for new employment. This will exempt employers who hire people who are currently at the registry of Employment Agency (there are almost 50,000 citizens belonging to this category) from paying taxes and contributions. The exempted amount is 90% of gross average salary this year, 60% next year and 30% in 2023, for all citizens they employ by the end of this year. This measure will take out from the budget the amount of over ten million euros within a three-year period. This means the state will help each new employee in this year with some 200 to 230 euros monthly, in next year with 150 euros and in 2023 with 80 euros.
- The government enabled companies to reschedule the tax debt on taxes and contributions on personal income (which arose in the third and fourth quarters of last year), for a period of two years, which facilitated the liquidity of companies and the economy. Having in mind the suggestions of small businesses, the Government also increased the limit for VAT registration from 18 thousand to 30 thousand EUR.

Employment retention measures

The Ministry of Economy announced a business and employee support programme on April 24. The proposed measures include subsidies for:

- Businesses whose work is prohibited (100% of gross minimum wage)
- Tourism sector (100% of gross minimum wage)
- Endangered industries (50% of gross minimum wage)
- Earnings of employees on paid leave (70% of gross minimum wage)
- Earnings of employees in quarantine or isolation (70% of gross minimum wage)
- Subsidies for new employment of 70% of the gross minimum wage for at least 6 months for entrepreneurs and MSMEs, who registered new employees in April.
- **New Goverment measures presented 29. Jan 2021:**

  One time support of 100 euro will be provided to all who are registered in the Employment Agency as of the end of the 2020. This support refers to all who currently does not receive any benefit (100 euro) while all others, who receive benefits less than 100 euros will receive complementary support of 100 euro.

Protecting workers in the workplace

OSH

- Legal and natural persons performing construction work organised in a way that ensures compliance with epidemiological measures. Construction sector remained operational during pandemic.
Access to paid leave

- During the closure of schools and kindergartens, one parent of a child not older than 11 years of age is entitled to a paid leave from work, with the exception of healthcare employees, and employees in certain state institutions.
- Sick leave was allowed to be extended to 30 April 2020 by GPs (normally, a committee is required for this long extension).
- The Montenegrin Electric Enterprise will double the amount of subsidies for electricity bills, to socially disadvantaged households
- The Government will provide one-time assistance of USD 57 to all registered unemployed persons who do not receive financial compensation or material security.
- In order to mitigate the effects of the COVID-19 pandemic, the Government decided, through the Special Support Programme to Agriculture and Fisheries, to pay additional old-age pension of EUR 64.41 to 3,419 beneficiaries. The total amount of benefits is EUR 440,000.

Prevention of discrimination and exclusion

- Focus of UN agencies on vulnerable groups: Roma, Egyptian population and migrants.

Covid-19 Vaccination

- Application of the Covid-19 vaccines in the general context is regulated by the National Strategy for the Introduction, Distribution, and Application of Covid-19 vaccine (27 December 2021). It defines priority groups for immunization: elderly people, people with chronic diseases and certain conditions and members of vital state and communal services necessary for the smooth functioning of society. The strategy does not stipulate the mandatory nature of Covid-19 immunization in these groups and neither do any measures issued by the Ministry of Health institutions.
- In line with the measures and recommendations of the Institute of Public Health of Montenegro, conditions of employment are not dependent on vaccination status and employers cannot make vaccination against Covid-19 compulsory regardless of the employees’ working activities or working location. Vaccination, nevertheless, is recommended for certain activity areas that pertain to vital state and communal services.

Relying on social dialogue for solutions

Trade Union donated USD 11.312 to National Coordination body.

- The Government presented package of social-economic measures to social partners on 10th of April, social partners proposal is integrated in updated sets of measures.
- In consultation with local self-governments, the Chamber of Economy of Montenegro, the Union of Employers of Montenegro, the Union of Free Trade Unions of Montenegro, the Union of Trade Unions of Montenegro, Montenegrin economists and university professors, Government created comprehensive stabilisation and support programme that covers six types of subsidies and is aimed at over 100,000 employees in Montenegro and several thousand entrepreneurs, micro, small and medium-sized enterprises.
Other measures

Other measures

- The Delegation of the European Union and the United Nations Development Programme (UNDP) signed a contract worth ca. USD 3.400.000 for the support to the Montenegrin medical sector ie for purchase of necessary medical and protective equipment for medical workers. EU announced EUR 50 million of support for social and economic recovery.
- 3 tons of medical equipment distributed throughout the country (donated by a group of foreign investors and Montenegrin businessmen.)
- Government announced increase of 15 % on the salaries of all employed within health system. All the overtime work will be additional paid. Half a million euros will be dedicated for doctors and employees in health sector.
- On 22 April 2020, the European Commission proposed the use of the macro financial assistance (MFA) programme of EUR 60 million to support the Montenegrin economy. (The Commission’s proposal is subject to adoption by the European Parliament and the Council of the Europe.
- As stated in November 2020. the European Union has paid 28 million euros in grants to the state budget of Montenegro, with aim to help Montenegro mitigate the economic and social effects of the coronavirus crisis. This is the first part of the non-refundable budget aid available to Montenegro in the total value of 40.5 million euros. The funds paid present a part of a 53m-euro grant provided to the EU by Montenegro to purchase medical equipment, improve health services and help vulnerable individuals and businesses most severely affected by the coronavirus crisis.

Government & other relevant sources

- www.gov.me
- https://mek.gov.me/
- http://usscg.me/
- https://www.sindikat.me/
- https://www.irfcg.me/en/
- www.un.org.me

Activities of workers' organizations

Summary

- UFTUM sent a letter of complaint together with the employers’ organization, highlighting the lack of social dialogue in the country. It also highlighted that the Ministry of Labour is not involved in the national task team for Covid-19 response
- ILO received assurances that social dialogue
- The employers and workers were invited to a meeting on the second set of Covid-19 measures, but the meetings are more information sharing than dialogue.
- Social Economic Council has met twice. These meetings are more information sharing
that bona fide dialogue.

- One trade union are very much involved in the national debate, and use media channels to engage with workers and Government.
- Proposals for Covid-19 response have also been sent to the Government.

Sources: CTUM and UFTUM

Activities of employers' organizations

The Montenegrin Employers’ Federation (MEF) provides on its website COVID-19 related information, mainly on government actions and decisions adopted in response to the crisis and advocacy related activities for its members.

In addition, MEF has published a Guide on the Application of Labour Legislation during COVID-19 and is currently working on the adaptation of a set of ILO materials for its members.

At an early stage of the crisis, MEF submitted comprehensive proposals structured around four pillars (institutional, financial, tax and labour relationships), which were only partly reflected in the Government support measures, namely deferral of tax and loan payments and favourable loans available through an Investment Development Fund. MEF found the government package as ‘insufficient’ and indicated the need to further supplement and adjust it to current circumstances.

On 2 April, MEF submitted an updated set of economic measures requesting, among other things, wage subsidies for companies affected by state-imposed restrictions; reducing the amount of and postponing the deadlines for payroll tax payments; amending the Law on VAT; further reduction of interest rates on existing loans; tax relief for companies in the HORECA sector.

On 20 May, MEF presented the findings of the first rapid assessment on the impact of the COVID-19 pandemic in Montenegro. The assessment was undertaken between 10-30 April and involved 430 businesses. The survey was developed based on the ILO’s Enterprise Survey Tool on COVID-19 for Employers’ and Business Membership Organisations (EBMOs) and was conducted in partnership with the EBRD. The event has had an impressive media coverage being reflected by some 20 media websites, TV stations and portals.

On 27 May, MEF submitted an innovated (third) set of support measures for companies based on the assessment conducted with ILO support, which was included on the agenda of the 10th session of the National Competitiveness Council, chaired by the Prime Minister of Montenegro. The proposed measures are grouped in four sections: financial and credit support, taxes and parafiscality; labour relations and labour market; and other measures.

Among other things the new proposals highlight the need to:
- provide state guarantees of 70 % of loans to companies affected by the crisis, which will enable the Investment and Development Fund (IDF) and commercial banks to diversify the credits lines and offer cheap or interest free loans to companies; adjust and reduce
the interest rates for existing loans; extend the moratorium on payment of credit obligations;

- postpone the deadlines for payment of tax liabilities (for all types of taxes) from the date of entry into force of the restriction measures with the possibility of making the payment in minimum 24 monthly instalments;
- exempt companies that suspended their activities from the obligation to pay local utility taxes, fees for using public roads for access to commercial facilities for 2020, payment or real estate taxes;
- adopt a special law regulating labor relations during emergency state or harmonise the provisions of the Labour Law (with regard to suspension of employment relationship, procedures on telework, part-time work etc);
- provide wage subsidies of 100% of the employees’ minimum net salary for 6 months (alternatively 3 months) to companies affected by state-imposed restrictions and of 50% of the employees’ minimum net salary for 3 months after the ban on operations has been lifted; the payment of payroll taxes shall be made in 24 monthly instalments after the expiration of restriction measures.

MEF helps producing missing protective equipment for medical staff (and donated more than 1,500 visors)

Netherlands

Stimulating the economy and employment

A package of fiscal measures was announced to contain the economic impact of the outbreak. As of October 2021, the package’s spending measures stand about €80 billion (8 percent of GDP). In addition, companies can defer tax payments without penalties, and calculate provisional taxes on the basis of expected reduced activity levels. These measures were extended until the end of July 2021. All companies that have benefited from or are still benefiting from the special deferral of tax will start with a payment scheme for the resulting tax debt of 60 months as of 1 October 2022. The tax and recovery interest for all tax assets has been reduced to almost zero (0.01%) until January 1, 2022. From 1 January 2022, a recovery interest rate gradually increased to 4% will apply. Other tax measures, such as a relaxation of the hour criterion for self-employed persons, the untaxed travel allowance and the payment break for mortgage obligations have been extended until 1 January 2022.

From 1 October 2021, the government discontinued all generic support measures that was introduced to support households, businesses, and the economy during the last 18 months. The Emergency Measure for the Preservation of Jobs (NOW), the Reimbursement of Fixed Costs (TVL), the Temporary Emergency Measure for Self-Employed Persons (Tozo) and the Temporary Support for Essential Costs (TONK) was not extended. A number of specific measures will
remain in place for the fourth quarter to promote labour market such as measures aimed at retraining and economic adaptability. The government will introduce a special scheme for nightlife venues which are expected to remain closed after October 1, the only sector that will remain completely closed. A total of over €80 billion has been disbursed since the introduction of the support package in March 2020.

The coronavirus funding schemes KKC, BMKB-C and GO-C will remain in place until 31 December 2021 to continue facilitating market financing. Businesses in need of liquidity can make use of these schemes. The Events Guarantee Fund will also continue to 31 December 2021.

In addition, the Netherlands has extended the agreements on the taxation of cross-border workers with Germany and Belgium until 1 January 2022.

- Also, public guarantee schemes, especially for SME loans, are expanded to help the most vulnerable companies to manage their liquidity problems. The total cost of these programs will depend on demand.

- The Dutch central bank has reduced systemic buffer requirements for the three largest banks to support bank lending. The central bank also took measures to provide temporary regulatory relief to other banking institutions. The largest Dutch banks have agreed to grant SMEs a six-month postponement of their loan repayments.

- The Ministry of Agriculture, Nature and Food Quality temporarily underwrites working capital granted to farms and horticultural companies as part of the Guarantee SME Loans scheme for small and medium-sized farms and act as a guarantor for loans granted to farms. There is an emergency package of €650 million of additional measures for companies in the floricultural sector, specific parts of the food horticulture and the French fries potato sector.

- A package of €300 million is added to support cultural institutions so they can ensure that the flow of assignments, also towards self-employed workers, can be taken up smoothly after the COVID-19 crisis. Since 2021, an additional package of at least 300 million euros is available for support to the events sector in the form of a guarantee scheme (reimbursement of costs incurred due to cancellation). The scheme is intended for organisers (and their suppliers) of events planned between 1 July and 31 December 2021.

On 28 April 2020, the government decided to broaden the financial support and to relax the criteria for the SME credit guarantee scheme (BMKB) so that another 10,000s of companies will be supported (from 16 March 2020 to 31 December 2021). Under the special BMKB-C scheme, the amount of the guaranteed loan in the BMKB has been increased from 50% to 75%. The term of a credit is extended to four years and besides an extensive liquidity forecast, it is also possible to look via a turnover test. In addition, the scheme is also applicable to bridging loans and overdrafts with a term of up to 4 years.

- The scheme to provide capital to investments funds (SEED Capital Scheme) will be increase from €22 million to €32 million. Support and relief for especially start-ups in technology and creative areas in obtaining venture capital from investment funds.

- Start-ups, scale-ups and innovative SMEs could apply until the 17 May 2021 for the ‘Corona-Overbruggingslening’ (Corona Bridging Loan or COL) that vary between €50,000
and €2 million from the regional development agency (*Regionale Ontwikkelingsmaatschappij*, ROM). On 20 May, the government announced an available second tranche of €150 million for the Corona Bridging Loan (COL) that contributes to improving the liquidity position of innovative companies (start-ups and scale-ups) due to the large number of applications submitted.

- The EC approved extension of the existing Garantie Ondernemingsfinanciering GO (*Corona Business loan guarantee scheme*) from €400 million to €10 million. Government is guaranteeing bank loans (minimum €1.5 million - maximum extended to €150 million per company) to large and medium sized companies. The maximum guarantee rate has been increased from 50% to 80% for large companies and 90% for SMEs with the condition that they are affected by corona. The term of a credit is for a maximum of 8 years. The GO-C scheme will run until at least 15 December 2021.

- SMEs who have a loan from *microcredit* provider Qredits did not have to repay their loan for a period of 12 months. During this period, the interest was reduced to 2%. The government supported Qredits with €6 million. The Qredits scheme ran until 1 January 2021. As part of the crisis response, Qredits will provide a 70% guarantee and up to €70 million in new lending to small and micro-companies.

- The government is making €750 million available for *bridge loans for* small businesses in the micro-, medium- and small business sector that were profitable before the crisis. These bridge loans are available to small businesses with a relatively small financing need of between €10,000 and €50,000. Financiers provide the *Small Credit Coronavirus guarantee scheme (KKC)*. The state is the guarantor for 95% of the principal while financiers bear the remaining 5% of the risk. The KKC scheme will run until 31 December 2021. The term of the loan is a maximum of 5 years and the interest is a maximum of 4%.

- Temporary support fund of €11 million for local newspapers, broadcasters, local newspapers, websites and door-to-door newspapers

- Financial compensation for a period of up to 5 weeks for fishermen who cannot sail out (€9 mln available)

### Supporting enterprises, jobs and incomes

The *Government issued measures* (17 March 2020) designed to save jobs and the economy. On 20 May 2020, the government announced an *extension of the duration of the emergency package* for the Dutch economy by *four* months in June.

From 1 October 2020, a new package was announced. The new package will run until 2021 and is based on three pillars: support, help adapting to new circumstances and investment. The conditions thereof will be adjusted so that they are more geared to the longer term. The costs amount to around 11 billion euros in additional expenditure and 1.5 billion euros in early investments.

**Part of the support package was stopped as of 1 October 2021** because the corona measures have largely been lifted and the economy is running again. This concerns the following measures:

- Temporary Emergency Bridging measure for sustained employment (NOW)
- Temporary bridging measure for self-employed professionals (TOZO)
- Temporary Support Necessary Costs (TONK)
- One-time reimbursement (TOGS)
- Reimbursement of Fixed Costs for SMEs (TVL): Q4 2020, Q1 2021, Q2 2021 and for starting entrepreneurs for Q1
- COL scheme for Start-ups and Scale-ups
- Qredits – postponement of repayment with interest discount
- R&D scheme for mobility sectors
- Temporary subsidy scheme continuity professional passenger shipping (charter shipping) with traditional sailing ships in the Netherlands.

**NOW - Temporary emergency bridging measure for sustained employment**

A temporary emergency bridging measure for sustained employment (NOW). Any company that expects to lose at least 20 per cent of its revenue may apply with the Employee Insurance Agency for an allowance that will enable it to pay its employees’ wages for three months (up to a maximum of 90 per cent of the company’s wage bill, depending on the loss of turnover), with the possibility to extend it for a further 3 months. This measure has been broadened since 22 April: working companies in the Netherlands with a loss of at least 20 per cent of its revenue, belonging to a group who do not meet this condition, can also apply for this measure under strict conditions such as work retention and a ban on pay dividends, bonuses or buy back own shares for 2020.

The Employee Insurance Agency provided the company with an advance amounting to 80 per cent of the requested allowance. This has allowed companies to keep paying their employees' salaries. In order to be eligible, companies must not dismiss any employees from their jobs for economic reasons during the period covered by the allowance. It covers employees with permanent and temporary contracts.

Under the extended measure ‘NOW 2’ by June, employers who use the NOW scheme may dismiss employees. Therefore, the fine from the first package has been removed. To prevent abuse, companies that have to fire more than 20 people for business reasons should reach an agreement with the union or the staff representation. If an agreement or a mediation request is missing, the total subsidy amount has been reduced by five percent. Employers are also asked to retrain their staff.

NOW-3 scheme: extension by 9 months until July 1, 2021, consisting of 3 periods of 3 months with a gradual reduction in reimbursement rates: from 80%, to 70%, to 60%.

From January 1, 2021, there must be a loss of turnover of at least 30%.

The NOW ended on 1 October 2021.

**TOZO - Temporary bridging measure for self-employed professionals**

A temporary bridging measure for self-employed professionals (TOZO). The Tozo offers support for self-employed professionals such as a sole proprietor, zzp’er, partner in a general partnership, owner of a private limited company, who are experiencing financial difficulties due to the corona crisis. The scheme comes into effect with retroactive effect on 1 March 2020 and will remain in place until 1 September 2021. Application for the support is done at the level of the municipality. Repayment of TOZO working capital loans has been deferred by six months to 1 January 2022. Until then, no interest will be charged. The term of the loans has also been extended from 42 to 60 months.

Under this scheme, the income will be topped up to the amount of the social minimum wage
which is determined by the municipality (depending on the income and the household situation this can amount to a maximum of €1500 net). No repayment will be necessary. Payment will be done after 4 weeks; however local authorities may decide to pay advances. Alternatively, under this temporary scheme, independent contractors may apply for support in the form of a working capital loan at a favourable interest rate.

Self-employed professionals can apply for 'TOZO 2', the extended measure, by first of June until the end of September 2020. The difference between Tozo 1 and Tozo 2 is that Tozo 2 has a partner income test for living allowance. This is not the case with the first temporary bridging measure.

**Tozo-3**

Extension by 9 months until July 1, 2021, with a test of available funds

From 1 January 2021, opportunities for self-employed workers for further training or retraining and reorientation.

The TOZO ended on 1 October 2021. This could potentially lead to an extra influx of social assistance benefits. In order to simplify this for the self-employed and to keep it workable for municipalities, social assistance rules will be temporarily relaxed until end of December 2021.

**TOGS (one-time reimbursement) / TVL (reimbursement of Fixed costs for SMEs)**

- The Dutch government offers companies from specific sectors a **one-time reimbursement** of €4000 (TOGS). The TOGS had been broadened from 28 April: Entrepreneurs who were not entitled to the TOGS scheme with their registered main activity, can now also claim the scheme on the basis of their secondary activity registered in the Trade Register. On 20 May 2020, the government announced that the TOGS is being followed up by a new scheme: Reimbursement of Fixed Costs for SMEs (Tegemoetkoming Vaste Lasten MKB - TVL).

- **Reimbursement of Fixed Costs for SMEs (TVL)** - in particular catering, recreation, events, fairs, and cultural sector - (successor of TOGS), applicable by 1st of June until the end of September 2020. SMEs can receive - in addition to the wage costs allowance (NOW) - a tax-free compensation of up to € 50,000 to cover their fixed material costs. The amount depends on the size of the company, the costs and the loss of turnover (at least 30 percent). This scheme costs € 1.4 billion.

- TVL was open for all sectors since mid-October 2020 (TVL-extension). Not only directly affected companies but also suppliers, the transport sector and food horticulture are eligible for TVL Q4. (Reservation of an additional € 140 million). Conditions: a minimum of 30% loss of revenue from the corona crisis from October to December 2020; share of fixed costs is at least 3,000 euros. Compensation has a maximum of 50% and the maximum allowance has been increased to 90,000 euros.

- Entrepreneurs in the hospitality sector that have been forced to close from 14 October will receive an additional one-off supplement with the TVL for Q4 2020.

- One-off supplement will be approximately € 2500. € 40 million has been reserved for this scheme. Compensation for companies and suppliers in the event industry for losses during summer through a one-off extra fee based on the TVL fee for the summer. It is expected to involve 800 event entrepreneurs. An amount of € 10.5 million has been reserved for this.

**TVL-3 (Reimbursement of Fixed Costs for SMEs)**

Extension of 3x3 months to July 1, 2021 with gradual phasing out, so that companies and employees can adapt. Increase of the maximum amount per company to 90,000 euros.
The final period was from 1 July to 30 September 2021.

**Temporary bridging measure for Flex workers**

On 22 June 2020 the Temporary Bridging measure for Flex Workers (TOFA) has been opened for flex workers that have been laid off after 1 March due to the corona crisis, with a substantial loss of income (more than 50% in April compared to February and who cannot claim other benefits. The scheme consists of a one-off gross payment of 1,650 euro in total for the period March, April and May 2020. The TOFA ended July 2020.

**Third aid package from October 1 2020**

The cabinet extended various current support measures from 1 October. The new package will run until 2021 and is based on three pillars: support, help adapting to new circumstances and investment. The conditions thereof will be adjusted so that they are more geared to the longer term. The costs amount to around 11 billion euros in additional expenditure and 1.5 billion euros in early investments. Guarantees, loans and guarantee funds will continue to be available after October 1. The temporary reduction in the interest on overdue tax to almost zero will be extended to 31 December 2021.

**NOW-3 scheme**

Extension by 9 months until July 1, 2021, consisting of 3 periods of 3 months with a gradual reduction in reimbursement rates: from 80%, to 70%, to 60%.

From January 1, 2021, there must be a loss of turnover of at least 30%.

**Tozo-3**

Extension by 9 months until July 1, 2021, with a test of available funds

From 1 January 2021, opportunities for self-employed workers for further training or retraining and reorientation.

**TVL-3 (Reimbursement of Fixed Costs for SMEs)**

Extension of 3x3 months to July 1, 2021 with gradual phasing out, so that companies and employees can adapt. Increase of the maximum amount per company to 90,000 euros.

**Fourth aid package from January 2021**

In January 2021, the government substantially expanded its support package for jobs and the economy with an additional €7.6 billion in spending over the first and second quarters of 2021 for NOW and TOZO.

Since 1 February 2021, self-employed people can apply for income support under the TOZO scheme.

The extended TOZO scheme (TOZO 4) started on 1 April. TOZO 4 was due to introduce a means test, but the government decided not to go ahead with this. Self-employed people will be able to apply for TOZO 4 for the previous month, in the same way as for TOZO 3. This means that income support from 1 April 2021 can be applied for on 1 May 2021. It will not be possible to apply under TOZO 4 for the period covered by TOZO 3 (i.e. for the period from January to March 2021 inclusive).

In May 2021, the government extended the TVL until 30 September 2021.

Broadening of the TVL (so called TVL Q4 2020)
• TVL is open for all sectors since mid-October 2020 (TVL-extension). Not only directly affected companies but also suppliers, the transport sector and food horticulture are eligible for TVL Q4. (Reservation of an additional € 140 million). Conditions: a minimum of 30% loss of revenue from the corona crisis from October to December 2020; share of fixed costs is at least 3,000 euros. Compensation has a maximum of 50% and the maximum allowance has been increased to 90,000 euros.

• Entrepreneurs in the hospitality sector that have been forced to close from 14 October will receive an additional one-off supplement with the TVL for Q4 2020.

• One-off supplement will be approximately € 2500. € 40 million has been reserved for this scheme. Compensation for companies and suppliers in the event industry for losses during summer through a one-off extra fee based on the TVL fee for the summer. It is expected to involve 800 event entrepreneurs. An amount of € 10.5 million has been reserved for this.

The government will earmark an additional social package of 1 billion euros for retraining and upgrading existing skills and additional support for vulnerable citizens.

New measures aimed at investments:

• Public investments in infrastructure worth 2 billion euros are highlighted.

• Investments in a national scale-up facility (150 million euros) and reservation of 300 million euros for recapitalization of medium and large companies

• 150 million euros to supplement funds from the Regional Development Companies (ROMs) to strengthen innovative SMEs through financing.

• 255 million euros for co-financing of EU programs aimed at regional development, innovation, sustainability and digitization.

In January 2021, the government expanded the TVL scheme with more businesses eligible for support. For the first half of 2021, the TVL grant was 85% of a proportion of fixed costs that is equal the percentage of turnover lost, provided the loss in turnover is at least 30%. In addition, the maximum grant amount will rise from €90,000 to €330,000 for SMEs and €400,000 for non-SMEs.

In order to provide additional support to small businesses like hairdressers and pedicurists, the minimum grant amount will rise from €750 to €1,500.

Additional measures

The government has earmarked an additional social package of 1.4 billion euro (2020-2022) in order to properly support job seekers, based on 4 building blocks:

• Intensive support and guidance towards new work (with special attention for the self-employed and the vulnerable on the labour market. (683 million Euro)
• (re)Training and development for job retention The support goes directly through the individual, the (future) employer or through sectoral customization. (199 mln euro)
• Fighting youth unemployment (346 mln euro)
• Tackling poverty and debt by support through municipalities. In addition, a guarantee fund is being set up to help people with to help problematic debts (146 mln euro)

Start-ups: In January 2021, the government introduced a scheme for new businesses which started between 1 January and 30 June 2020. The scheme, based on the TVL, applied for the first half of 2021. Start-ups can also obtain a coronavirus bridging loan of up to €35,000. A total of €70 million has been set aside for coronavirus bridging loans.
Measures to prevent evictions (agreement renewal until January 2021): landlords will make every effort to reach tailor-made agreements with tenants to bridge in case of financial difficulties like temporarily suspending the rent or making a payment arrangement. Evictions are also postponed as much as possible.

Home work benefits in several collective labour agreements (call centres: minimum 25 euros per month, water authorities: 3 euros per day and civil servants: 363 euros for 2020. There is no legal obligation for employers to reimburse costs incurred for working from home.

Protecting workers in the workplace

OSH

Under the Working Conditions Act and the Working Conditions Decree, an employer must create a safe working environment and take preventive measures to prevent infections with COVID-19. For example, employees must be made aware that they must not come to the office with COVID-19-related complaints and must observe all hygiene regulations and other measures).

New work arrangements - teleworking

Since 26 July 2021, 50% of employees were allowed work from the office. This was further related as of 25 September 2021 where the government advice on teleworking for all non-essential work was lifted but telework remains highly recommended.

Prevent discrimination and exclusion

An employer cannot make vaccination against a disease (including COVID-19) a compulsory requirement of employment or part of the terms and conditions of an employment contract, and this provision also applies to workers in high-risk sectors such as healthcare. However, this does not preclude an action by an employer in the safety of others, including decisions on recruitment and retention.

An employer cannot forbid an unvaccinated employee from entering the workplace or exclude them from the physical workplace.

Provide health access for all

There is no mandatory obligation on an employee, or a particular group of employees such as healthcare workers, to be vaccinated against COVID-19

An employer must provide paid time off for an employee in the case of a medical appointment (such as vaccination) if the employee cannot reasonably schedule it outside of working hours.

On 1 December 2020, the government made it compulsory to wear a facemask in indoor public areas. Since 26 June 2021, the requirement to wear facemasks was relaxed and only applied to situations where social distancing was not possible. Since 25 September 2021, facemasks are no longer need to be worn outside classrooms and lecture halls at institutions for secondary, secondary vocational and higher education.
Since 14 September 2021 restrictions have been relaxed Basic rules will stay in place: hand washing, work from home if possible, keep a distance of 1.5 metres from other people, stay at home if you have cold-like symptoms, even if mild, and ensure good air flow

Measures currently in place
The basic rules to prevent the spread of coronavirus still apply.
Work from home if someone can, and go to the office if someone must.
Weddings: there is no maximum group size.
Funerals: distancing there are no restriction.
Almost all locations are open. The basic rules to prevent the spread of coronavirus still apply everywhere. Building managers must take hygiene measures. Some restrictions still apply:
At certain locations people must show a coronavirus entry pass (museum, restaurants, bars, etc)
  o Opening times restricted for all restaurants, bars, cafes and clubs. They must be closed between midnight and 06.00, except for takeaway.
  o All types of events are permitted. Certain conditions still apply.

Daycare centres and out-of school care is open
All schools are open
No limitations to sports, spectators are allowed under certain conditions.
Travel advice is issued on a country-by-country basis.

Relying on social dialogue for solutions
Since the first wave of the pandemic, there is intensive consultation between the cabinet, social partners and other parties involved. At the end of November, there are still on a very regular basis consultations (at all levels) about measures to be taken and the effect of measures taken.

The Dutch social partners gave input to the Government on the measures to be taken (TOGS - NOW and TOZO among others). The Labour Foundation of the Netherlands (Stichting van de Arbeid) and the Social and Economic Council (the SER Sociaal-Economische Raad) are further working on the implementation and the fine-tuning of the measures. The Labour Foundation made an appeal to employers and workers representatives engaged in collective bargaining to ensure safety at the workplace, and, if appropriate, agree on complementary measures to maintain productivity and jobs.

A think-thank bringing together the social partners with other institutions such as the Central Planning Office, the Socio-cultural Panning Office, the National Office for statistics, The Dutch central Bank, the scientific committee for Government policy and Clingendael is put in place to share knowledge on how to tackle the bigger ramifications of the crisis.

Government and local communities together with employers- and working organisations have launched a special platform Nlwerktdoor. Via this platform organizations bring together supply and demand on the labor market to enable rapid matches in the region to keep people working
during this crisis and to provide sectors with sufficient staff if there a specific need.

Government, construction and technical sector branches, banks and trade association prepared a common declaration Samen doorbouwen aan Nederland to guarantee continuity and labour in the construction sector and to avoid further increase of housing shortage.

Other measures

From 1 October 2021, the Regulation for Reduction in Working Hours (WTV) will be reintroduced (suspended under NOW) to aid employers who are affected by exceptional circumstances outside of entrepreneurial risk. In addition, self-employed persons/business owners in need of financial support must now apply to the Bbz scheme under a simplified process (i.e., non-means tested, simple calculation method) until the end of the year before reverting to standard scheme. For unemployed persons or those at risk of job loss, the Employment Insurance Agency will intensify labour market activation policies in conjunction with training measures at vocational schools (MBO)

Primary schools, including special primary schools, and day-care centres for children under 4 years of age reopened from 11 May 2020. Group sizes in classrooms were restricted and subject to special sanitary, testing and isolation measures. Guidelines were drawn up to help schools and childcare providers reduce the risk of outbreaks. From 25 September 2021, if there is an isolated positive case in a day-care group or primary school class, it is no longer mandatory for everyone in the group or class to self-quarantine and get tested.

In January 2021, the temporary coronavirus-related scheme for students in secondary vocational education and higher education (MBO, HBO and WO) was extended up to August 2021. Students whose studies were delayed due to coronavirus measures and who graduate between February 2021 and the end of August 2021 will receive a contribution towards their study costs. All students whose entitlement to a basic grant and/or a supplementary grant ends between October 2020 and the end of August 2021 will receive a financial contribution. This will cost around €135 million in total.

Time Out Arrangement (TOA)

Since the start of 2021, businesses have been able to use the Court Approval of a Private Composition (Prevention of Insolvency) Act (WHOA) in order to reach an arrangement with creditors. The act helps businesses that have had to incur debt as a result of the crisis. The government provided €200 million in low-interest loans for SMEs so that they can restart, expand or modify their operations after concluding a WHOA arrangement.

Activities of workers' organizations

Summary
• The Trade Unions expressed support for government emergency measures. These whole-of-government measures envision to enable "companies can continue to pay their staff, bridge the gap for self-employed workers and allow money to remain in companies through relaxed tax regimes, compensation and additional credit facilities". The package includes a 3-month temporary arrangement for compensation for wage costs was set up to avoid redundancies, supplements to the income for self-employed and independent entrepreneurs (to attain a minimum level), and compensation schemes, tax credits and other measures for affected sectors and SMEs. The FNV welcomed that measures extend beyond regular employees to self-employed and non-permanent workers.

• Han Busker, president FNV commented government measures taken after consultations with the unions: "The government does this with good action in which our commitment, continued employment and income, is central. We are pleased that many of the proposals that we have done have found their place together with employers in the emergency kit.

• The possibilities for employers to shorter working hours for their staff to ask to be significantly expanded with the emergency fund bridging employment. For self-employed are more flexible conditions for support."It is very good that the measures apply not only to permanent employees, but also for those with precarious contracts and freelancers. We now move quickly with employers and the government to table the measures further work. It is extremely important that the fear about their jobs and income for many people is taken away with it. "

Source: Federation of Dutch Trade Unions-FNV

Source:

Activities of employers' organizations

The Confederation of Netherlands Industry and Employers (VNO-NCW) created a dedicated website (with information on government support measures, guides, policy proposals, and "Companies for companies" initiatives) and a hotline for companies have been established.

VNO-NCW published its advice and priorities on:

• Wage subsidy schemes for companies in difficulties and income support for the self-employed: VNO-NCW agrees with the government that the self-employed who have recently started activity should be able to access the scheme.

• Liquidity support: 1) Companies that are affected by the crisis can receive one-off allowance of 4,000 euros to pay their fixed costs. VNO-NCW successfully advocated for the entrepreneurs in non-food retail, such as clothing stores, to be also eligible for the allowance. VNO-NCW continues to discuss issues around the scope and eligibility criteria with the government. 2) Expanded loan guarantees schemes – this has been a high
priority for VNO-NCW. The measures will make it easier for SMEs to borrow money and prevent liquidity problems, as the state now guarantees 75% of the loan amount. It is now key to ensure quick and smooth implementation of the scheme.

- **Postponement of payment of taxes**: On top of the government tax measures (welcomed by VNO-NCW), the employers continue to call on municipalities and water boards to postpone payment of all municipal and water board taxes.
- **Trade across borders**: After a call from a consortium of companies supported by VNO-NCW, the government has expanded the possibilities for export credit insurance.
- **Health and safety**: The website provide information about safety protocols developed by VNO-NCW, sectoral organisations and other actors (e.g. in public transport, in construction, engineering and installation sector, with regard to shopping).

VNO-NCW has also developed advice and tools for companies, including:

- "**Corona calculator**" – a tool for entrepreneurs to quickly gain insight into which schemes apply to them, and an indication of allowances, credit options and tax deferrals. An indication is also provided of the liquidity position of the company in the coming period.
- **A guide on health and safety**
- Sample [letter](#) to employees - for employers who want to inform their employees about the coronavirus.

The government has elaborated the stimulus package in collaboration with social partners.

---

**Norway**

Last Updated: **28 September 2021**

### Stimulating the economy and employment

**Fiscal policy**

**Key implemented and proposed fiscal measures** (discretionary measures close to NOK 126.3 billion, or 4.2 percent of 2020 mainland GDP) include:

Expenditure measures: (i) household income protection scheme offering larger wage subsidies for temporary lay-offs, more generous unemployment benefits, and expanded sickness and child care; (ii) measures for business offering a scheme to compensate heavily affected but otherwise sustainable businesses for unavoidable fixed costs, the reinstatement of a government fund that buys bonds issued by Norwegian companies, grants for start-ups and subsidies of domestic air routes; (iii) strengthening of critical sectors such as healthcare.

Revenue measures: (i) lowering of reduced VAT rate from 12 to 6 percent; (ii) deferral of various tax payments and reduction of the employer tax for May and June 2020, change in CIT regulations so that lossmaking companies can re-allocate their losses towards previous years’ taxed profits, and temporary amendments to the petroleum tax system to improve liquidity in the sector; suspension of aviation charges; temporary lowering of the employers’ social
insurance contributions.

Guarantee and loan schemes for businesses which include loan guarantees for SMEs, and a scheme for re-insurance of private credit insurance providers.

In addition, the government proposed new expenditure measures on May 29th that include (i) a subsidy for businesses to take back temporarily laid-off workers, (ii) a green transition package, and (iii) expanding support for the construction and transportation sectors through compensations and transfers to highly impacted localities and purchasing of air and train routes, and finally (iv) expanded funding for education and training.

**Monetary policy**

Key monetary measures include: (i) reduction of the policy rate by 1.5 percentage points to 0.0 percent; (ii) provision of additional liquidity to banks in form of loans of differing maturities; (iii) the establishment of a swap facility of USD 30 billion between Norges Bank and the US Federal Reserve (mutual currency arrangement); and (iv) the expansion of banks’ ability to borrow in USD dollars against collateral.

Key implemented and proposed macro-financial policies include: (i) easing of countercyclical capital buffer by 1.5 percentage points; (ii) the possibility that banks can temporarily breach the liquidity coverage ratio (LCR); (iii) temporary easing of mortgage regulations, in particular increase in the percent of mortgages that can deviate from the regulations; and (iv) urging from the Ministry of Finance to banks and insurance companies to not distribute profits.

**Support to specific sectors, incl. the health sector**

Suspended the tax on air passengers for flights in the period from 1 January until 31 October 2020, and payments of aviation charges until 31 June 2020.

Tax deferrals for specific industries, including breweries, the fuel industry and large consumers of gas.

**Supporting enterprises, jobs and incomes**

**Social protection**

Removed three waiting days between the period when employers have to provide salary to workers in temporary layoffs and workers’ entitlement to daily unemployment benefits.

Employer’s social insurance contribution is to be reduced by 4 percentage points for one term, equivalent to two months. This proposal will be submitted in the revised budget. For zone V (the former Finnmark county and region of Nord-Troms), where the rate is zero, compensation of NOK 250 million is to be provided.

Employers are to be reimbursed for sickness benefits paid from the fourth day onwards for absences due to the coronavirus.

The Government proposed temporary legislative amendments enabling employers to decide
that employees being temporarily laid off can continue as members of the pension scheme.

**Employment retention**

Wage subsidies for temporary layoffs via the unemployment benefit, eligibility for which has been reduced from 50 percent to 40 percent work reduction. The maximum duration of the furlough scheme has been suspended, and the scheme has been extended until at least 1 July 2021.

**Assistance to business and business continuity**

Introduced a state guarantee scheme for new bank loans to SMEs suffering losses because of the extraordinary situation. The initial package of NOK 50 billion will be increased if needed.

Reinstated the Government Bond Fund to increase liquidity and access to capital in the Norwegian bond market, where larger companies typically raise their funding. The Fund will provide up to NOK 50 billion, to be invested in bonds issued by Norwegian companies.

A special compensation scheme will provide temporary compensation for some of the unavoidable fixed costs of companies severely affected by infection control measures. Additional grants for young growth companies will be provided (NOK 2.5 billion), to enable enterprise growth, and innovation loans are increased by NOK 1.6 billion, to NOK 3 billion. The Government proposes that the amount should be directed especially towards liquidity loans. The government also provides an interest payment support fund (NOK 300 million), grants for private innovation groups (NOK 50 million), financial support to R&D (NOK 250 million) and NOK 1 billion in funds for matching investor investments.

**Protecting workers in the workplace**

**Prevention of discrimination and exclusion**

Seasonal workers who are in Norway during the COVID-19 pandemic are exceptionally allowed to renew their residence permits and stay in Norway for more than six consecutive months.

**Access to paid leave**

Unemployment benefits are payable at 100 percent of previous income for first 15 days (with upper limit), and thereafter at increased rates for all income groups. Employers continued payment period is reduced from 15 to 2 days. The waiting period of 3 days until unemployment benefit is applied has been abolished. Unemployed and laid-off workers who are approaching the maximum period for unemployment benefits will have their benefit period extended through to the end of June.

The Government introduced a temporary scheme providing apprentices with compensation equivalent to apprentice salary in case of unemployment or temporary layoff.

Students who can prove loss of income, can apply for additional financial support, in form of additional student loans or through the conversion of parts of student loans into grants. Conditionalities apply.
The Government is enabling NAV (the PES) to pay unemployment benefits in advance. Thus, those who have lost their income will be able to get money into their account quickly, without having to wait for processing of the unemployment benefit application.

**Access to health care**

Employees are given the right to self-report sickness for 16 days even though the employer only pays from Day 4. Self-employed persons and freelancers may also receive sickness benefits from the National Insurance Scheme from the fourth day onwards for sickness absence due to the coronavirus. Sickness absence for the first 16 days may be certified by electronic report to NAV by the self-employed person.

No mandatory vaccination for any occupational groups.

**Relying on social dialogue for solutions**

**Approaches to tripartite consultations**

The government is in continuous contact with the social partners with the aim of finding solutions to soften the effects on work life and the economy as the consequences of the outbreak unfolds into different sectors of the economy and the Norwegian society as a whole. This has resulted in several agreements on a range of different sectors with targeted measures and tools.

**Joint action of employers and workers**

It has been mutually agreed to suspend ongoing and planned collective bargaining rounds. All existing and current collective agreements are prolonged until the 21st of August. The negotiations under the given mandate will start up again on the 3rd of August, if no other decision is taken.

**Activities of workers' organizations**

**Summary**

- LO Norway continues to be involved in negotiations of Government’s response on Covid-19. The unions has expressed that while the general direction of Government policy has been good, it does not go far enough. In particular, LO wants to see better and longer term protection of laid off workers
- Dialogue is also functioning at sectoral level: In coordination with LO, LOs affiliate the United Federation of Trade Unions (Fellesforbundet) is the largest trade union, organizing private enterprise workers. They have had a direct dialogue with the Government on the needs of their workers, and also developed joint proposals with employers
- The Union of Employees in Commerce and Offices (HK), also affiliated to LO, has been in direct dialogue with the Government on the health and safety of workers in stores. A central demand is that Covid-19 must be added to the list of occupational diseases. This demand has also been forwarded by another union, Unio. The Government acted on this
LO Norway, together with employers and the labour inspectorate, have issued a joint guide on return to work. (Link in Norwegian: https://www.lo.no/contentassets/25e51be8ed2a4213a06c52c2f9c0405d/veileder-for-gjenapning-av-kontor.pdf). The guide help workers and employers when re-opening work places on issues including protective measures to be in place before re-opening, observance of laws and regulations, identify risks and how to deal with work form home where it will continue to be relevant. As of 14th of May, it is 8 pages, but it will be updated when necessary.

Los legal department has expanded online legal help, covering all the main questions workers may have with regards to Covid-19, with a focus on the rights of workers, and the workers

**Source:** Landsorganisasjonen i Norge (LO Norway)

### Activities of employers' organizations

The **Confederation of Norwegian Enterprise (NHO)** provides on its [website](https://www.nho.no/) daily updated info and guidance to enterprises related to COVID-19, for instance on:

- Reopening of the workplace (info, guides, checklists, posters, meetings, weblinks)
- Lay-off, sick pay, travel, quarantine, working hours, etc. in connection with the coronavirus
- Compensation to enterprises for lost revenues
- Government crisis support measures for business (regarding: access to credit; taxes and fees; wages, leave and sick leave; working hours) and related articles
- Other issues of relevance to business (useful information and tools)

On 23 March, NHO formulated ten demands to the government to curb the COVID-19 crisis.

NHO organizes regularly **webinars and courses for member companies** to some of which it invites representatives of the government and relevant government agencies who provide latest updates on COVID-19-related measures of relevance to business.

NHO regularly conducts membership surveys related to COVID-19, e. g. on the impact of the crisis on companies (e.g. need for lay-offs); on the effectiveness of government crisis measures for companies; or on challenges faced by companies in international trade.

NHO has welcomed measures taken by the government to address the negative impact for business of the COVID-19 crisis, in particular:

- the new crisis package of the government (29 May) (the crisis packages provides for: a reduction in the tax on working capital, proposals for a wage subsidy scheme, adjustments in the compensation scheme and a package for green restructuring)
the launching of the government compensation scheme and web portal (17 April) (the scheme benefits companies that suffer from a drop of sales of at least 30%); NHO, however, also called for adaptations of the scheme as it was not adequate for big and small companies)

- the professional qualification package for laid-off workers (3 April) (the package benefits some 400,000 job seekers; many of the qualification programs will be delivered digitally).

On the proposal of NHO and the trade union LO, an agreement was achieved with the government to the effect that workers who have been laid off because of the COVID-19 crisis can still remain in the companies’ occupational pension schemes, even if savings and risk coverage cease (3 April).

In June, NHO launched a new webpage “Ten ambitions for Norway in 2030 – roadmaps for the future of business”. On this webpage, NHO provides articles, interviews, broadcasts and other info on the way out of the COVID-19 crisis towards a sustainable future.

---

**Poland**

Last Updated: 27 October 2020

**Stimulating the economy and employment**

**Fiscal Policy**

Poland announced a rescue package designed to protect jobs and the economy from the impact of the COVID-19 that will cost around 212 billion PLN (USD 52 billion), or roughly 9% of gross domestic product.

Key tax and spending measures include:

- additional funds for hospital equipment and supplies;
- wage subsidies for employees of affected businesses and self-employed persons;
- increased guarantees from the national development bank (BGK) for enterprises;
- additional loans for micro-firms;
- postponement of payment of social contributions and possible deferral, payment in installments, or cancellation of taxes;
- deduction of this year’s losses for 2021 tax settlement;
- an allowance for parents for school closures.

**Monetary Policy**

- The National Bank of Poland reduced its policy interest rate by 50 bps to 1 percent. The NBP has re-introduced repo (fine-tuning) operations to provide liquidity to banks, reduced the required reserve ratio from 3.5 to 0.5 percent, and raised the interest rate on...
The 3 percent systemic risk buffer for bank capital requirements has been repealed.

The Polish Financial Supervisory Authority announced measures related to provisions and reclassification of loans to existing SMEs to allow smoothing of credit losses over a longer period. Some flexibility has been granted in how banks meet capital and liquidity requirements. A flexible approach has been adopted to valuation under Solvency II for the insurance sector. Additionally, the Polish Banking Association has recommended voluntary deferral of loan payments for affected borrowers for up to three months.

Support to specific sectors, incl. the health sector

- The Government has announced a 7,5 billion PLN package for the health sector in the framework of COVID-19 measures.

Supporting enterprises, jobs and incomes

Social protection

- Micro enterprises and self-employed entrepreneurs will be exempted from the obligation to pay social security and health premiums for three months. The exemption concerns premiums of employees and it does not apply to the entrepreneur’s personal premiums.
- The condition for the exemption is to achieve income not exceeding PLN 15,681 per month preceding the month when the application was filed.

Employment retention

- The entrepreneur is entitled to assistance during the period of economic in the event of a decrease in economic turnover: not less than 15%, calculated as the ratio of total turnover over the next two months to the total turnover from the corresponding 2 months of the previous year following the occurrence of COVID 19, or not less than 25%, calculated as the ratio of total turnover in any given month in the period after 01/01/2020, compared to the turnover from the previous month.
- The employer who has reduced working time may reduce working hours by max. 20% and not less to 0.5 time. The salary cannot be lower than the minimum salary. In such case the government can pay half of the salary but not more than 40% of the average monthly salary from the previous quarter (PLN 5198,58 in the 4th quarter of 2019).
- The employer who is subject to economic downtime, may decrease the salary of employee, but not more than 50% and to max. minimum salary. The government can cover 50% of the minimal salary.

Assistance to business and business continuity

- Provisions related to the new VAT returns for large enterprises will come into force three months later;
- Suspension of business will be simplified;
- The state aid scheme will be changed, and extended for SMEs and large companies;
- The government will introduce tax payment reliefs;
- Businesses will be able to obtain de minimis aid. Current one-off de minimis guarantees
furnished by BGK cannot exceed 60 percent of the principal or PLN 3.5 million. This is to be increased to 80 percent.

Protecting workers in the workplace

New work arrangements

- All employers are obligated to ease the conditions for teleworking for persons subject to quarantine or epidemiological surveillance
- All employers affected by the effects of a coronavirus will be able to reduce the employee's daily uninterrupted rest time from the current 11 hours to 8 (with a guarantee of giving the employee equivalent rest within 8 weeks), and the weekly rest period from 35 to 32 hours.
- In agreement with trade unions or if there are no unions with employee representatives it will also be able to extend the daily working time to 12 hours (equivalent working time system) and the reference period to a maximum of 12 months.

Access to paid leave

- Employees can be requested to use half of their annual paid leave during the State of Emergency.
- The government will allocate BGN 200 million (USD 110.6 million) to the Bulgarian Development Bank (BDB) for guaranteeing non-interest loans up to BGN 1500 (USD 830) for employees who have gone on unpaid leave.
- An emergency bill foresees the possibility of payouts to parents who have to stay at home with children.

Access to health care

Routine medical consultations, examinations, immunizations, planned operations, and visits to all medical establishments have been stopped.

Other measures

Government & other relevant sources

- About the fiscal and monetary policies:

Activities of workers' organizations

Summary

- After lack of any social dialogue in the first weeks of the Covid-19, the chairman of the NSZZ Solidarność, Piotr Duda, signed a program agreement with President Andrzej Duda
on 5th of May. This is a step forward. The problem remains with the Government and the Law and Justice Party, who have used the pandemic to undermine social dialogue in Poland. Due to the severity of the situation, Business Europe and ETUC wrote a joint letter to the Prime Minister of Poland, voicing grave concern

- At the end of April, the Government came out with its third package of “Anti-Crisis Shield”. NSZZ described as an attack on workers’ rights in general. The new regulations would leave the employers with the complete freedom to decide about almost any aspect of the working life on an unprecedented scale. The proposals allow, dismissals, both individual as well as group dismissals, reduction of wages, decisions about half of employees’ paid leave, suspension of collective agreements and regulations, taking over and free disposition of company social benefit funds. All these actions could be taken regardless of the actual situation of the employer and position of trade unions representing workers in the company.
- Trade unions have launched their own campaigns on health and safety for workers, and have called for social dialogue
- One of the campaign areas has been to inform workers about the consequences of the Government actions to undermine dialogue and attack workers’ rights through crisis-response
- Agriculture industry and lack of workers remains a major challenge, and trade unions are advocating for migrant agricultural workers to be allowed to work in Poland, during crises, and for employers to ensure occupational health and safety at the workplaces.

Sources: OPZZ and Solidarnosc

Activities of employers' organizations

Pracodawcy RP has created a website related to COVID-19.

It contains news, opinions, webinars (e.g. on labour market measures, on fiscal and tax support measures, on crisis management, on health and safety at the workplace), and guidance for businesses (e.g. on support measures offered by the government and on safety measures at the workplace).

On 2 March the government presented a first “Package with special measures to tackle COVID-19 crisis” including health system strengthening, fiscal stimulus and monetary policy measures. On 18 March social partners issued a joint opinion regarding this package, emphasizing that the proposed measures do not go far enough in terms of supporting enterprises and jobs. On 7 April, employers and workers in the Social Dialogue Council requested the government to include social partners proposals in the elaboration of further support measures. They also indicated the need to revise the state budget in order to refocus spending on measures supporting the health sector and the economic recovery, and emphasized that the government needs to provide public finance data in a transparent manner. Additional support package was put in place by the government on 17 April, and then in May and in June. On 15 June, Pracodawcy RP published their assessment of the latest support measures, concerning in particular changes in the labour law (telework, use of holidays, changes to the wage subsidies schemes and other issues).
Pracodawcy RP is advocating for increased capacity and availability of Covid-19 testing, as this is a precondition for safe and effective restart of the economic activities. On 24 April, they also inquired about the possibility for employers to finance, on a voluntary basis, the testing of their employees.

Portugal

Stimulating the economy and employment

Stimulus package: the Government announced a 9200 million euros stimulus package to be made available during the 2nd quarter of 2020. This aid includes: i) tax-related measures; ii) financial support; iii) support of social security contributions (link1, link2)

i) Tax-related measures (link)

- Postponement of the enterprise’s advance tax special payment (“pagamento especial por conta”) from March 31 to June 30;
- Postponement of the deadline for submitting Corporate Income Tax (IRC) to July 31;
- VAT, personal income tax (IRS), IRC and withholding taxes can be paid in installments (for companies with a turnover of up to 10 million euros), including self-employed workers. Those that do not fulfil the turnover criteria can benefit from this flexibilization if they have a reduction of 20% of turnover;
- Temporary suspension of tax and social contributions proceedings. Renovated in January 2021 (link);
- Enterprises can, in the 2nd quarter, pay taxes and deliver withholding taxes in 3 monthly installments, without interest or guarantees; or in 6 months.

Subsequent changes and extensions to exceptional tax measures (November 2020, December 2020): link; link2

ii) Business credit line (3000 million) towards more affected economic sectors (link)

- Restaurants and food catering: 600 million, of which 270 million for micro and small enterprises;
- Travel agencies, organization of events: 200 million, of which 75 million for micro and small enterprises;
- Tourism related activities, such as hotels and local accommodation: 900 million, of which 300 million for micro and small enterprises;
- Textiles, clothing and footwear industries, wood related products, extractive industries: 1300 million, of which 400 million for micro and small enterprises.

Relaunched credit lines in January 2021 (link)

Other financial support
• Credit guarantees for most impacted tradable sectors (link)
• CAPITALIZAR credit line of 400 million euros preferably for SMEs (link)
• € 60 million credit line for micro-enterprises in the tourism sector. (link) Support enlarged on 9/9 (link).
• Additional € 250 million export credit insurance (link);
• Exceptional regime for public expenditure authorization and public procurement (link).

**New measures of the Economic and Social Stabilization Programme published on 6/6 (with a time horizon until the end of 2020) - link**

**COMPANIES**

- Reinforcement of the credit lines with State guarantee until the end of the year by €6,8M;

- Credit insurance - better conditions for the use of these instruments.

- Creation of a special vehicle whose object is the acquisition of debt issued by SMEs and the placing of that debt on the capital market, through the issuance of bonds, with the possibility of associating Mutual Guarantee.

- Calls in the global amount of €60M, within real estate investment funds under the management of Fundo de Turismo - SGOIC SA, for Sale and Lease Back operations, with an obligation to invest in modernization and energy efficiency or circular economy, of which €40M goes to Tourism (of which 50% goes to low density territories) and €20M goes to Industry.

- Bank moratorium - extension of the current bank moratorium until March 31, 2021; enlargement of beneficiaries, including emigrants; new eligibility factors related to loss of income that make possible to reach a greater number of people with temporary liquidity restrictions; extension of the moratorium on all mortgage credit contracts for consumer credit for education.

- Adjustment to the rules and forms of payment related to the payment on account due in 2020.

- Disregard of the increase in autonomous taxes owed by companies with profits in previous years and which present tax losses in 2020.

- Changes in the deadline for reporting tax losses.

- Promotion of SME mergers and acquisitions.

- Additional to the solidarity contribution on the banking sector.

- Extraordinary tax credit on investment executed in the second semester of 2020 and first of 2021.

- Creation of a public capital and quasi-capital fund, to be managed by Banco de Fomento, to participate in capitalization operations of viable companies with high growth potential, in strategic sectors and with guidance towards external markets, with extraordinary public intervention and preferential co-investment mechanisms.

- Support business projects and networks of companies and technological and research and development (R&D) centers for the insertion of the national productive fabric in value chains,
namely in European networks of products and services with greater added value.

- **PMECrescer**: SME acceleration program - program focused on mature (> 5 years) and viable companies, in strategic or systemic sectors, lasting 1 year.

- Launch of Productive Innovation and R&D notices of €220M (of which about 30% are allocated to the interior regions), to support companies that redirected their production to current needs (gowns, masks, gels, visors and others types of personal protective equipment, hospital equipment, including ventilators, medicines, diagnostics and medical devices), but also for the scientific system and for supporting research (treatments, vaccines, tests) in the area of COVID-19.

- **Bolsa de Valor**: Programme to facilitate the purchase and sale of companies.

- Launch of the Programme “ADAPTAR 2.0”, in order to assist and encourage micro and SMEs in the secondary and tertiary sectors to update and renew their establishments and production units, modernizing and adapting them in the current context.

- Creation of incentives for the digital transition of the SME business model (in particular for micro and small companies).

- Mobilization of the Trade Modernization Fund, with the objective of encouraging and boosting local trade and the provision of proximity services, in the perspective of innovation in management and cooperation between economic operators.

- Promotion of the Blue Economy.

- Support for agri-food sector investment.

**New APOIAR programme launched in 2020 to support company’s treasury, in particular SMEs (and enlarged in January 2021, extended to 1Q2021) - [link]**

**New measures to support companies announced in January 2021 - [link]**

**New measures to support the cultural sector - February 2021 - [link]**

**New IVAUCHER tax programme to support the Horeca and Cultural sectors - reimbursement of VAT spent in consumption in these sectors - May 2021 - [link]**

**INSTITUTIONAL FRAMEWORK**

- Streamlining public procurement procedures, avoiding investment paralysis as a result of heavy bureaucratic requirements, lengthy legal challenges or other disproportionate legal constraints.

- **Banco de Fomento** - integration of the *Instituição Financeira de Desenvolvimento, SA* **SPGM**, *Sociedade de Investimento, SA* and **PME Investimento** into a single institution that asserts itself as a promotional development bank and that allows exploring synergies through greater articulation and integration of support investment, innovation and the internationalization of the economy.

- Strengthening and rejuvenating the staff of Public Administration.
- SIMPLEX SOS - approval of a law for the simplification of Public Administration procedures that makes administrative activity more agile and faster.

- An exceptional regime for the reduction of legal costs, with a view to encouraging procedural subjects to end the process, by means of an agreement, transaction or mere withdrawal.

- Reinforcement of the staff of the judicial secretariats and magistrates as an increase in demand for the Economic and Social Justice service is expected.

- Implementation of the specialization of administrative and tax courts, enhancing the efficiency and agility of this jurisdiction.

- Improvement of the electronic processing of administrative and tax processes, with a view to introducing mechanisms that make administrative and tax justice faster and more transparent.

- Creation of a new Processo Extraordinário de Viabilização de Empresas (PEVE), of an exceptional and temporary character, which can be used by any company that is in a difficult economic situation or in a situation of insolvency imminent due to the economic crisis caused by the pandemic.

New: Creation of the Capitalization Fund to support the recovery of enterprises - July 28, 2021 - link

New measures to support the recovery of the Tourism sector - October 15, 2021 - link

Supporting enterprises, jobs and incomes

Extending social protection (link1, 2, 3)

- Prophylactic isolation of 14 days equivalent to sickness for the purposes of social protection measures, no waiting period;
- Cash benefit for assistance of child/grandchild in case of sickness extended to cover prophylactic isolation and the assistance to dependent family ascendants;
- Exceptional financial support for employees that must stay at home to accompany their children <12 years of age due to the suspension of classroom activities: of 66% of the base wage (33% employer, 33% social security). Self-employed workers before mentioned the benefit equals 1/3 of average wage. Benefit renewed with the second general closure of schools, from 22 January 2021 onwards (link). On 18/2/2021, in a context of complete schools closures, this benefit was enlarged in scope for certain eligible groups - teleworkers who wish to suspend telework and take care of dependents if: i) single parents; ii) parents with young dependents up to primary school education level; or iii) the household includes a dependent with disabibility (>60%). Benefit level was increased to 100% of base wage for single parents and for parents that share this income support between them - link;
- Automatic extension of unemployment subsidies and all benefits that guarantee minimum subsistence levels due to end in the coming months (link);
- Second automatic extension of the unemployment social subsidy (means tested) due to terminate until December 31, 2020 (link).
• Flexibilized access to social assistance unemployment subsidy by lowering past contribution requirements (link);
• Flexibilized access to social insertion income (poverty targeted minimum income scheme) by reducing redtape and eliminating the requirement to celebrate and insertion contract (link);
• Temporary flexibilization of access to unemployment subsidies by reducing the minimum contributive history requirements from 360 to 180 days in the 24 months prior to unemployment occurred during the pandemic. These exceptional rules will remain in force until December 2020 (link);
• New meanstested benefit targeted at informal workers and those who have no past contributions to the social security system conditional on them becoming contributors (link). In July, amount of benefit was doubled and coverage increased to include independent workers with income loss (link). New regulation of benefit in January 2021 (link);
• Supplementary instalment in September of the family benefit (abono de familia) for beneficiaries below 16 years of age belonging to the 1st-3rd income brackets (link).
• Extraordinary income protection for managers and managing partners of micro and small enterprises for one month, renewable up to six months (link).

**Employment retention**

• Simplified temporary lay-off scheme: support for the maintenance of employment contracts for companies in crisis equal to 2/3 of the wage, (70% paid by social security, 30% by the employer)(link). Within this regime there is also an exemption of payment of employer’s social security contributions up to 3 months (link), an extraordinary financial incentive for the normalization of economic activity (minimum wage per worker) and an extraordinary support for part-time professional training plan (link1,2); Extension of the scheme until the end of July and creation of a one-off compensation for layed-off workers, earning up to 2x the national minimum wage, for loss of income (“stabilization supplement”), between 100-351 euros paid in july (link);
• Support for a progressive recovery - measure that replaces the simplified temporary lay-off (more below);
• Access to credit lines and to the simplified lay-off regime are subject to the condition of no dismissals (link).

**Assistance to business**

• Financial support to compensate the reduction of economic activity of self-employed workers (link, link2) and possibility to defer payment of contributions (link);
• Moratorium of 6 months on loans taken by companies, third sector entities and families affected by the crisis (link). Extended for an additional 6 months until september 2021 (link);
• PT 2020 (EU funds): new rules to allow for more speedy payments and greater flexibility (link1; 2; 3);
• Postponement of the payment of 2/3 of employer’s social contributions – companies with <50 workers are eligible and those with 50 + and at least 20% drop in revenue (link1, 2).

**New measures of the Economic and Social Stabilization Programme published on 6/6** (with
EMPLOYMENT

- ATIVAR.PT: Hiring subsidies, especially targeted at young and long-term unemployed, with top-ups for vulnerable groups, job creation in inland territories and larger financial incentives for open-ended contracts (~5,000 euros per employee). Includes also a bonus for the conversion of fixed-term to open-ended contracts. Requires that the employer maintains positive net job creation and that training is offered. Regulated on 27/8.

- ATIVAR.PT: Internships to support integration of young workers in the labour market and the vocational conversion of unemployed and inactive workers. First call for applications opened on 1/10 up to 18/12.

- ATIVAR.PT Professional Training - based on training and requalification programs: review and reinforcement of training and reskilling qualification program responses for the unemployed; specific training programs for emerging sectors (digital economy, energy and climate change and social sector). On October 23 the “Jovem+Digital” programme was launched directed at the development of digital skills of youth with at least secondary education.

- Professional re-qualification through higher education: short initial training in polytechnic higher education; encouraging the inclusion of active adults in higher education (over 23 years old); Postgraduate courses with employers, scientific institutions and innovation centers.

- Support for Hiring Highly Qualified Human Resources (graduates, masters, doctorate degree), especially in the Portugal’s interior regions.

- Support for a progressive recovery - measure that replaces the simplified temporary lay-off and whose main assumptions are: (i) the progressive convergence of the worker’s remuneration to 100% of their wage; (ii) payment by the company of all hours worked; (iii) the progressive reduction of the exemption from employer’s Social Security contributions and the compensation of the loss of social security contributions revenue by the State Budget.

- Extraordinary financial incentive for the normalization of business activity - for companies that have benefitted from the simplified lay-off regime or from the Plano Extraordinário de Formação (PEF).

- Income protection - creation of the Suplemento de Estabilização with the objective of providing extraordinary support to workers who had a reduction in income because of temporary lay-off.

- Economic promotion of employment in Culture.

- Proximity construction works’ interventions (includes social equipments);

- Telework - increase the number of Public Administration workers in telework (1/4 of workers by the end of the legislature).

- Working in the interior - a set of measures to stimulate job creation and the establishment of workers and their families in the interior regions of the country.
**SOCIAL** (link)

- Poverty targeted measures, through changes in minimum income schemes (*Rendimento Social de Inserção, Subsídio Social de Desemprego*) and the Food Programme. National Social Radar Program for signaling and monitoring of elderly people and *Adaptar Social +* for the training of social responses regarding the prevention of COVID-19;

- Support to youth and childhood through the reinforcement of family allowance and School Social Action (income support schemes) in the transition between cycles in higher education;

- Housing - conversion of Local Accommodation towards affordable rental offers, protection of housing leases, *Bolsa Nacional de Alojamento Urgente* and Housing First and public housing stock at affordable costs.

**Protecting workers in the workplace**

**NHS**

- Exceptional human resources regime for the National Health Service, which includes: suspension of overtime limits; simplifying the hiring of workers; worker’s mobility; hiring of retired doctors without the limit of age; postponement of holidays to ensure the effectiveness of the response to the COVID dissemination ([link](#)). Improvement of access to the NHS ([link](#)).

- Financial compensation and additional annual leave days as compensation for overtime work for NHS professionals involved in the prevention and treatment of COVID-19 ([link](#)).

**Telework**

- Workers can unilaterally decide to start telework given that their function is compatible with working at home. From 16 March onwards public servants were also offered this possibility ([link](#));

- During the state of emergency telework is mandatory given that the job function is compatible with working at home ([link](#));

- State of contingency renewed on 11/9 with some changes to working time arrangements in the Oporto and Lisbon regions, including the possibility of part-time telework, differentiated arrival and departure times for employees, differentiated times for breaks and meals ([link](#));

- Exceptional and transitional regime for reorganizing work and minimizing the risks of transmission of COVID-19, including mandatory telework - november 2020 ([link](#)).

**Work absences**

- Justified absences for workers who have to stay at home to accompany their children <12 years of age due to the suspension of classroom activities and those 12+ that suffer from chronic disease or incapability ([link](#), [link2](#)).

**Migrants**

- During the state of emergency all pending processes for the legalization of foreign
nationals/asylum seekers, among others, at the SEF (service for foreigners and boarders) will automatically be approved. Moreover, all authorization documents that expire during the state of emergency period remain valid during this period (link).

- New hiring support ACTIVAR.PT will have a special 10% top-up for the hiring of unemployed refugees (link).

**Labour inspectorate**

- During the state of emergency and the state of calamity the Portuguese Labour Inspectorate (ACT) has strengthened powers and resources to intervene in cases of suspicion of illegal dismissals (link 1, 2, 3).

**Relying on social dialogue for solutions**

- Regular extraordinary meetings of the tripartite Permanent Commission for Social Dialogue (CPCS) have been taking place in March-June related to COVID-19. The Government consulted with the employer’s organizations and trade unions regarding policy responses to the crisis and presented a set of measures to the social partners to support company’s treasury and to support jobs and social security. They were also consulted on the preparation of the European Council meeting (link, link2).
- Between March 2020 and February 2021, 25 tripartite CPCS meetings were held of which 19 specifically included COVID-19 related topics on the agenda;
- On March 16 the social partners (with the exception of the trade union CGTP) signed a joint declaration encouraging and supporting the Government’s efforts to respond to the crisis so as to achieve a quick economic and social recovery and recommending a set of actions to support the NHS, companies, jobs, and the coordination at the EU level for a timely adoption of the necessary economic and financial measures without the constraints of excessive deficit procedures. (link)
- The Government has held periodic meetings joining scientists and health experts, state representatives (including the President of the Republic and the President of parliament), state councilors, representatives of political parties and social partners to discuss latest data and projections. (link) These meetings were suspended in July and August and resumed at the beginning of September. Between March 2020 and February 2021, social partners participated in 14 of these meetings;
- On April 13 members of civil society and representatives of employer’s and worker’s organizations (CIP, UGT) address a joint letter to the president of the republic, president of parliament and prime-minister with a list of measures for the next phase of response to the crisis (post-lockdown)(link)
- On May 15 a tripartite joint-declaration was signed (by the employer’s confederations - CIP, CCP, CTP, CAP - and by UGT trade union) to support the strategy of a phased resumption of economic activities expressing a commitment to maintain active collaboration and dialogue between the parts in order to continue to support companies, jobs, workers and families in the critic times ahead (link)
- In May and June several tripartite meetings of the Permanent Commission for Social Dialogue took place to discuss the policy responses to the crisis, the European Council and the new measures of the Economic and Social Stability Plan (link);
In July the main topic of the tripartite discussions were centred on the new employment retention mechanism to succeed the "simplified temporary lay-off scheme";

In September tripartite discussions within the Permanent Commission for Social Dialogue were mostly centred on the beginning of work connected to a new Green Book on the Future of Work and a review of the measures adopted in response to the crisis;

In October the main theme was the preparation of the 2021 state budget and the discussion of the maintenance of some measures and creation of new measures to respond to the crisis. Moreover, new areas of change and reform were presented by the government to the social partners, inviting them to share thoughts and concerns, in domains such as telework, right to disconnect, regulation of digital platform workers as well as more permanent topics such as: tackling segmentation, updating the minimum wage, promoting collective bargaining, supporting companies and employment, which will be topics of discussion over the following months.

On October 30 the government proposed to the social partners, in a CPCS tripartite meeting, an exceptional suspension of the time limit after which the non renewal of collective agreements leads to them becoming invalid ("sobrevigência"). The Government proposed a law that would suspend for 24 months these deadlines, contemplated in the Labour Code, a measure intended to avoid a drop in collective bargaining coverage at times of crisis. The new legislation was approved in parliament on 20 January 2021 (link).

A Green Book on the Future of Work started to be developed, coordinated by the government and in consultation with the social partners and civil society. A draft taking account tripartite discussions was presented in June 22 and is in a phase of public consultation - link;

Following the discussions around the Green Book on the Future of Work several measures and amendments to the Labour Code were presented to social partners on July 21 to promote a Decent Work Agenda and the support of young workers in the labour market. These measures include incentives to reduce segmentation and temporary work - link;

Tripartite agreement on skills and vocational training was signed by the Government, the employer's organizations (CAP, CTP, CIP and CCP) and one of the trade unions (UGT) - link.

Other measures

- Exceptional and temporary regime to support the delay in (housing and non housing) rental payments due to income losses. Debt must be repaid in instalments over the period of 12 months in addition to normal monthly rent payments. The National Institute for Housing and Regeneration will make available zero-interest loans to support tenants and landlords with income losses (link);
- Suspended cessation of house rental contracts due to end in the following three months and suspension of foreclosures of permanent residence (link);
- Extension of the extraordinary regime for the protection of tenants - September 2020 (link);
- Certain school establishments remain open to receive children of workers belonging to...
essential services (health professionals, fireman, armed forces, management and maintenance of essential infrastructure and other essential services) (link, link2);

- New legal dispositions that protect cultural agents as well as consumers impacted by the government’s decision to suspend cultural and artistic activities (link)
- Exceptional financial support for the arts (1M euros) (link), and other measures targeted at the cultural sector (link).
- The government, in collaboration with tech companies, has made available a set of free tools in Portuguese to support telework, with a contact centre for support. (link);
- Exemption of user chargers in the NHS related to diagnostic and treatment of COVID19 (link);
- Possibility of monthly withdrawal from retirement savings plans up to Euro438,81 (social support index - IAS) (link, link2).
- Exceptional financial support for social equipments (e.g. old-age homes/day centres) – supporting socially necessary work targeted at unemployed, workers on lay-off, part-time workers and students (18+). The public employment service supports 90% of the financial support (link). “Employment premium” for the permanent integration of workers (link);
- Suspension of termination of essential services due to non-payment (water, electricity, natural gas, telecom). (link)
- Credit moratorium initially of 6 months (until september 30) on loans to families and companies affected by the crisis, allowing the suspension or delay of payment of bank loans (link). Extended until march 31 of 2021 and coverage enlarged (link).
- Economic and Social Stability Programme launched on June 6 – new measures for the second phase of response to the crisis, the phase of “stabilization”. These include the creation of a “development bank” (banco de fomento) (link).

New Social Protection and income support measures approved in the context of the State Budget for 2021 – to be applied in 2021 (link):

- Exceptional extension of the unemployment subsidy by 6 months for benefits due to end in 2021 (link)

- 10% top-up of unemployment subsidy for households with two recipients and children and for single-parent recipients;

- Extraordinary financial support for unemployed and very low wage earners (the difference of income/benefits to 501,16 euros/month)

- Flexibilized access to the subsequent social assistance unemployment subsidy;

- Increase of minimum levels for unemployment benefits (from 1xIAS to 1,151IAS);

- Free nursery for children of low income households (2nd income bracket);

- Workers on simplified lay-off will have 100% of net income guaranteed (up to 3xMinimum wage);

- In the first semester of 2021 water, electricity and gas cannot be cut-off due to non-payment;

- Application to credit moratoria extended to march 31. Further extensions until december 31 (link);
- Sick leave for health professionals infected with COVID-19 paid at 100% of reference income (the same as public servants). Extension to December 31, 2021 (link);

- Increase of 100 euros of annual non-taxable income threshold to 9315 euros/year (“minimum existence”).

**Government website with all relevant information, measures, documents** (link) and related mobile app (link)

All covid19-related legal documents by **chronological order** (link)

All covid19-related legal documents by **theme** (link)

### Activities of workers' organizations

**Summary**

- Trade unions have requested postponement or exemption from the payment of social security contributions, postponement of the payment of taxes, cost reduction with gas, electricity and water, the non-possibility of cuts in these essential services, support to rents

- UGT-P has insisted on the need to respect fundamental principles

- CGTP-IN showed great concern with the declaration of State of Emergency by the Portuguese President and with the Law-Decree of the Socialist Party government that implemented it, namely regarding the limitation of workers’ fundamental rights, freedoms and guarantees. CGTP-IN keeping close watch and vigilance in relation to the contention of the epidemic outbreak

- CGTP-IN will continue to monitor and to intervene against all abuses that may be practiced in this situation, fulfilling our role in defense of workers’ rights and in the search for solutions for the national problems, always acting with the responsibility that characterizes our trade union action

- CGTP-IN is demanding government measures that guarantee workers’ wages and rights and the end of employer abuses and illegal actions, such as dismissals, termination of short-term contracts, compulsory fixing of holiday leaves, unilateral change and increase of working hours, elimination of pauses

**Sources:**

- https://www.ugt.pt/comissoespagina/informacao-1456
Activities of employers' organizations

- The Confederação Empresarial de Portugal (CIP) has established a website related to COVID-19. It contains CIP press releases, newsletters with updates, guidelines for companies published by various state agencies, relevant legislation pertaining to the crisis, information on support actions taken at EU level and in other EU countries.
- On 18 March, CIP published its proposals:
  - **Liquidity support** was a priority, including the reinforcement of credit lines for companies, simplification and extension of access conditions, and interest rate subsidies
  - **Moratorium on compliance with tax obligations**: CIP proposed the suspension of deadlines for all tax and contributions, as well as declarative obligations
  - **Reduction of social security contributions** to one third in March-May introduced by a government - CIP assesses this measure positively
  - Facilitation of granting of moratoriums on bank loans for SMEs
  - Further adaptation of the support regime for maintaining jobs, to make it faster and clarify conditions of its application.
- CIP also advocates for more coordinated actions at the EU level to relaunch investment and support employment and business survival.
- CIP is in regular dialogue with the government and with trade unions.
- CIP has proposed an "Extraordinary Plan to Support Portuguese Economy" as a response to Covid-19 pandemic, provided to the Government and the President of the Republic and disseminated through the media.

Romania

Stimulating the economy and employment

Monetary Policy

- The Ministry of Public Finance (MoPF) has taken measures to optimize the use of the available funding and explores fundraising for post crisis recovery. The MoPF and the Ministry of Economy (MoE) have announced they jointly reached out to EBRD for this purpose.
- The MoPF has announced that quarterly allocation of transfers of budgetary and commitment credits will be approved within 5 working days from the date of claim.

Supporting enterprises, jobs and incomes

Social protection
• **Social contributions waivers** and potential restructuring of such contributions have been announced by the Government.

**Employment retention**

• **Wage subsidy for workers in temporary (technical) unemployment** The MoPF has announced the Government will cover up to 75% of wages, but not exceeding 75% of the national gross average salary, of workers who are employed, but unable to work in companies which had to suspend activities following government-imposed restrictions and in companies whose turnover was reduced by at least 25% due to the pandemic (as proven by a government-issued certificate).

**Assistance to business and business continuity**

• **Loan guarantees for SMEs.** The Government issued an emergency ordinance that increases the total value of loan guarantees for investments and working capital SMEs. In the case of micro and small enterprises, the guarantee will cover 90% of the principal value of the loans (for loans up to RON 500,000 (USD 111,615) for micro enterprises and RON 1 million (USD223,347.92) for small enterprises). It will cover up to 80% for loans drawn by larger SMEs.

• **Subsidy of loan interest for SMEs.** MoPF shall subsidize 100% of interest on the guaranteed loans/credit lines for the financing of working capital and investment for SMEs in the percentage of 50% of the MFP budget under a state/de minimis aid scheme associated with this program. The subsidy will be maintained until 31st March 2021.

• **Force majeure claim of SMEs for delayed payments of utilities and rents.** SMEs which are issued the “emergency situation certificate” by the Ministry of Economy can renegotiate their contractual terms and delay payments with utility providers and landlords on the ground of "force majeure".

• **VAT Reimbursement.** The Government announced that it will be reimbursing VAT of up to 9B RON (USD21.87) to ensure companies have the operational capital during this crisis.

**Protecting workers in the workplace**

**Access to paid leave**

• **Paid leave for parents.** One of the parents who is taking care of children less than 12 years old (whose schools were closed) were granted paid leave at 75% of the salary per working day, but not more than 75% of the national gross average salary (RON 5,163, aprox. USD1,152).

**Other measures**

**Government & other relevant sources**

Activities of workers' organizations

Summary

- Trade unions have raised concerns over the lack of social dialogue in Romania. The main concern is that alternative dialogues on Covid-19 response is taking place with foreign investors and business interests, but without trade unions.
- Romanian trade unions are promoting online education as a (temporarily) replacement of traditional workers' education
- Trade unions in Romania has a cooperation with German unions on online (or phone) support to Romanian workers stuck in Germany during the Covid-19 response. The service gives information on rights and the general situation to workers.

Sources: Fratia, BNS and Cartel Alfa

Russian Federation

Stimulating the economy and employment

- Consumer loan and mortgage holidays
- Provision of the right to temporarily stop debt servicing and reschedule it for people whose monthly income declined by over 30%
- Extension of the terms of payment of insurance premiums for SMEs for 4-6 months, as well as for organizations and individual entrepreneurs from the list of the most affected sectors, depending on the reduction in income or the presence of losses deferred (by 3 months, by 6 months, by 9 months and by one year) or installment plan (for a period of 3 years, 5 years) for insurance premiums
- Temporary deferral of rent for leasing state or municipal property
- Amendments to the Budget Code to guarantee support to export products
- Securing at least 75% of the volume of salary loans by guarantees of the Bank for Development and Foreign Economic Affairs (Vnesheconombank), which will reduce risks for commercial banks and increase the availability of credit resources
- Provision of new special loans for systemically important enterprises with interest rates on such loans subsidized by the state
- Support to the Federal Agency for Youth Affairs to organise actions of volunteers-doctors on medical support (242 mln rub)
- Support to building sector making it free from any sanctions to avoid bankruptcy
• A 6-month moratorium on bankruptcy claims by creditors against companies and on the recovery of debts and penalties, particularly for businesses operating in the most affected sectors.

• Allocation more than 23 bln rubles to support aviation companies.

• Compensation for tour operators for their financial losses, particularly concerning non-refundable air tickets.

• Allocation of 3.5 bln rubles to reimburse the costs of tour operators related to non-refundable air transportation tariffs, as well as the organization of deportation of tourists from foreign countries in which unfavorable epidemiological situation have developed.

• Provision of access to easy loans for shops to maintain reserves of essential products.

• To stimulate its economy and employment, the government of the Russian Federation has implemented various policies and measures. It has set consumer loan and mortgage holidays. The right to temporarily stop debt servicing and reschedule it is provided for people whose monthly income declined by over 30 percent. Additionally, the government announced a 3 month deferral on insurance contributions and a temporary deferral of rents for leases of state-owned or municipal properties.

• Financial reserves for the anticrisis measures for up to 300 bln rubles are being made available.

• A guarantee fund for restructuring loans given to the affected companies, is established.

• Fiscal policy:

  decreasing tax burden to SMEs. Fiscal control of SMEs has temporarily stopped.

• Monetary policy:

  amendments to the Budget Code to guarantee support to export products.

  support to families with low income in the form of subsidies and support to families with children aged 3-7 y.o. (136 bln rub).

  subsidies to loan organisations to allow SMEs postponing loan return (5 bln rub).

• Support to specific sectors:

  support to the Federal Agency for Youth Affairs to organise actions of volunteers-doctors on medical support (242 mln rub).

  support to building sector making it free from any sanctions to avoid bankruptcy.

  compensation to loan organisations decreasing income linked with the loans given to SMEs from affected sectors (2,6 bln rub).

• Particularly for businesses operating in the most affected sectors, the government has announced a 6 month moratorium on bankruptcy claims by creditors against companies and on the recovery of debts and penalties. Compensation for tour operators for their financial losses is provided, particularly concerning non-refundable air tickets. In addition, provision of access to easy loans is provided for shops to maintain reserves of essential products (groceries, children’s products, medicine, medical goods, etc.).
Supporting enterprises, jobs and incomes

- Increase of the monthly unemployment benefit from 8,000 rubles to the minimum wage amount of 12,130 rubles
- The payment in April, May, June of the maximum amount of unemployment benefits of 12,130 rubles to unemployed citizens dismissed after March 1, 2020, regardless of the duration of their service and the level of earnings at the previous place of work
- Increase of the amount of unemployment benefits in April, May, June to one of the parents dismissed after March 1, 2020, at the rate of 3,000 rubles for each minor child.
- Introduction of a remote procedures in finding suitable jobs, registering unemployed citizens, paying unemployment benefits.

Protecting workers in the workplace

- Adoption of provisional rules for the remote issuance of sick leave and sick leave for people arriving from countries where new cases of coronavirus infection (2019-nCoV) have been reported, and citizens 65 years of age and older who observe self-isolation
- An increase in the amount of temporary disability benefits for persons with a short insurance record and earnings by establishing its minimum amount - not less than the minimum wage established by federal law, and in areas in which the district coefficients are applied in the established manner wages, - in the amount not lower than the minimum wage, determined taking into account these district coefficients.
- The Russian Tripartite Commission for the Regulation of Social and Labor Relations adopted the Declaration and Recommendations on the actions of social partners, workers and employers in the context of preventing the spread of coronavirus infection in the Russian Federation, which are posted on the website of the Government of the Russian Federation.
- Recommendations on the application of various working hours, on the organization of work and the observance of the rights of workers during non-working days are available on the official website of the Ministry of Labor of Russia.
- Development of Recommendations on the use of flexible forms of employment in the context of preventing the spread of new coronavirus infection in the Russian Federation
- The Russian Federation has worked on expanding access to paid leave. The government developed temporary rules for remote issuance of sick leave notes and sick pay for quarantined workers for their convenience. To provide sufficient payment for sick leave for young people who might not have worked for long, calculation of sick leave payments will be made based on the amount of at least one minimum wage payment a month rather than period of work and salary (until the end of 2020).

COVID-19 Vaccination

In accordance with the Article 51.1.6 of the Federal Law On sanitary and epidemiological well-being of the population # 52-FZ and Article 10.2 of the Federal Law On immunization
against infectious diseases # 157-FZ, the decisions on mandatory workplace vaccination are delegated to Regional Chief State Sanitary Doctors. The Orders of Regional Chief Sanitary Doctors established mandatory workplace vaccination in the following regions:

- Moscow and Moscow Region, starting on 1 July 2021, with at least 60% of personnel to be vaccinated. Employers are obliged to submitted the information on vaccinated staff to public authorities through the e-service portal (mos.ru);
- Kemerovo, starting on 17 June 2021. The vaccination with the second dose is required to be completed by 17 August.
- Sakhalin, starting on 21 June 2021. At least 60% of workers in service sector have to be vaccinated;
- Orenburg Region, reported on 22 June 2021. Mandatory vaccination is prescribed for employees of public sector institutions;
- Kaliningrad, starting on 23 June 2021. Compulsory vaccination of at least 60% of workers is required in transportation, catering, education, trade and healthcare;
- Krasnodar Territory, reported on 23 June 2021. At least 60% of tourism sector workers have to be vaccinated with at least first dose by 23 July;
- Smolensk, Tambov, Bryansk, Transbaikal Territory, Khakassia, Altai Territory, Buryatia, reported on 26-28 June 2021. Mandatory vaccination is required for all personnel working with public, including all staff working in retail and wholesale, catering, entertainment and culture, public services, health and beauty, sports industry, education, social services and others;
- Leningrad region, Tver, Murmansk, Tula, Nizhniy Novgorod, Nenets Autonomous Area (date unknown). Mandatory vaccination is introduced for certain categories of public-facing workers,
- Omsk Region, reported on 5 July 2021. Vaccination of 60%-80% of public facing workers is required.
- Rostov Region and in Khabarovsk Territory, reported on 1 July 2021. Mandatory vaccination of service sector workers is required.

As of 29 September 2021, 47 entities of the Russian Federation have introduced mandatory workplace vaccination for certain sectors and categories of workers.

On 23 July 2021, the Ministry of Labour and Social Protection of the Russian Federation and the Federal Service for Surveillance on Consumer Rights Protection and Human Welfare (ROSPOTREBNADZOR) issued a joint explanation on the organization of vaccination at workplace and the procedure for recording the percentage of vaccinated. The explanation reconfirms the possibility to introduce mandatory workplace vaccination in certain sectors and occupations, depending on the epidemiological situation. The explanation also states that employees who have no medical restrictions to vaccination have the right to refuse to vaccinate. However, they could be suspended from
work without pay until epidemiological situation improve, in line with Article 76 of the Labour Code of the Russian Federation. The explanation also recommends employers to limit the presence of personnel with medical restrictions to vaccination to 20% at workplace.

Relying on social dialogue for solutions

Russian trade unions have agreed with the Government the compensation benefits for quarantined and self-isolated workers as they will be treated as being on sick-leave. The Federation of Independent Trade Unions of Russia (FNPR) has initiated on 20 March 2020 a proposal to the Russian Tripartite Commission for Regulation of Social and Labour Relations to adopt a set of recommendations that will provide guidance for the employers and employees on how to regulate working arrangements, wages and other conditions during teleworking.

In employers’ and workers’ organizations, bodies similar to the government’s coordination council have been created. The Russian Tripartite Commission for Regulation of Social and Labour Relations approved a Declaration on 27 March 2020, which stated that urgent coordinated actions are necessary in areas including maintaining the competitiveness of organizations and protecting the labour rights of workers, ensuring stability of the labour market and sustaining citizens’ incomes. For these, it also called on tripartite bodies’ interaction based on social partnership; participation of employers and workers in cooperation to implement recommendations by the state authorities; and necessary measures by state and local authorities to support employers, workers and their families and maintain social and economic stability. Tripartite Commissions are working on covid19 crisis mitigation measures in the Russian regions as well.

The Russian Tripartite Commission for Regulation of Social and Labour Relations has issued Recommendations on conduct of the social partners, workers and employers, under conditions imposed to prevent the spread of the coronavirus in the Russian Federation.

Other measures

Regional authorities in the Russian Federation have been authorized to design and implement regional level anti-crisis measures. At the same time, an additional 200 bln rubles were directly allocated to ensure the sustainability and balance of regional budgets, towards the implementation of regional measures to support employment and business activity, towards the payment of benefits and salaries to state employees, to solve the most urgent social issues and to help people.

Some examples of local anti-crisis measures:

Regional compensation payment to the unemployed is now the total amount of existing unemployment benefits and a new payment of 19,500 rub ($250)/month. The payment will be assigned automatically, without statements. (City of Moscow)

Provision of support packages for businesses, which are worth 25 bln rubles (around 388m US
dollars). Over 13 bln rubles will go towards compensation for rent and tax payments, and around 11.5 bln rubles for tax postponement. (City of Moscow)

Offering free hotel accommodation and taxi rides to and from work to healthcare workers involved in treating COVID-19 patients (City of Moscow)

Activities of workers' organizations

Summary

- The Ministry of Labor and Social Protection of the Russian Federation substantially changed the draft Decree of the Government of the Russian Federation, establishing a special procedure for regulating labor relations during Covid19 pandemic until the end of 2020. The provisions that caused the disagreement of the trade union side of the Russian Tripartite Commission for the Regulation of Social and Labor Relations (RTK) were removed from the draft. The trade union side of RTK came up with a single agreed position when discussing the issue. The new version of the document has already arrived at RTK. The original version of the draft Government Decree provided for the introduction of a number of standards that significantly worsen the situation of employees. In particular, the possibility was established of reducing, from two months to two weeks, the period for notifying an employee of a change in the conditions of the employment contract and the work schedule at the initiative of the employer. At the same time, the employer could offer the employee virtually any new terms of the employment contract, including in terms of reducing wages and working hours. Refusal of the employee from the new conditions was the basis for the dismissal of the employee with the payment of benefits in the amount of two-week earnings only.

- FNPR and the State Pension Fund of the Russian Federation have signed an agreement on helping the members of the trade unions in collecting necessary documents and arranging other formalities to timely apply for direct payments in the amount of five thousand rubles a month for every child under the age of three during April - June 2020, in accordance with the Presidential Decree “On Additional Measures of Social Support for Families with Children” during the pandemic. They will also help those who are eligible to receive a lump sum of 10,000 rubles for each child aged 3 to 16 years starting from June 1, 2020. As per the agreement the Pension Fund has sent the recommendations to its branches across the country instructing to cooperate with FNPR regional organizations in order to: determine the full circle of persons entitled to appropriate payments; explain these persons the procedure and conditions for the assignment of payments; assist them in filling out applications by eligible persons; reaching out remote settlements where the workers may not have access to necessary information.

Sources: FNPR and KTR

For more information, see also:

- http://www.fnpr.ru/n/320/
Activities of employers' organizations

The Russian Union of Industrialists and Entrepreneurs (RSPP) has set up an “Anti-crisis 2020” website on which it provides - and regularly updates - comprehensive info and advice to business related to COVID-19, including

- Measures taken by the government
- RSPP proposals to the government to tackle the crisis in various areas, including social and labour relations
- International practice
- Materials developed by partners.

RSPP created a special portal “Situation center of RSPP” that provides up to date information on operational data related to COVID at global and national level, as well as the economic situation.

RSPP cooperates with other EBMOs in the country and though their joint Coordination Council they sent a joint proposals on the implementation of measures to support enterprises to accelerate their exit from the crisis situation and successful post-crisis development.

RSPP has also formed a Coordination Council for countering the coronavirus infection. The Council meets regularly to develop RSPP ‘s positions and responses to COVID-19. It also publishes a daily bulletin on the situation of COVID-19 pandemic, with information for enterprises.

RSPP also adopted a Guide on COVID-19 to help businesses tackle the situation.

In cooperation with Export center, RSPP provides enterprises with feedback portal where they can report their current or potential problems related to export.

RSPP published information and recommendation for Employers on how to arrange tele-work.

RSPP supported the policy package proposed by the government and it is in continuous communication with the government.

RSPP together with FNPR and the Ministry of Labour issued a joint Statement on COVID-19 tripartite response.

RSPP also provides information on the business approach and response to COVID-19 at sectoral level on a dedicated part of their web site.

RSPP engages in a strong advocacy effort with governmental institutions advocating for adequate anti crisis measures and business support measures. Their crisis related public addresses and proposals to various institutions can be found here and their policy proposals here.
Stimulating the economy and employment

In order to mitigate the economic impact of the COVID-19 crisis, the Government of San Marino adopted a number of fiscal measures to support workers, enterprises and the economy. The main measures included in the package can be divided into three main types: (i) postponement of tax payment; (ii) direct financial support to workers and enterprises; (iii) reduction and/or suspension of payments of tax obligations.

Postponement of tax payments

- **Postponement of the payment of income taxes**: The government introduced a postponement of income tax payments for private enterprises.

- **Postponement of contributions for enterprises**: The payment of contributions may take place, on an extraordinary basis, in instalments for the months of January-June 2021. Instalments are granted without the application of penalties for a maximum of twelve monthly instalments, with the application of a fixed interest rate of 2%.

Direct financial support to workers and enterprises

- **Passive rents**: For companies that have suspended their activities as a result of measures to contain the spread of the virus, this measure recognizes a tax credit of 60% of the rent amount to be paid, starting from the months of March and April 2020 and until the end of the health emergency.

- **Reduced rates for self-employed workers**: Self-employed workers who have experienced a decrease in turnover of at least 60% may be eligible for tax cuts. This measure applies to self-employed workers with income at or below the minimum income in 2019.

- **Guaranteed minimum income for families in conditions of financial vulnerability**: This support is paid from March 2020 until the end of the health emergency. The amount of the minimum income is 650 euros per month per family.

Reduction and/or suspension of payments of tax obligations

- **Derogation for payments of social security contributions**: Self-employed workers are exempt from paying the first instalment of social security contributions. The calculation of the second instalment is made with rates reduced by 50%.

- **Suspension of loans and financing to families**: The Government has introduced a suspension of the payment of instalments or leasing fees for mortgages and other loans. To support the liquidity of households, a guarantee is established on loans granted by financial institutions in San Marino. The guarantee on loans covers a maximum amount of 10,000 euros for loans with a duration of no more than three years, with the possibility for the applicant to take advantage of a grace period of up to six months.

- **Suspension of taxation for certain categories of self-employed individuals**: In order to support business activities affected by the pandemic, self-employed workers can request the suspension of the payment of the principal of mortgages or of other financing.
Monetary policy and access to credit

- **Credit guarantee**: The State guarantees the repayment of loans granted by the Central Bank to private banks in support of families, businesses, self-employed workers and farmers during the COVID-19 pandemic. This guarantee applies to loans contracted until March 31, 2021.

- **Access to credit**: The Extraordinary Fund has to provide subsidized loans to businesses; financing of public or private infrastructure projects; non-repayable loans to businesses and families and support the National Fund for Employment retention.

Main legislative decrees

- Decree-Law n.124/2021;
- Decree - Law n.85/2021;
- Decree-Law n.224/2020;
- Decree-Law n.193/2020;
- Decree-Law n.52/2020.

The list of the measures adopted in San Marino are available on the official website of the Grand General Council.

See also the website of the ILO Office for Italy and San Marino, resources and materials section, COVID-19 Observatory and the world of work in Italy and San Marino

Supporting enterprises, jobs and incomes

In order to retain employment and support incomes, the Government of San Marino introduced the following extraordinary measures:

- **Employment retention scheme**: Am employment retention scheme with income support for workers during periods of temporary disruption due to the COVID-19 emergency. The amount of the subsidy is computed based on the following brackets: 70% for the 1st two-month period; 78% for the 2nd two-month period; 82% for the 3rd two-month period. In order to access the employment retention scheme, workers must have already used their annual leave. Access to the scheme is not allowed for employees with tenure below 15 days and certain categories of workers in non-standard forms of employment.

- **Reduction of the net remuneration (public sector)**: In order to align the treatment of workers in the public and private sectors, public employees affected by the reduction in activities are granted reduced pay for periods of absence from work and hours not worked.

- **Sickness allowance**: For common diseases, the economic allowance is paid, for the entire duration of the emergency and no later than 31 December, at a rate of 60% for the first 14 days and subsequently at 86%. For accidents at work and pregnancy, the economic allowance is fully paid. The temporary economic allowance for frontline workers is paid as professional injury from the date of the positive result of the serological test for COVID-19 and covers the entire subsequent period of absolute temporary incapacity for work.

- **Pension Allowance**: The Government introduced the possibility of an early disbursement
of pension entitlements related to the year 2019 for public employees. Certain categories of workers are excluded from the application of this measure (e.g. employees of the Gendarmerie Corps, Police, Civil Protection, and Health Authority as well as employees of health and social services).

- **Extraordinary measures for occasional work** the use of occasional work is allowed in all private economic sectors in the following cases:
  - Replacement of workers absent due to illness/quarantine due to COVID-19 infection for the duration of the illness/quarantine;
  - Replacement of workers absent for extraordinary parental leave or any additional voluntary abstention;
  - Replacement of workers absent due to illness or for agreed leave and in any case up to a maximum of 30 days;
  - Replacement of workers absent due to resignation up to a maximum of 15 days. The service may also be carried out on a continuous basis with no limitation on the number of days, without prejudice to the right to rest provided for by the law or in collective agreements.

Limits to occasional work: a) activities of the catering sector, hotel hospitality, commerce, craft service and artistic, agriculture and services: 500 hours per year per worker and 1,500 hours per year per economic operator; b) craft sector: 300 hours per year per worker and economic operator.

## Protecting workers in the workplace

- **Enhanced health measures**: Enhanced occupational safety and health measures adopted with national guidelines on the implementation of measures that comply with the requirements of the World Health Organization. Enterprises that cannot respect these criteria should discontinue their activities to reorganize the work environment and can benefit from the income replacement scheme in the meantime.

- **Economic incentives for the production of health equipment**: Subsidies for companies that produce medical devices and personal protective equipment.

- **Incentives for the purchase of health equipment**: Subsidies to enterprises for the purchase of personal protective equipment and tax breaks for the purchase of sanitization equipment.

- **Serological screening for workers**: Serological tests are available for all workers in San Marino. In case of refusal by the worker to conduct the test, the worker is subject to a temporary compulsory abstention from work without the possibility of accessing any of the income support measures.

- **Remote work**: Whenever possible, work can be carried out through teleworking arrangements. Its activation requires an agreement between the employer and the worker, which needs to be transmitted to the social partners. For the public sector, in addition to the other instruments, workers who work from remote are subject to a pay cut.

- **Strengthening of occupational safety and health measures in the workplace**: These measures provide that the employer: (i) informs the employees of the safety measures to be taken and of the protections required to avoid contagion; (ii) checks, upon entering the
workplace and during work shifts, the presence of COVID-19 symptoms among the employees (iii) limits movements within the workplace to the maximum and restricts access to common areas. In the event of findings of symptoms of respiratory infection and fever, the employer is required to isolate the employee, to contact the appropriate medical service and to sanitize the workplace.

- **Paid leave:** Temporary allowance for sick leave (30% for the first five days, 45% from the sixth to the tenth day, 60% from the eleventh to the fifteenth day and 86% for subsequent periods).

- **Parental leave:** For employees of the private or public sector with children up to 12 years of age or members of the family with disabilities, this measure provides an extraordinary parental leave permit not exceeding 150 hours during the suspension of educational services for children. To support public sector workers, in families with children, the government introduced the possibility to divide work into distinct shifts within the day and to work part-time (i.e. 18, 24 or 30 hours per week).

**Mandatory COVID vaccination**

The decree No. 97 of 1 June 2021 introduced mandatory vaccination for all health care workers of public sector hospitals and care units. Health care workers who decide not to undergo the COVID-19 vaccination should be offered the following temporary options. The employer should assign the worker to other tasks within the same job, provided these tasks do not require contact with patients and staff members. If not possible, the employer can assign the worker to another job that does not require contact with patients and co-workers. In this latter case, the salary and working conditions of the health care worker will be adjusted to reflect the new position to which he/she has temporarily been assigned. Should it not be possible to implement either option, the health care worker will be temporarily suspended from the job without remuneration. S/he is however entitled to monthly compensation of 600 Euros. In case the health worker cannot be vaccinated due to health conditions, he/she will be placed on paid leave.

**Other safety and health measures**

There is no requirement for workers or employers to be subject to COVID-19 certificate screening in order to enter into the workplace.

**Relying on social dialogue for solutions**

- **Consultations:** The government has activated a process of ad-hoc joint consultation with the social partners - or with employer and worker organizations separately - for the definition of the measures affecting the world of work in the context of the COVID-19 emergency. The worker organizations have developed a set of labour and social policy measures with request to discuss them with the heads of the State.

**Other measures**

- **Cross-border workers:** In light of the emergency provisions issued by the authorities of
Italy and San Marino, cross-border workers (one-third of the total number of employed persons) employed in essential economic activities and services of the Republic of San Marino, should request their employers to provide a declaration or copy of the payslip in order to certify that travel is directly linked to work reasons. These documents should be shown in case of border control.

**Activities of workers' organizations**

**Summary**

- CSU demanded immediately underwent an extraordinary stabilization plan for precarious personnel at the forefront of the battle against coronavirus and multi-year contracts for civil servants not resident in the Republic

- Trade Unions retired members have responded to the invitation of the #TuttiUniti solidarity campaign launched by the trade unions and entrepreneurial organizations and donate 10,000 euro to face the health emergency

- Special emergency hot line established for the all employees’ hot line

- On 2 of April 2020, both unions had sent its own articulated document signed by the General Secretaries Giuliano Tamagnini (CSDL) and Gianluca Montanari (CDLS) to the Excellency Regency and the Congress of State who, in asking for an urgent meeting to the institution of the Extraordinary Solidarity Fund makes several proposals to face the ongoing epidemiological emergency

- On 6 of April 2020, CSU demanded from the government

- Immediate an extraordinary stabilization plan for precarious personnel at the front line of the battle against coronavirus and multi-year contracts for ISS employees not resident in the Republic

- San Marino employers' associations and trade unions have launched an important fundraising initiative to deal with this dramatic health emergency. In 5 days 120000 euro have been collected.

**Sources:**

CSU (Unitary Trade Unions centre of SCDL Labor Confederation of San Marino SCDLS Democratic Confederation of Labor of San Marino)

**For more information, see also:**

Serbia

Stimulating the economy and employment

Fiscal Policy

- Deferral of payment of salary taxes and social security contributions incurred during the state of emergency caused by the Covid-19 pandemic until the end of the year. As of January 2021 the businesses have an option to further postpone the payment of these taxes and contributions by another 24 months with no interest;

- The rules for legal entities are essentially applicable, except in the case of tax and contributions on income from the independent activity of lump sum entrepreneurs. Lump sum entrepreneurs are deferred from paying their tax advance payments and contributions on self-employed income for March, April and May 2020 until 4 January 2021. Payment will be made at 24 equal monthly instalments without interest;

- VAT is not paid when the VAT payer performs without consideration supply goods and services to the Ministry of Health, the National Health Insurance Fund, or a publicly owned health institution. The VAT payer who performed the supply has the input VAT deduction right from such supply.

Monetary Policy

- Two sets of government bonds payable in 3 years with an interest rate of 1.7% will be sold in April and May worth in total some 1 billion USD;

- Favourable loans (with 1% interest rate) for liquidity will be provided to micro, small and medium enterprises, farms and cooperatives through commercial banks, covered by the state guarantees worth 2.4 billion USD.

Support to specific sectors, incl. the health sector

- The wages of all workers in the health sector will be increased by 10% as of April 1

- All health workers who are asked to stay in self-isolation due to possible infection by Covid-19 are entitled to 100% of compensation of their monthly wage.

Supporting enterprises, jobs and incomes

Social protection

- Each adult citizen of Serbia will receive a cash transfer worth 110 USD to boost the demand as of May 1;

- All beneficiaries of social assistance, child benefits, personal care benefits and
compensations related to special care of the children whose entitlement to these social protection benefits has expired on March 15 have got an automatic extension of those benefits until the end of the state of emergency.

**Employment retention**

- All entrepreneurs, micro and small enterprises will be entitled to grants in the amount equivalent to one minimum wage per employee (275 USD/month), including the owners, for each of the three months of duration of the state of emergency, provided that they haven’t laid off more than 10% of their workers.

- All employees in the medium and large private enterprises for whom a decision on work termination has been issued from 15 March 2020 in line with the Articles 116 and 117 of the Labour Law will be given 50% of their monthly wages. The number of employees is also increased by the number of part-time employees, commensurate with their engagement, based on data from the PPP-PD tax return.

**Assistance to business and business continuity**

- Favourable loans for liquidity will be approved to micro, small and medium enterprises, farms and cooperatives through commercial banks, covered by the 2.4 billion EUR guarantees of the Government under the following conditions:
  
  - repayment in 36 months, including a 12-month grace period;
  - interest rate of 1% per annum, loans approved and repaid in RSD;
  - minimal amount of a loan per beneficiary is 1 million RSD for companies, and 200,000 RSD for entrepreneurs and cooperatives;
  - maximal amount of a loan per beneficiary is 10 million RSD for entrepreneurs and micro enterprises, 40 million RSD for small enterprises and 120 million RSD for medium-sized enterprises.

**Protecting workers in the workplace**

**OSH**

Companies have received an instruction to introduce OSH measures related to Covid-19, mostly related to maintenance of hygiene and provision of personal protective equipment to the workers.

**New work arrangements**

- Companies and institutions have been instructed to allow the parents of the children under the age of 12 to stay home, but that was not backed by any compensation from the state.
- During the state of emergency (declared on 15 March) the employer is obliged to allow
the work outside his premises (from home) to all employees who work on such positions where working from home is feasible (in line with the general act of the employer and the labour contracts). If the general act and the labour contracts do not foresee such option the employer is encouraged to allow the employee the work from home if the organizational conditions permit such measure.

- The employers who are not in position to organize the work from home of their employees are required to organize the work in shifts, with as few workers gathering in the same premises as possible.
- The employers are also required to organize all meetings electronically.

Relying on social dialogue for solutions

Approaches to tripartite consultations

Due to the outbreak of Covid-19 the Government of Serbia has banned all in-door meetings of 5 persons or more, thus making it impossible for the Economic and Social Council to convene, as the ESC meetings imply the presence of at least 6 persons (2 from each of the tripartite partners) and the virtual meetings are unfortunately impossible due to the lack of equipment.

Joint action of employers and workers

There were no joint activities of trade unions and the Serbian Association of Employers.

Other measures

Government & other relevant sources

- www.srbija.gov.rs
- www.sindikat.rs/ENG/index.html
- www.poslodavci.rs/about-us/

Activities of workers' organizations

Summary

- After initial social dialogue, the social dialogue situation in Serbia deteriorated, according to the trade union Nezavisnost. The Government has pushed the ESC to endorse and support all its action, but the trade union is not willing to do so. The union claims that the dialogue was misused for political reasons by the Government. Nezavisnost is concerned that this is an infringement of its independence.
- Serbian Social Economic Council, in their rules, has a regulation prohibiting online meetings. This rule is used to prevent further meetings.
- As relief package is implemented, and Serbia looks forward, unions are concerned
package of measures is not well designed, as many workers and work places will be excluded.

- Trade unions have also voiced particular concern with regards to the well-being of the 300,000 returned migrant workers
- Trade unions were able to re-negotiate the collective bargaining agreement for health workers, amending it to the crises. Amendment to the CBA has been made.
- At national level, trade unions are the voice of workers, and continue to advocate for pro-worker solutions. TUs have also asked their members to activate their OSH committees in the enterprises, to organize meetings and inform the membership, and to organize solidarity actions for the members in need. They have also encouraged their members to keep insisting that their employers provide them with the personal protective equipment. TU demand to introduce a measure of moratorium to dismissals for the period of 3 months has been discussed at the ESC meeting, but unfortunately the Government has not accepted this demand, but promised to help to employers of small size enterprises.

Sources: SSSS and UGS "Nezavisnost"

Activities of employers' organizations

The Serbian Association of Employers (SAE) has a dedicated webpage on COVID-19 which summarizes the legislative changes and measures adopted by the government, presents employers' views, as well as provides links to useful information.

SAE has adapted a set of ILO tools and published them on its website:

- An employer’s guide on managing the workplace during COVID-19
- The six-step COVID-19 business continuity plan
- SAE public statement on the COVID-19 crisis and how we as a nation can react together

In addition, SAE offers free legal advice on labour law compliance and OSH related issues.

On 23 March, SAE submitted a set of proposals reflected partly in the economic measures adopted by the Government (for instance, three-month deferment of labor taxes and social security contributions for all private companies; wage subsidies, including payment of minimum wages for all SMEs employees and entrepreneurs for three months; supporting the liquidity of companies through favourable bank loans, as well as development fund loans, etc).

On 2 April, SAE submitted another set of recommendations to further refine and supplement the support measures adopted on 31 March, followed by an additional proposal requesting the Serbian Government to modify the financial assistance foreseen for each adult citizen in Serbia. SAE proposed giving vouchers worth €100, instead of direct cash transfers, that would be used for the purchase of domestic products or services.

On 7 May, SAE submitted to the Ministry of Finance a proposal requesting that all donations made to the health sector, as well as education, science, culture sectors be exempt from VAT.

On 8 May, another proposal followed requesting for an extension of the deadline for the submission of REF 4 Form for VAT reimbursement to foreign legal entities.
On 24 June, SAE presented the findings of the Report on the Impact of the COVID-19 Pandemic on the Enterprises in Serbia during an online press conference. The assessment was undertaken between 07-30 April and involved 462 businesses. The survey was developed based on the ILO Enterprise Survey Tool on COVID-19 for Employers’ and Business Membership Organisations (EBMOs) and was conducted in partnership with the EBRD. The key findings have been widely disseminated through SAE website and mass media.

Slovakia

Stimulating the economy and employment

Fiscal Policy

- Ministries to decide themselves on possible deferment of deadlines given the ongoing COVID-19 crisis.
- Medical supplies are exempted from VAT and customs duty.
- Deferment of deadline of tax returns by 3 months for businesses and individuals.
- 197 million EUR (~ USD 215 mil.) from the Operational Human Resources Program allocated to support active labour market measures.

Support to specific sectors, incl. the health sector

- On 16 March the state of emergency was declared for the health care sector which was followed to also account for social care facilities on 25 March. This gives the health sector an exceptional status.
- Some hospitals are designated to exclusively treat COVID-19 patients.
- Soldiers are identified and trained to work in the ambulance.

Supporting enterprises, jobs and incomes

Social protection

- The procedure to request social services has been simplified (declaration of income instead of proof of income is now sufficient).
- Stores that are still operating during the crisis are closed on Sundays to ensure a rest day for employees.
- Self-employed are eligible for social welfare support.
- It is estimated that around 70% of all employees who will lose their job due to COVID-19 will be eligible to apply for unemployment benefits.
- The duration of the unemployment benefit has been extended by one month, in cases
where it would have expired during the crisis situation.

**Employment retention**

- If an employee cannot work because of mandatory quarantine, the employee is eligible to apply for the sick leave benefit.
- Employers are eligible to apply for financial support to ensure employment retention.

**Assistance to businesses and business continuity**

- Employers are allowed to request their employees to take leave.
- Employers are allowed to request their employees to telework, if the type of work allows for it.
- Employers are not obliged to assign workers work, if that helps preventing the spread of COVID-19. In this case, the employee is entitled to wage compensation.
- Employers (and/or self-employed) receive financial support from the government in some of the following scenarios:
  - To pay their employees' paid leave, if the employer had to shut down business due to the state of emergency, the employer receives 80% of an employee's average wage with a limit amounting to 880 EUR. The employer is required to pay this salary to the employee and cannot terminate the employment relationship within two months following the month for which the contribution is requested.
  - If turnover has decreased by more than 10% in March or 20% in April and May.
  - For some selected people: Compensation for the loss of earnings of EUR 105 (~USD 115) for the month of March 2020 and EUR 210 (~USD 230) for the month of April and May 2020.
- Deferment of compulsory social insurance contributions for employers and self-employed persons with a net turnover decrease of 40% or more.
- Deferment of payment of payroll taxes if revenues drop by 40% or more.
- Deferment of payment of employer levies when sales fall by 40% or more.
- Loan guarantee schemes of half a million euros a month that businesses are eligible to apply for, if affected by COVID-19.
- The state will provide contributions for self-employed and employees based on how high the loss in revenues of the business is:
  - > 20%: EUR 180
  - > 40%: EUR 300
  - > 60%: EUR 420
  - > 80%: EUR 540

**Protecting workers in the workplace**

**OSH**

- Stores that are still operating during the crisis are closed on Sundays to allow for the sanitation of the premises.
- Employers are required to take COVID-19 preventative measures if their employees
need to be physically present at work. This mainly concerns the provision of protective masks, gloves, protective clothing, disinfectant soaps and regular workplace disinfection.

New work arrangements

- Employees were encouraged and are allowed to request to do teleworking, if possible.
- The employer has to inform the employee at least 2 days in advance about the work schedule, which has to be valid for min. 1 week.

Prevention of discrimination and exclusion

- A basic translation on COVID-19 has been made available in the following languages: Hungarian, Roma, Ruthenian, Ukrainian and German.
- There is a specific plan for the solution of reducing the risk of the occurrence and spread of COVID-19 among the homeless.

Access to paid leave

- Employees receive 80% of their average wage, if their employer had to close down the business due to the ongoing crisis.
- Both employees in quarantine as well as employees who have to stay home to take care of their children (= nursing benefit) receive 55% of their salary paid by the state.
- Employees who cannot go to work because they have take care of a sick family member or child during due to quarantine or isolation obligations cannot have their employment relationship terminated.
- Employees who cannot go to work at the moment (for different reasons) can request additional time off from work with wage compensation from the employer and agree to work off the missed days at a later point (if possible).

Access to health care

- Possibility for employees to apply for insurance for additional family members.
- The procedures to apply for insurance (including pension) have been simplified and one can apply online.

Relying on social dialogue for solutions

Social Dialogue

On Monday, 6 April, the first meeting between the Government of Slovakia and the trade unions on how to tackle the impact of Covid-19 was held. Prime Minister Igor Matovic, Minister of Labour, Social Affairs and Family Milan Krajniak and Finance Minister Eduard Heger were among the representatives of the Government, while KOZ SR was represented by, among others, President Marian Magdos and Vice-President Monika Uhlerova.

The topics of the meeting were the current situation and measures taken, as well as measures aimed at preserving employment. The parties also discussed the importance of mutual communication and social dialogue, whether at government, tripartite or bipartite level, or collective bargaining of higher-level collective agreements for public and civil service.
It was agreed that the trade union will be able to submit requests and suggestions on the government's policy and action. Any change in labour legislation would be preceded by social dialogue. The Social Economic Council would be activated for this purpose.


Other measures

- Phone lines were set up for food delivery to serve people who cannot leave their homes

Government & other relevant sources


Activities of workers' organizations

Summary

- On 1st of April, Trade Union Confederation (KOZ) representatives criticised the new Government for its approach to the social partners, with KOZ president Marian Magdosko claiming that the social dialogue ended when the new Government assumed office and “behaved with the arrogance of power”

- A letter asking for social dialogue with proposals was sent in March to the Government, but KOZ did not receive any answer

- On 31st of March, the Government changed the labour code without any dialogue with KOZ

- Trade unions has lobbied the Government to put in place measures that would not put most of the economic burden on workers

- KOZ has an extensive information campaign, with daily updates for their affiliates and members

Source: KOZ

Activities of employers' organizations

The Federation of Employers' Associations of the Slovak Republic (AZZZ SR) regularly comments on government measures taken in the COVID-19 crisis:

ilo.org/covid19-policies
AZZZ warned that a complete shutdown of the country would be an absolute disaster for the Slovak economy (1 April).

AZZZ complained that, while it was the most representative employers’ organization in the Economic and Social Council of the Slovak Republic, it had not been invited to join the economic crisis unit that Prime Minister Igor Matovic had announced to set up (16 April).

AZZZ warned that the adoption of a new method for the calculation of the minimum wage in 2019, which would lead to a sharp increase of the minimum wage and related labour costs (overtime pay) in 2020 and another increase next year, could turn out to be a time bomb for companies in the COVID-19 crisis (6 May). AZZZ recently informed about ongoing negotiations between business organizations (AZZZ, RÚZ SR, APZ) with the Confederation of Trade Unions (KOZ) on a possible freeze of the minimum wage for next year in view of the COVID-19 crisis (3 June).

AZZZ informed about the announcement by several companies of mass redundancies (15 June).

The National Union of Employers (RÚZ SR) provides on its website its views on measures taken or needed to address the COVID-19 crisis, as well as related other info and services:

- RÚZ SR expressed concern that a lockdown of the country would mean the breakdown of economic relations and the collapse of the whole economy with unforeseeable consequences (2 April)
- RÚZ SR conducted online consultations for employers and employees on employment issues related to COVID (20 May)
- RÚZ SR welcomed the introduction of wage support for companies whose employees have to stay at home due to the crisis (the so-called Kurzarbeit), however, stressed that state assistance should be time-limited and must not result in an increase in the levy or tax burden (25 May)
- RÚZ SR warned against the introduction of new indirect taxes at national level, as well as European taxes, to finance COVID-19 support measures (15 June)

In a joint press briefing, Slovak business organizations (AZZZ, RÚZ, AEP, SOPK, Club 500, SPPK, and ZAP SR) called upon the government to set up quickly an economic crisis team, headed by the Prime Minister (31 March).
Stimulating the economy and employment

Fiscal policy

- On 9 March, as part of an economic stimulus package of 1 billion euro (2.1 percent of GDP) to mitigate the impact of the coronavirus on the economy.
- The government approved tax and spending measures, including (i) tax deferrals for up to 24 months or tax payments in installments in 24 months; (ii) wage subsidies for suspended workers due to pandemic-related closures and quarantined people; (iii) government guarantees and credit lines available for financial support to the affected businesses, particularly SMEs. In addition, the government reduced electricity prices by about 20 percent for the next three months. The central and local governments are granted more discretion in using budget funds, including the public procurement and health spending.
- On March 29, the government adopted a law to reimburse salary compensations for workers affected by COVID-19 and announced a new additional economic stimulus package of 3 billion euro (6.3 percent of GDP). Measures include (i) loan guarantees for companies, (ii) purchase of claims to companies, (iii) co-financing of social contributions, (iv) temporary basic income for the self-employed, and (v) allowances for pensioners. (For details, see sections 2 (1) and (2) below.)

Monetary policy

As a eurozone country, Slovenia has adopted ECB’s monetary policy support to secure liquidity. Key Slovenia specific measures include: (i) affected firms and individuals are allowed to obtain deferrals of bank loan repayments for up to 12 months; (ii) Bank of Slovenia extended all ECB measures to all banks and savings banks in Slovenia.

Support to specific sectors, including the health sector

The financing of tourism promotion will be stepped up to help an industry that is among the worst hit by the global spread of coronavirus. The stimulus package includes the provision of aid to agriculture and fishery.

Supporting enterprises, jobs and incomes

Social protection and Employment retention

On 29 March 2020, the Parliament adopted the Act on Intervention Measures to Salaries and Contributions on a fast track basis. The Act regulates the right of employers to apply for reimbursement of salary compensations paid through the Employment Service to employees who are either unable to work due to business reasons (ordered to work at home) or under mandatory quarantine.

Moreover, on the same day, 29 March 2020, the Government adopted a new draft “Anti-Corona” Act, which supplements and partially replaces the Intervention Act. If adopted, the “Anti-Corona” Act will be applied retroactively from 1 April 2020 and remain in force until 31 May...
2020, with a possible extension until 30 June 2020.

Estimated at EUR 3 billion, this second stimulus package includes support measures for companies such as pay compensation for temporary lay-offs, tax and loan payment deferrals, and bonuses for vital staff and a pay cut for public office holders. It also includes loan guarantees and financing of social contributions, temporary basic income for the self-employed (up to 70% of the net minimum wage) and allowances for pensioners, large families and students.

Several concerns were raised on the proposed “Anti-Corona” Act. There are different views by social partners on the proposed level of benefits. It is expected that the “Anti-Corona” Act will be subject to amendment before adoption. The situation and state measures change on a daily basis.

**Assistance to business and business continuity**

As a part of the first stimulus package worth 1 billion euro, the government provides measures to provide liquidity to businesses, reduce losses and make sure companies’ market position does not deteriorate.

This include 115 million euro from the Slovenian Enterprise Fund for small and medium-sized companies, while the Slovenian Regional Development Fund will offer a scheme under which companies will be able to roll over debt.

**Protecting workers in the workplace**

**Access to paid leave**

- Generally, employers cover the first 31 working days of sick leave, after than the Health Insurance covers their sickness pay. The draft “Anti-Corona” Act includes the measure to extend this arrangement for all employees.

**Access to health care**

- The health insurance law stipulates that workers ordered by the authorities to quarantine due to their high-risk status are entitled to full compensation of wages.
- For persons confirmed COVID-19 positive, the Health Insurance Institute will cover 90% of pay from the first day of absence from work.

**Relying on social dialogue for solutions**

- Trade unions and businesses welcomed the proposed EUR 3 billion bill to help the economy and society cope with the coronavirus crisis and preserve jobs. The trade unions understand the bill had to be adopted in a rush, but nevertheless pointed that it was done in the absence of social dialogue.
- Trade unions say certain groups (e.g. those who lost their jobs before the law, those who agreed with the termination of their contract due to COVID-19, and those workers on
various forms on non-permanent contracts) have been left out. According to a statement by confederations represented on the Economic and Social Council, a compensation for the loss of pay should be given to all workers who have lost their job for business reasons, incapacity or disability, or because their temporary contract ran out after the epidemic was declared on 12 March.

- A trade union confederation KSJS points out that some of the measures radically encroach upon workers’ rights, including reassigning a public worker without their consent, ordering enormous overtime without securing adequate rest time, or hiring top office holders without calls for applications. Another confederation of trade unions, KS 90, said the special bonus for those working in a crisis situation should be received by all public sector workers who are working, not just those in the most risky lines of business such as healthcare. The Chamber of Commerce and Industry says that a flat-rate monthly crisis bonus of EUR 200 for those who continue to work and earn below three minimum wages should be proportional to the extent of risk and stress a worker is exposed.

Other measures

Government & other relevant sources


Activities of workers' organizations

Summary

- The ZSSS has urged Labour Minister Janez Cigler Kralj to involve the Economic and Social Council, the country’s main industrial relations forum, in drafting the new measures, at least those related to the labour market. So far, ZSSS has developed proposals and demands, but no social dialogue has taken place.

- ZSSS claims that the Government measures fails to cover all affected groups and should be more concrete.

- In some areas, the Government amended the initial package, adhering to some official trade unions demands. For example, the first bill did not cover all those who lost their jobs before the law, while the second bill in early April was retroactive, covering those who have suffered consequences since the day the epidemic was declared.

- ZSSS is concerned that many groups of employed (as well as unemployed) are not sufficiently covered, including those employed on a temporary basis.

- ZSSS has spoken out on behalf of workers at national level, despite the lack of social dialogue.
The union has an online campaign, with updated information from workers. It also includes legal advice, such as advice on the importance of not signing any employment related documents before the content is fully understood. The unions helps with such legal advice for members

Source: ZSSS

Activities of employers’ organizations

The Association of Employers of Slovenia (ZDS) has set up a dedicated website on which it gives relevant info and advice related to COVID-19 for employers. In particular, the ZDS website provides the following:

- **Up-to-date info and explanations about COVID-19 emergency laws** and respective amendments of these laws, e.g. the key points of the Act on Intervention Measures for Mitigation and Elimination of the Consequences of the COVID-19 Epidemic (ZIUOOPE) (1 June)
- Forms and FAQ, e.g. related to the: implementation of measures to mitigate the effects of the coronavirus pandemic (5 May); reimbursement of wage compensation to workers on temporary waiting; and part-time subsidies under ZIUOOPE (12 June)
- **New tax measures to mitigate the effects of COVID-19**
- **Links to other institutions providing info and guidance on COVID-19 related questions**, such as the National Institute of Public Health (NIJZ) and the Association of Occupational, Transport and Sports Medicine (ZMDPS-SZD)
- **Instructions and recommendations regarding safe return to work by EU-OSHA** (5 May)

ZDS also monitors and provides feedback on and proposals for government action to support employers in the COVID-19 crisis in Slovenia. Among others, ZDS

- formulated on its website a number of questions related to the application of employment regulations under COVID-19 restrictions, which it addressed to the Ministry of Labour, Family, Social Affairs and Equal Opportunities (MLFSA); responses received will be also shown on the website (23 March)
- in cooperation with the Chamber of Commerce of Slovenia and the Association of Employers of Crafts and Entrepreneurs of Slovenia, prepared proposals for additional measures to mitigate the consequences of COVID-19 (14 May)
- welcomed the withdrawal by the government of the proclamation of the COVID-19 epidemic in Slovenia but at the same time warned that measures to mitigate the consequences and to restart the economy would be needed for some time (15 May)

ZDS continues to provide info and training webinars to support members in the crisis, e.g. on work at home (19 June).
Stimulating the economy and employment

- The Government of Spain declared the State of Alarm for COVID-19 on April 14 (RD 465/2020), accompanied by two initial packages of economic measures to protect families, workers, self-employed workers and companies. These plans (RDL 7/2020) (RDL 8/2020) make it possible to mobilize up to 200,000 million euros of credits, with public guarantees of up to 100,000 million and an estimate of public spending of around 5,000 million euros. Document: Economic measures adopted by the Government of Spain to address the COVID-19 pandemic.
- On April 28, the Government has approved the Plan for the Transition towards a New Normality that establishes the main parameters and instruments for the unconfinement and de-escalation that will last until the end of June. The plan consists of four phases and moving from one to the other will depend on the capacity of the health system, epidemiological situation, protection measures in public spaces, mobility and socioeconomic data. Each province will advance at a different but coordinated pace. The complementary documents are: Annex I: Comprehensive indicator panel; Annex II: Orientative forecast for the lifting of national limitations established in the state of alarm; Annex III: Orientation Schedule.
- Measures to guarantee liquidity and stability of companies. The State, through the Official Credit Institute (ICO), will grant guarantees of up to 100,000 million euros to facilitate access of loans to companies and self-employed. The creation of an insurance coverage line for an amount of up to 2,000 million euros for working capital financing operations. The debt limit of the ICO is increased by 10,000 million euros. (RDL 8/2020)
- Support measures for the business sector. Flexibility of tax payment deferrals for a period of six months, upon request, with a discount on interest rates. (RDL 7/2020)
- Support to the tourist, transport and hospitality sector. A specific financing line of 400 million euros for companies and the self-employed in these sectors. (RDL 7/2020).
- Shielding of strategic companies against foreign takeover bids The Government is committed to protecting large Spanish companies. The acquisition by foreign investors of 10% or more of the capital stock or when the possibility of participating in management or control is acquired is submitted to authorization by the Council of Ministers (RDL 8/2020).
- Other measures: import and export customs formalities in the industrial sector are streamlined for six months. (RDL 8/2020) Pension funds: the Government expands the circumstances by which funds can be withdrawn from pension plans (also from company and mutual plans) (RDL 11/2020)

Supporting enterprises, jobs and incomes

- Government facilitates the ERTE (temporary employment adjustment procedures) that
consist on contract suspensions or reductions in working hours and access to the unemployment benefits which does not detract from their right in the future. (RDL 9/2020) Companies with less than 50 workers do not have to pay the social contributions and those above 50 have to pay 25% of them. These periods count as contributions for workers. Technical guide. A new Royal Decree-law on social measures in defense of employment has been approved, May 12, which reflects the content of the tripartite agreement reached between the Government, employers and unions, by which access to ERTEs due to COVID-19 has been extended until June 30.

- For the self-employed, a special unemployment benefit has been created for those affected by the closure of businesses and for those whose turnover falls by 75% compared to the monthly average of the previous semester. The benefit is a minimum of 661 euros per month. (RDL 8/2020) (RLD 11/2020)
- A six-month moratorium on the social security contributions for the self-employed as of May, and in the case of companies since April. (RLD 11/2020)
- Prohibition of objective dismissal due to COVID19 starting on Saturday, March 28. Compensation for dismissal goes from 20 days per year worked (objective dismissals) to 33 days per year worked (unfair dismissals). (RDL 10/2020)
- The Government has created a benefit of 430 euros initially for one month addressed to temporary workers whose contracts have been extinguished during the State of Alarm and have not contributed enough to receive the regular unemployment benefit. (RLD 11/2020)
- Temporary contract protection. Businesses cannot terminate their temporary contracts due to the coronavirus epidemic. (RDL 10/2020)
- About the subsidy for unemployed people over 52, the payment will not be interrupted. (RDL 8/2020)
- Special benefit for domestic workers registered to Social Security who have lost their jobs during the health crisis or whose contracts are suspended. The amount of this subsidy will be 70% of its contribution base and a maximum of the interprofessional minimum wage. The subsidy is compatible with other salaries if the interprofessional minimum wage is not exceeded. (RLD 11/2020)
- Adoption of complementary measures in agrarian, scientific, economic, employment and social security and tax matters to mitigate the effects of COVID-19. (RLD19/2020)

Protecting workers in the workplace

- The Government (Ministry of Health) has elaborated a guide of good practices against the Covid-19 on the return to work.
- Workers infected by coronavirus, those in preventive quarantines as well as those whose cities are in total confinement and cannot access to their work have the right to a home leave assimilated to a work accident leave. This represent a 75% of the base income from the first day. By collective agreement or other agreements, the company can supplement that amount. The payment of the benefit corresponds to Social Security from the day following the discharge. (RDL 6/2020)
- All non-essential activities have been suspended from Monday, March 30, to Thursday, April 9. All affected workers have the right to benefit of a ‘recoverable paid leave’.
During these two weeks workers are entitled to receive their salary and when the restriction ends, the companies will negotiate how to recover all or part of the hours until December 31. In principle, these hours cannot be subtracted on a mandatory basis from their annual vacation leave. The measure only affects employed workers, not the self-employed. (RDL 10/2020)

- **Remote work as teleworking** is being encouraged to continue with the activity during the COVID19 crisis. These should be a priority against the reduction of activity, the temporary employment adjustment procedures (ERTE) or the dismissal. In relation to occupational health at home, ‘the obligation is considered fulfilled’, exceptionally, ‘through a self-assessment carried out voluntarily by the worker himself’. (RDL 6/2020)

- **Regulation of the right to adaptation and the reduction of working hours (up to 100%)** for employees to take care of their dependent relatives. (RDL 8/2020)

- **Specific measures have been developed for public employees**, such as the 100% guarantee of remuneration in the event of sick leave related to the coronavirus or in the event the permanence of the personnel is essential - inexcusable duty- in their home to take care of ill and/or dependant relatives. Resolutions state administration

### Relying on social dialogue for solutions

- The two initial packages of economic measures to protect families, workers, self-employed workers and companies (RDL 7/2020) (RDL 8/2020) were consulted to social partners - trade union confederations CCOO and UGT and the employers’ organizations CEOE and CEPYME-. Social partners had a decisive contribution to the measures adopted. As well as other important ones as the Royal Decree-law on social measures in defence of employment, approved in 12 May

- There are two weekly social dialogue meetings at national level. On Monday, the Government represented by the third vice president and minister for Economic Affairs and Digital Transformation, the Minister of Labour and Social Economy, the Minister for Inclusion, Social Security and Migration, the Minister of Agriculture, Fisheries and Food, and the Minister for Finance, meets with the social partners to inform and consult about the measures to be adopted and the development of those approved. On Friday, there is the Commission on Social Dialogue chaired by the Secretary of State of Labour and Social Economy.

- Regarding the labour measures, the Ministry of Labour and Social Economy has indicated they represent a great effort for the public coffer, so the Government will be vigilant against possible abuses. Sanctions are contemplated for companies that abuse ERTE, as in cases where they submit requests with ‘falsehoods or inaccuracies in the data provided’. The Government has specifically regulated the health and dependency sector as ‘essential’ with the intention of avoiding ERTE in private companies in these areas. (RLD 11/2020)

- Social partners have enabled specific webpages to inform about COVID19, provide position releases, guides and tools. Available here: CCOO, UGT, CEOE and CEPYME. The sectoral employers’ organizations and the trade unions, CCOO and UGT, have reached several agreements for the orderly and safe organization of the return to activity in metal, automotive, ceramic and construction.
Other measures

- The so called Social Shield (Escudo Social) are measures to protect the most vulnerable social groups. All unemployed, workers affected by ERTE, or the self-employed who have seen their income reduced, may be considered a person at risk of vulnerability (RLD 11/2020).
- On May 29, the Government approved a Royal Decree-law that implements a Minimum Life Income, a non-contributory Social Security benefit that guarantees minimum income to those who lack it. The Government estimates that it will benefit 850,000 households and 2.3 million people, of which one million are in extreme poverty.
- In relation to housing. The Government has suspended until 6 months after the end of the State of Alarm, all evictions without alternative housing in vulnerable homes. No tenant can be raised the rent for the next 6 months. Tenants can access microcredits guaranteed 100% by the State.
- Mortgage moratorium. Three months of the mortgage moratorium (including premises and offices) of entrepreneurs, self-employed and professionals, as well as electricity, water or gas consumption.
- Prohibition of cutting the basic supplies -electricity, water, gas- of the population during the State of Alarm in their habitual residence. Expansion of the group of potential beneficiaries of the electric social bond.
- In relation to consumption. Moratorium of personal credits of three months. Refund / replacement of undistributed services to those who have paid for services not enjoyed during confinement.
- Additional funds to regional Governments and local entities to finance essential benefits. As 25 million euros to guarantee the basic right to food for children in vulnerable situations, affected by the closure of schools, through scholarships-canteens. Additional 600 million euros for social services with special attention to elderly and dependent people, and 300 million euros to guarantee the home assistance of dependent people (RDL 7/2020)
- Measures to strengthen the health system. Reinforcement by 1,000 million euros through the contingency fund. Advancement of 2,800 million euros to the regional Governments as they are in charge of the health infrastructure. (RDL 7/2020)
- Aid for scientific research. 30 million euros to research COVID19 vaccine.
- Relaxation of the spending rule for local entities.
- Migration. The Government automatically extends and with a validity of six months from the end of the Alarm State, all those residence and / or work authorizations that expire during this period.

Activities of workers' organizations

Summary

- The temporary employment regulation (ERTE) is extended until June 30 via a tripartite agreement, affecting more than 3 million workers. The CCOO and UGT trade union organizations and the CEOE and CEPYME business organizations, together with the
Government, have signed an agreement on the extension of the temporary employment suspension files (ERTE) and their conditions, which has been reflected in the Royal Decree-Law 18/2020 of May 12 (summary document). Most ERTEs will end on the 30th of June. Before that date companies will start to pay higher social contributions for the employees kept in ERTEs and lower for the ones who remained active.

- Now social contributions are zero for companies under 51 workers and only the 25% of the normal cost for companies over that size. In its assessment, the UGT points out that the agreement provides employment guarantees and helps avoiding lay-offs while providing companies with the confidence to re-start activities.
- UGT urges to regulate and promote telework in collective bargaining and in the framework of social dialogue. In its assessment, only 4% of the signed agreements in 2019 entailed such clauses.
- A previous complaint by the UGT regarding platform work during the epidemic was now followed by an assessment of the Special Directorate of Labor Inspection. The platforms under question – mostly in the delivery sector (food, goods) – did not meet most OHS protection standards. The UGT however says the the Labour Inspectorate response has to go beyond recommendations. (May 18)
- The Secretary of Environment and Mobility of CCOO has presented a document that includes political and economic proposals so that the exit from the crisis caused by CIVID-19 is carried out taking into account that society is also immersed in a climate and environmental crisis.

Sources:

- Confederación Sindical de Comisiones Obreras (CC.OO.)
- Unión General de Trabajadores (UGT)

For more information, see also:

- https://www.ccoo.es/informacioncoronavirus
- https://www.ugt.es/informacion-de-interes-sobre-el-coronavirus

Activities of employers' organizations

The Confederación española de Organizaciones Empresariales (CEOE) has a web page on COVID-19 that summarizes government action and decrees, employers views and links to official guidelines.

CEOE has published a Practical Guide on all the urgent and extraordinary labour measures to facilitate the understanding and implementation of the measures by companies. The guide is updated every time a Royal Decree is approved.

CEOE is giving continuous support and advice to sectoral and territorial members and companies.

CEOE together with KPMG has analyzed the impact of COVID on companies and the economic
perspectives for 2020.

CEOE, through the CEOE Foundation, has launched a project “Companies that help” to intermediate between companies wanting to collaborate with initiatives to contribute to the fight against COVID-19.

With regard to policy advocacy, on 4 April, CEOE in a joint statement with CEPYME (an SME association) indicated that given the extension of the duration of the state of emergency, additional measures are needed to protect jobs and the economy, in particular: suspension of VAT, social security and PIT payments in the sectors most affected by the crisis, extension of government guarantee scheme to 50,000 million euros, and making the temporary employment regulation processes (ERTEs) more flexible. On 15 March, CEOE in a joint statement with CEPYME indicated the priorities to ensure liquidity of companies, particularly SMEs and self-employed.

According to CEOE, while some measures introduced by the Spanish government in Royal Decrees correspond to the social partners agreement (e.g. telework), other introduced measures have not been negotiated with the social partners (e.g. on adaptation and reduction of working hours) and do not facilitate the survival of companies. On the contrary, some measures interfere with the organizational capacities of companies.

Current priorities of CEOE include:

- drawing up sectoral prevention plans to resume activity in a safe way (construction, metal, paper, automobile, etc.),
- extension of the duration of short-time work (ERTEs) for the most affected sectors,
- introduction of flexibility in certain working conditions, such as the irregular distribution of the working day,
- further measures to support self-employed and SMEs.

**Sweden**

**Stimulating the economy and employment**

**Fiscal policy**

Based on the authorities’ estimates, the announced and implemented fiscal measures for 2020 amount to SEK 803 billion (16.0 percent of 2019 GDP, respectively) depending on uptake. Measures include:

- additional expenditures on wage subsidies for short-term leave
- temporary payment of sick leave (also for sole traders)
- loans to SMEs (the Government proposed to extend the state credit guarantee program for loans to companies until June 30, 2021).
- rent subsidies to sectors under severe cash flow pressure (of up to 50 percent, half of
which from the state)

- more generous unemployment benefits
- expanded active labour market policies
- temporary reduction of employers’ social security contributions
- increased testing for COVID-19
- additional grants to municipalities and regions
- extra temporary grants to businesses based on their loss of turnover to cover their fixed costs
- supplementary housing allowances to families with children
- infrastructure investment
- capital injections to SAS and state-owned enterprises
- deferral of a maximum of three months worth of payments of companies’ social contributions, VAT, and payroll taxes for a period of up to 12 months
- deferral of annual VAT for 2019
- deferral of SME taxes
- loan guarantees, higher insurance covers for exporters, and other liquidity
- April 2021 - the government presented the 2021 Spring Fiscal Policy Bill, which includes further measures to limit the spread of the virus and alleviate the consequences of the pandemic for the economy, and also work Sweden out of the crisis. For example, the authorities proposed extending crisis support for culture and sports and introducing an event guarantee.
- May 2021 - the government proposed extending the turnover-based support for sole traders and trading partnerships in which at least one partner is a natural person to cover July, August, and September 2021.

**Monetary policy**

- reduction of the lending rate for overnight loans by 55 basis points to 0.2
- lending of up to SEK 500 billion to companies via banks
- introduction of a new lending facility whereby banks can borrow unlimited amounts (given adequate collateral) with 3 and 6-month maturity
- increase of purchases of securities of up to SEK 700 billion this year (where securities may include government and municipal bonds, covered bonds, and securities issued by non-financial corporations)
- the establishment of a swap facility of USD 60 billion between the Riksbank and the US Federal Reserve
- the possibility for banks to borrow in US dollars against the collateral of up to USD 60 billion (extended until March 31, 2021)
- easing rules for the use of covered bonds as collateral
- temporary recognizing that all credit institutions under the supervision of the Swedish FSA can apply to become temporary monetary policy counterparties.
- March 2021 - the possibility for banks to borrow in US dollars against the collateral of up to USD 60 billion was extended until September 30, 2021

**Support to specific sectors, incl. the health sector**

- the income ceiling for health and medical students receiving student aid is temporarily removed to avoid their student aid being reduced. (valid for all students)
additional funding allocated to media, cultural, and sporting institutions
insurances for exporting businesses have been increased
extra support to regional public transport and regional airports
additional funding allocated for training of health workers
credit guarantees for Swedish airlines

Supporting enterprises, jobs and incomes

Social protection

- deferred payment of social security contributions for companies
- self-employed will receive a reduction of individual contributions as that proposed for firms.

Employment retention

- Introduced the possibility of short-term layoffs, which means that the employers’ pay costs can be reduced by half, while the worker gets at least 90 percent of the pay. Three-quarters of the costs will be covered by the state. Short-term layoffs need to be agreed on by the social partners (or 70 percent of employees).
- The period during which a person may have a subsidized job (extra job, new start job, or introductory job) will be extended by an additional year for those who already have such jobs;
- the maximum time for support for starting a business will be extended from six to twelve months;
- municipalities will receive grants for more summer jobs for young people and funding for green jobs.

Assistance to business and business continuity

- new capital grant of SEK 3bn (about EUR 270 mn) to Almi (state agency offering loans to companies with growth potential), to allow more lending to SMEs
- self-employed will also be able to defer their VAT payments that otherwise should be paid during the spring.
- the Swedish Export Credit Agency's loan limit is extended to SEK 200bn (about EUR 18bn, 3.8% of GDP) from SEK 125bn. The ceiling for credit guarantees from the agency which insures export companies and banks against the risk of non-payment in export transactions (EKN) is increased to SEK 500bn (about EUR 45bn, 9.6% of GDP) from SEK 450bn, the same amount as during the 2008 financial crisis
- liquidity reinforcement via tax accounts: allows companies deferred payment of employers’ social security contributions, preliminary tax on salaries and value-added tax that are reported monthly or quarterly

Extra policies targeting SMEs: A central government loan guarantee has been proposed to make it easier for companies to access financing. This entails a government guarantee of 70 percent of new loans by banks to companies that are experiencing financial difficulties due to the COVID-19 virus.
May 2021 - The Government proposes allocating an additional SEK 600 million to sport to mitigate the economic impact of the COVID-19 pandemic, facilitate the resumption of activities once the situation allows and contribute to gender-equal and equitable sports activities. The proposal is based on an agreement between the government parties, the Centre Party and the Liberal Party.

May 2021 - The Government proposes that the area of culture be allocated an additional SEK 750 million for extended emergency support and incentives in 2021 to mitigate the economic impact of the COVID-19 pandemic and facilitate the resumption of activities once the situation allows. The proposal is based on an agreement between the government parties, the Centre Party and the Liberal Party.

**Extension of temporary measures in the health insurance**

At the beginning of 2021, the following measures have been extended until April 30, 2021: compensation for qualifying period deductions with a standard amount of SEK 810; compensation to self-employed persons for the first 14 qualifying days with a standard amount of SEK 810 per day; compensation to employers for the part of the sick pay cost that exceeds the normal.

April 2021 - the Government decided to extend several measures in social insurance, i.e. standard deduction for employees, compensation to sole traders for the first 14 waiting days, compensation to risk groups and certain relatives of risk groups, and the period exempted from a doctor’s certificate, as well as compensation to employers for the part of sick pay costs above the normal level. The measures apply up to and including 30 June 2021.

April 2021 - The Government decided to extend the period when private providers of personal assistance can apply for compensation for protective equipment. Now the grant may also be paid for costs incurred from 1 May 2021 until and including 30 June 2021.

May 2021 - the Government has proposed the extension of several measures in the social insurance system. This includes compensation for the standard deduction for sick days for employees, compensation to self-employed individuals for the first 14 waiting days, compensation to risk groups and certain relatives of risk groups, and periods for which a doctor’s certificate is not required. The measures and extended until 30 September 2021 in accordance with these proposals.

June 2021 - the Government has presented a number of proposed measures as a result of the COVID-19 pandemic. According to one of these proposals, the strengthened support for short-time work schemes is to be extended by three months, until September 2021. This amendment to come into force on 29 June 2021.

Furthermore, the Government has also proposed amendments to the central government budget for 2021:

- More money is to be earmarked for extending compensations within the area of sickness insurance and for sick pay costs.
- Funds are to be allocated to expand redeployment support in general and redeployment support to certain types of companies.

[ilo.org/covid19-policies](ilo.org/covid19-policies)
● Culture, sport, and civil society will receive further support.
● More money is to be earmarked for initiatives regarding vaccination to prevent the spread of infection.
● The Government is to have the right to provide credit guarantees or to decide on a borrowing limit for the airline SAS.

Protecting workers in the workplace

New work arrangements

It is proposed that the system of short-term layoffs be temporarily reinforced. The proposal means that employers will now be able to reduce their employees' working hours by up to 80 percent and that the central government will cover a clear majority of the cost. This reinforcement of the system will apply for three months from 1 May 2020. The wage costs for an employee will be reduced by over 70 percent while workers retain almost 90 percent of their original wage. Combined with the reduced employers' social security contributions, employers can be unburdened from up to 86 percent of total wage costs during May and June.

Access to paid leave

Temporary reinforcement of unemployment insurance:

● eligibility conditions (length of employment and membership of a fund) will be temporarily relaxed;
● Both the highest and the lowest amounts paid out by an unemployment insurance fund will be raised temporarily;
● the six initial qualifying days will be removed;
● the unemployment insurance funds will receive funding for administration.
● More opportunities will be opened for vocational education and training throughout the country (as an active labour market policy).
● As of 15 December 2020, the Swedish Social Insurance Agency has changed the time limits for certificates regarding sickness benefits. This means that the certificates will be requested by day 22. The purpose is to relieve healthcare and make it easier for the public. See the Swedish Social Insurance Agency's website for more information. The measure is extended until 30 April 2021.
● To prevent more people from losing their sickness benefit at Day 180, the Government decided on 4 February to temporarily stop the Day 180 examinations. After Day 180 the insured person will also have their work capacity examined in relation to work for their present employer instead of in relation to work normally found in the labour market. This will apply up until Day 365 of their sickness period. The ordinance entered into force on 8 February 2021.

Access to health care

● self-employed persons are exceptionally entitled to receive standardized sick pay for 14 days. The government will assume all cost of sick pay for the months of April and May
● the qualifying day for sickness benefit has been suspended
• the Government temporarily suspended the medical certificate requirement from the 
eighth calendar day of a sick pay period

Vaccination

• No mandatory vaccination for any occupational groups.
• Under Swedish employment law, workers who refuse to be vaccinated may, depending on 
  the circumstances, be assigned to different working tasks (for example, in a hospital 
  context).

Relying on social dialogue for solutions

Approaches to tripartite consultations

Social partners have been consulted on the crisis package and a collective agreement was 
reached, including on access to short-term work.

Joint action of employers and workers

Wage negotiations have been postponed to the Autumn, while collective agreements that are 
due to expire have been extended until 31 October 2020.

Activities of workers' organizations

Summary

• The dialogue in Sweden is good. LO Sweden, the biggest union in the country has 
  expressed satisfaction both with the Government response and the process though which 
  it was designed.

• LO Sweden has launched a campaign for workers who cannot work from home. The aim 
  is to support and recognize workers who are at risk because they are essential
• LO has also moved towards offering workers education through webinars. It is decided 
  that LO’s Congress in June will be a digital congress, the first in LO’s history
• LO Sweden’s main information work is through the bipartite platform www.prevent.se 
  and organized jointly with employers.

Source: Trade Union Confederation (Landsorganisationen i Sverige)

For more information, see also:

• https://www.lo.se/home/lo/res.nsf/vRes/lo_1366026587231_lo_corona_atgarder_mars2020

Activities of employers' organizations

The Confederation of Swedish Enterprise has set up a dedicated website providing for 
comprehensive info related to COVID-19. Among others, it includes the following:
· “Information on corona/covid-19 for you as an entrepreneur” (providing for info by subject matters and related weblinks to government authorities and other relevant institutions)

· Statistical tool providing real-time info on the development of the crisis in the Swedish business community via indicators such as: the number of short-term permits, the number of bankruptcies, the number of registered unemployed, among others. Figures, which are updated daily, are available for the entire state or individual counties.

· Reports, videos, links to external sources (statistics, facts about coronacrisis and business), press releases informing about recent government action taken, as well as comments and proposals made by the Confederation in this regard.

On 25 March, the Confederation welcomed the government crisis package for enterprises but said that it was “not powerful enough”. While the Confederation had proposed measures at the level of 4 % of GDP, the government package was barely half that amount.

In a newspaper article of 21 April, 2020, members of the Swedish Enterprise and Industry’s Business Board once more called upon the government to do more to help companies survive in the crisis and to avoid devastating consequences. The article reminded of the fact that each krona that is promised for COVID-19 crisis measures is based on a functioning business sector that is able to pay taxes and that has paid high taxes for decades.

In a press release of 22 April, the Confederation pointed out that closed companies in Sweden could receive reimbursement of around 31 % of downtime costs, whereas companies in Denmark could get compensation amounting to 77 percent.

On 13 May, the Confederation informed of a significant increase in the number of company restructurings. This was a warning signal as restructuring was often the last opportunity to avoid bankruptcy and about three quarters of all restructurings failed. To avoid an uncontrolled increase in restructurings and bankruptcies the government had to extend its support measures to companies.

On 29 May, the Confederation informed about its new project “Restart Sweden”. The project is meant to devise the necessary measures for the Swedish economy to emerge more competitive from the COVID-19 crisis. It is implemented jointly with member organizations, entrepreneurs and business leaders, bringing together both small and large companies and various sectors of business to give increased legitimacy to the proposals that will be prepared. The project suggests a reform policy in four areas: 1) Stronger incentives for investment and risk-taking, 2) Lowering recruitment thresholds and better skills provision, 3) Strengthened incentives to work, and 4) Maintaining and expanding trade with the outside world. In this context, the Confederation issued the report “After the pandemic - this is how we secure Swedish prosperity and sustainable growth”.

On 18 March, the Confederation agreed with the Swedish Engineers trade union a central collective agreement regarding short-term work. The agreement, which is based on new legislation on short-time work presented by the government on 16 March, provides that employers’ wage costs can be reduced by half, while employees receive more than 90 percent of the salary.
On 20 March, the Confederation and the trade union LO recommended to companies to prolong collective agreements that are expiring in spring and to postpone negotiation on new agreements until autumn 2020.

Switzerland

Stimulating the economy and employment

Mesures de politique budgétaire incluent :

- Plusieurs paquets d’aide d’un montant total de CHF 73 milliards (environ 10,4 % du PIB de 2019) pour soutenir l’économie suisse. Dont : un premier paquet de CHF 10 milliards ; un deuxième paquet de CHF 32 milliards, étendu à CHF 52 milliards. Ceci inclut CHF 20,2 milliards pour l’indemnité de chômage partiel, CHF 400 millions en programmes pour les cas de rigueur et CHF 7,5 milliards pour les allocations pour pertes de gain. Ceci a été étendu en janvier 2021 avec CHF 8,5 milliards supplémentaires, ce qui remonte les aides pour les cas de rigueurs à CHF 10 milliards. Le Conseil fédéral a adopté un budget supplémentaire ajoutant CHF 1,3 milliards supplémentaires pour les coûts des tests, le tourisme et la défense civile et pour l’extension d’autres mesures. Le Conseil fédéral y a ajouté CHF 614 million et s’est assuré que les mesures pourraient être prolongées si besoin.

- Domaine fiscal : taux d’intérêt abaissé à 0 % pour la TVA, certains droits de douane, des impôts spéciaux à la consommation et des taxes d’incitation; aucun intérêt moratoire ne sera perçu durant cette période. Réglementation identique pour l’impôt fédéral direct. Suspension des poursuites et des faillites.

- Mesures de soutien pour des secteurs particuliers: CHF 350 millions en prêts pour le sport professionnel d’équipe, CHF 200 millions pour le sport populaire et le sport d’élite, CHF 410 millions pour la culture, CHF 37,9 millions pour la presse écrite, CHF 764 millions pour les transports publics et CHF 1,62 milliards en prêts pour l’aviation.

- Des mesures d’information et de conseil ainsi que de mesures destinées à surmonter des pénuries de liquidités ont été mises en place pour le secteur touristique. La Confédération renforce son soutien en renonçant au remboursement du reliquat du prêt supplémentaire accordé à la Société suisse de crédit hôtelier (SCH). La SCH dispose ainsi de CHF 5,5 millions supplémentaires à consacrer à des prêts pour le financement rétroactif des investissements des établissements d’hébergement. Dans le cadre de la politique régionale, les prêts de la Confédération en faveur de projets (dont 60 % relèvent du domaine du tourisme) s’élèvent actuellement à CHF 530 millions environ. La loi prévoit que la gestion de ces prêts est déléguée aux cantons. Afin de mettre plus de liquidités à la disposition des emprunteurs, la Confédération autorise les cantons à plus de flexibilité dans la gestion des possibilités de report de paiement. Cela devrait notamment aider à court terme le secteur des remontées mécaniques, où les amortissements échoient souvent après la saison hivernale.
• Le Conseil fédéral a lancé le programme d’impulsion « Force d’innovation Suisse » par l’entremise d’Innosuisse, l’Agence pour l’encouragement de l’innovation. Ce programme, qui prévoit un assouplissement des conditions financières pour l’encouragement de projets, vise à préserver la force d’innovation des entreprises pendant la pandémie et à assurer durablement leur compétitivité.

• Le Conseil fédéral a adopté l’ordonnance qui règle les détails du programme d’aide pour les cas de rigueur mis sur pied par la Confédération et les cantons. Le projet a été modifié en fonction des résultats de la procédure de consultation et de la consultation des deux commissions de l’économie. L’ordonnance règle en particulier la répartition entre les cantons des fonds alloués par la Confédération et les critères d’éligibilité auxquels doivent répondre les entreprises qui demandent une mesure pour cas de rigueur.

Mesures de politique monétaire incluent :

• Taux inchangés, à -0,75 %, mais intervention sur le marché des changes et mise-en-place de la nouvelle facilité de refinancement BNS-COVID-19 pour renforcer l’accès de l’économie suisse au crédit, en mettant des liquidités supplémentaires à la disposition du système bancaire.

Source principale : Conseil fédéral suisse

Supporting enterprises, jobs and incomes

Mesures par rapport aux entreprises et emplois incluent :

• Mesures pour les cas de rigueur: La Confédération peut, à la demande d’un ou de plusieurs cantons, soutenir financièrement les entreprises particulièrement touchées par les conséquences de l’épidémie en raison de la nature même de leur activité économique. Le chiffre d’affaires minimum est de CHF 50 000, les coûts fixes sont pris en compte. Il existe une interdiction de double subventionnement avec d’autres mesures et les dividendes sont interdits. Les entreprises fermées par les autorités pendant au moins 40 jours civils sont considérées automatiquement comme des cas de rigueur. Les pertes peuvent être calculées sur base du chiffre d’affaires réalisé au cours des douze derniers mois. Le Conseil fédéral a proposé de relever les moyens financiers destinés aux programmes cantonaux d’aide pour les cas de rigueur afin de les porter à CHF 10 milliards au total, dont CHF 6 milliards destinés aux petites et moyennes entreprises dont le chiffre d’affaires atteint CHF 5 millions au plus. Une aide de CHF 3 milliards est prévue pour les grandes entreprises, dont le chiffre d’affaires dépasse CHF 5 millions.

• Cautionnements solidaires liés au Covid-19 afin de fournir des liquidités aux entreprises suisses.

• Suspension des poursuites pour le secteur du voyage.

• Indemnisation en cas de réduction de l’horaire de travail.

• Possibilité de différer provisoirement et sans intérêt le versement des contributions aux assurances sociales par les entreprises et les indépendants affectés.

• Allocations pour pertes de gain pour les indépendants dans les cas de: fermeture des écoles ; quarantaine ordonnée par un médecin ; fermeture d’un établissement
indépendant et ouvert au public. Idem pour les artistes indépendants. Les indépendants et les personnes occupant une position assimilable à celle d’un employeur pourront déjà bénéficier des allocations pour perte de gain à partir d’une baisse du chiffre d’affaires mensuel de 40 % par rapport au chiffre d’affaires mensuel moyen des années 2015 à 2019 (au paravant: 55 %).

- Garanties de prêts aux PME et prolongation des délais de paiement des impôts et des dettes aux fournisseurs fédéraux.
- Cautionnement en compléments de crédits Covid-19 afin de préserver les start-up prometteuses d’une insolvabilité.

**Mesures par rapport aux revenus incluent :**

- Extension du chômage partiel (indemnité pour les entreprises pour couvrir les coûts salariaux en cas de perte de travail et pour les salariés en cas de perte de travail ou réduction de l’horaire de travail) et simplification des démarches: Pour les salariés dont la durée d’engagement est limitée et pour les travailleurs temporaires, pour les personnes qui occupent une position assimilable à celle d’un employeur. Délai de carence supprimé et simplification du traitement des demandes et de versement. Le délai de préavis concernant la réduction de l’horaire sera suspendu temporairement. Le nombre d’indemnités journalières pour les personnes assurées devrait augmenter à 66 indemnités journalières pour les mois affectés. Ceci vaut pour toutes les personnes assurées qui ont le droit de percevoir des indemnités au 1er mars.
- Allocations pour pertes de gain pour les salariés qui doivent interrompre leur activité professionnelle pour cause de quarantaine ou pour s’occuper de leurs enfants ainsi que les indépendants, les personnes ayant une position assimilable à celle d’un employeur et leurs conjoints ou partenaires enregistrés qui travaillent dans l’entreprise qui doivent fermer leur entreprise sur ordre des autorités cantonales ou fédérales ou qui sont concernés par l’interdiction d’une ou de plusieurs manifestations.

Source principale : [Conseil fédéral suisse](https://conseilfederal.ch)

**Protecting workers in the workplace**

**Mesures incluent:**

- «Manuel pour la préparation des entreprises» se fonde sur le plan suisse de pandémie Influenza, « Aide-mémoire pour les employeurs » en période de Coronavirus et une « liste de contrôle pour les chantiers de construction » établis conjointement par l’Office fédéral de Santé Publique et le Secrétariat d’Etat à l’économie.
- Les heures de travail effectuées en plus en dehors des périodes de réduction de l’horaire de travail temporairement non déductibles des pertes de travail.
- Jusqu’à la fin de 2020, les employeurs décidaient eux-mêmes de la manière dont les employés sont protégés et s’ils doivent travailler à domicile ou au bureau. En vertu de la loi sur le travail, l’employeur est tenu de protéger la santé des employés par des mesures appropriées. Cela signifie que les employeurs doivent s’assurer que les employés sont en mesure de respecter les recommandations en matière d’hygiène et de distance. Si la
distance recommandée ne peut être respectée, des mesures de protection appropriées sont prises selon le « principe STOP » en usage sur les lieux de travail (substitution, mesures techniques, mesures organisationnelles, équipement de protection individuelle). Ces mesures pouvaient consister, par exemple, à recourir au télétravail, à mettre en place une séparation physique entre les postes ou à porter des masques faciaux. Toutefois, il n’est pas nécessaire d’adopter un plan de protection formel et visible si l’établissement ou une partie de celui-ci n’est pas accessible au public.

- Par contre, depuis janvier 2021, les employeurs devaient mettre en place le télétravail pour autant que la nature de leurs activités le permettait et que cela était possible sans efforts disproportionnés. Ils n’étaient toutefois pas tenus de rembourser aux salariés d’éventuelles dépenses telles que les frais d’électricité ou de loyer, dans la mesure où il ne s’agissait que d’une mesure temporaire. Si le télétravail n’était pas possible ou ne l’était que partiellement, d’autres mesures devaient être ordonnées sur le lieu de travail : afin de protéger les employés travaillant dans des espaces clos, le port du masque était obligatoire dans les locaux où se trouvaient plus d’une personne. Il n’était plus suffisant de garantir le respect d’une distance minimale entre les postes de travail. (Les dispenses de l’obligation de porter un masque : pour justifier de raisons médicales, la personne exemptée de l’obligation de porter un masque pouvait présenter une attestation délivrée par un médecin ou un psychothérapeute ; à noter qu’une telle attestation ne pouvait être délivrée que si cela est indiqué pour la personne concernée.)

- Depuis juin 2021, le télétravail n’est plus obligatoire et les entreprises ne sont plus tenues de faire des dépistages hebdomadaires. L’employeur peut désormais décider s’il y a une obligation de porter un masque sur le lieu de travail.

Mesures par rapport à la vaccination:

- La vaccination n’est obligatoire pour aucune catégorie de travailleurs.
- Les lieux de travail font partie du domaine orange d’application du certificat COVID (qui peut être obtenu afin de documenter une vaccination, une infection guérie ou un test négatif). Les établissements peuvent alors décider eux-mêmes s’ils souhaitent limiter l’accès aux personnes disposant d’un certificat COVID. Dans ce cas de figure, il est par exemple possible de renoncer aux plans de protection, aux limitations de la capacité ou à la collecte des données personnelles. La décision de rendre le certificat obligatoire relève donc de l’employeur, après consultation obligatoire du personnel.
- En ce qui concerne le secteur privé, la compagnie aérienne Swiss a annoncé la vaccination obligatoire pour ses employés navigants. Afin de pouvoir continuer à être déployé pour le service de vol, le personnel devra être entièrement vacciné d’ici au 1er décembre 2021. À la fin du mois de janvier 2022, les employés qui ne veulent pas se faire vacciner seront menacés de licenciement. Toutefois, la compagnie aérienne accorde un délai de réflexion à ceux qui sont indécis. Les vaccins sont ancrés dans la convention collective de travail.

Source principale : Conseil fédéral suisse

Relying on social dialogue for solutions

- A priori, l’épidémie crise n’a pas affecté le modèle social suisse fondé sur le partenariat

**Other measures**

- Le Conseil fédéral a décidé de reporter l’obligation de formation des personnes travaillant avec des matières explosives ou avec certains engins pyrotechniques à une date ultérieure et d’adapter en conséquence l’ordonnance sur les explosifs.
- Le Secrétariat d’État à l’économie et HotellerieSuisse ont annoncé le lancement d’un programme de coaching destiné au secteur de l’hébergement. Le but est de renforcer durablement la résilience des établissements de taille petite ou moyenne.
- Pour accompagner les étapes d’assouplissement des mesures, l’OFSP a adapté la campagne d’information en demandant à la population de rester prudente et de continuer de respecter les règles d’hygiène et de conduite.
- Le Conseil fédéral prévoit l’usage du certificat COVID-19 qui est un moyen de documenter une vaccination, une infection guérie ou un test négatif. Il devrait être compatible avec le passport vert européen.
- Le Conseil fédéral a lancé un programme national de recherche pour permettre d’étudier les effets de la pandémie sur l’économie, la société et la politique. Des pistes seront explorées et proposées pour remédier à la crise actuelle et pour se prémunir contre de futures pandémies. Doté d’une enveloppe de CHF 14 millions, le programme s’étendra sur une période de trois ans.
- De manière générale, le Conseil fédéral prévoit de suivre une stratégie d’assouplissements sur l’économie comprenant trois axes, à savoir la normalisation, l’accompagnement du changement structurel et la revitalisation.

**Activities of workers' organizations**

**Summary**

The SGB **calls for** further federal government responses includng:

- No layoffs thanks to short-time work: In this difficult situation, companies should not lay off staff, but should switch to short-time work. With the short-time work, the federal government has a powerful tool to continue paying wages even in the event of a drop in sales in the companies and thus also to secure a large part of the companies’ liquidity

- Apply short-time work more broadly: The Federal Council must close the gaps in fixed-term contracts and hourly wages as quickly as possible – before it is too late

- Wage guarantee for parents: If parents have to stay at home to look after their
children, the employer must fundamentally continue to pay wages. In order for wages to be secure in any case, the SGB also demands a wage replacement for parents with childcare obligations. To this end, existing structures of the EO scheme should be used.

- The public sector union SSP has demanded better and safe working conditions for health workers and new measures to protect social sector workers. Upon the government’s decision to suspend labour law provisions for hospitals resulting in limitless working hours, the union launched a petition to reverse the decision on 23 March. Four days later, the petition had already gained 65,000 signatures.

- Faced with the devastating effects of the pandemic on employment, the heads of the Swiss employers’ association Swissmem and the Swiss Trade Union Federation (USS) are both calling for the government to present exit scenarios, writes the SonntagsZeitung. "The Federal Council must now develop a strategy in which economic and social risks also play a role," USS President Pierre-Yves Maillard told the paper.

Source:
https://www.sgb.ch/corona-virus

Activities of employers' organizations

L'Union Patronale Suisse (UPS) fournit - et met régulièrement à jour - sur son site Internet des directives, des informations et des conseils complets sur la COVID-19 à l'intention de ses membres. Cela comprend les recommandations des associations membres de l'UPS (FAQ, fiches d'information, conseils en matière de droit du travail), ainsi que les communications et mesures importantes prises par le Conseil fédéral, l'Office fédéral de la santé publique (OFSP), le Secrétariat d'Etat à l'économie (Seco) et d'autres autorités et organisations concernées (les mesures de l'état contre le coronavirus, assouplissement des mesures, des informations actualisées pour les entreprises, plan de protection des branches, recommandations générales).

L’UPS a salué

- la décision (3 avril) prise par le Conseil fédéral de doubler les crédits de transition Covid19 pour les PME (de 20 à 40 milliards de francs),

- la décision (22 avril) de mieux protéger les startups prometteuses de la faillite avec de nouvelles garanties et

- l’approbation par le Parlement de plusieurs dizaines de milliards de crédits urgents, ainsi que le rejet de l’interdiction de verser des dividendes (7 mai)

- l’assouplissement des restrictions à la vie publique décidé par le Conseil fédéral en ce qui concerne les installations de loisirs (piscines, zoos, chemins de fer de montagne), la restauration, les écoles professionnelles, les manifestations et le trafic frontalier. Pour l ’UPS, cependant, un assouplissement supplémentaire est nécessaire pour un retour à la normale. En outre, l ’UPS estime qu’il est important de porter à 18 mois la durée de
l’indemnisation du chômage partiel pour les employeurs (27 mai).

- l’extension par le gouvernement de l’indemnisation du chômage partiel de 12 à 18 mois, ainsi que les mesures supplémentaires visant à soutenir les entreprises particulièrement touchées par la crise sanitaire (1 juillet).

L’UPS a convenu avec les autres partenaires de la formation professionnelle, du gouvernement fédéral, des cantons et des partenaires sociaux d’une approche commune pour assurer le déroulement régulier des examens de fin d’apprentissage (1er avril). Selon cet accord, les examens d’apprentissage peuvent avoir lieu malgré la crise du COVID-19 et tous les apprentis peuvent achever leur formation cet été. Le résultat le plus important de ce compromis pour l’UPS est qu’aucun certificat ou attestation de moindre qualité ne peut être délivré, puisque cela compromettrait l’acceptation des candidats sur le marché du travail.

Articles
- « Le partenariat social au temps du coronavirus » (1er avril)
- « Sortir de la crise corona avec des perspective claires » (21 avril)
- « Pour une ouverture progressive des frontières » (11 mai)
- « Un Chemin caillouteux vers une normalité nouvelle » (12 mai)
- « Pour une prolongation du chômage partiel à 18 mois » (10 juin)
- « Les travailleurs se rendent dans les pays à risque à leurs propres dépens » (3 juillet)

Tajikistan

Stimulating the economy and employment

Fiscal, monetary and other policies

- Find alternative methods for importing raw materials, equipment and more from other countries to produce finished goods and products. Establish new enterprises and implement production enterprises and infrastructure construction projects.
- Allocate earmarked funds for the purchase and replenishment of state material resources, including grain, seeds of agricultural crops, pesticides and fuel.
- Provide emergency credit funds to financial and credit organizations to maintain the liquidity level of the banking system in cases of force majeure under the current legislation (by the National Bank).
- Widely advocate investment opportunities. Strengthen activities to further attract and diversify sources of foreign direct investments (by the National Bank).
- Take measures within the existing capabilities of credit organizations and take into
account the prevention of risks associated with the non-application of penalties by credit organizations to business entities and individuals unable to fulfil their debt obligations from May 1 to October 1, 2020 on term loans (by the National Bank).

- Prioritize domestic products in the procurement of goods, works and services by the government.
- Regulate and take measures to prevent price increases in consumer and medical products and medicines.
- Until the end of 2020, in order to reduce production costs of enterprises and prevent rising prices for domestic products, paid services to the population and inflation, postpone consideration of the increase in tariffs for services, including electricity, water, irrigation, communications and utilities.
- Exempt quarantined labour migrants in foreign countries from paying the patent fee during their quarantine.
- Increase international reserves and their effective management, and use the national currencies of key trading partners in foreign trade transactions.
- Strengthen the regulation of national and foreign currency markets using the effective instruments of monetary assets, and ensure inflation stability.
- Establish tax holidays for individuals paying taxes on real estate.
- In order to maintain the level of population income from June 1 to December 31 2020, reduce the income tax rate for the percentage of deposits of individuals from 12% to 6%.
- In conjunction with the Ministry of Finance of the Republic of Tajikistan, take measures for the timely implementation of international government payments within the existing capabilities (by the National Bank).

Support to specific sectors

- Provide for tax holidays for tourism facilities, hotels, public catering organizations, health and sports centers, resorts, international passenger transport and air navigation and prohibit the calculation of interest for late payment of taxes for this period.
- Strengthen activities to increase the production and stockpiling of agricultural produce (including potatoes, wheat, and oil crops) while effectively using fallow land to ensure 2-3 harvests a year.
- Increase the country’s production of import-substituting basic needs products.
- Give priority to the exchange of foreign currency to foreign business entities involved in the import of essential goods, as well as those oriented towards fulfilling state financial obligations (by the National Bank).
- In a timely manner, implement public investment projects in the transport sector, seek alternative cargo and passenger transportation, and mitigate the negative impact of reduced cargo and passenger transportation with China and with other countries vulnerable to COVID-19.
- Open new routes and increase passenger transportation via domestic air companies to reduce the potential impact from terminating communication with vulnerable countries and to ensure the sector’s development.
- Until stabilization of the situation, pay allowances to the official salaries of medical personnel directly involved in the diagnosis and treatment of patients infected with the infectious disease COVID-19.
- Exempt from import duties (value-added tax, excise taxes and duties) the import of
materials for the production of disinfectants, medicines and protective clothing, as well as of equipment and instruments for medical laboratories and materials necessary for determination of COVID-19.

- Exempt from taxation the activities of medical institutions, hotels and resorts related to the free placement of citizens undergoing a medical examination for or treatment of COVID-19 for an appropriate period.

Supporting enterprises, jobs and incomes

Social protection

- From the state budget and extra-budgetary funds, provide one-time assistance in the amount of the minimum wage to vulnerable groups of the population, including participants in the Great Patriotic War of 1941-1945, citizens receiving social pensions, disabled people, orphans, street children, low-income families and families of migrant workers without a breadwinner.
- Attract returning labour migrants to seasonal work in the agricultural sector.
- Support returning women migrants (and their families) whose income declined during the pandemic by means of financial support, skills training courses, entrepreneurship training and support for their children.
- Support returning migrants living in rural areas by improving wages in the agricultural sector, providing soft loans for artisans and offering other activities.
- (As part of ongoing investment projects) provide employment for citizens, including returning labour migrants, by employing local specialists in ongoing investment projects.

Employment retention

- Conduct outreach to employers to preserve jobs and conduct monitoring.
- Ensure that the relevant authorities grant visas and work permits and registration to foreign citizens employed in the Republic of Tajikistan in entrepreneurial or hired work, in the absence of epidemiological risks upon their entry into the country.

Assistance to business and business continuity

- Implement regulatory measures to ensure the liquidity of financial institutions and create favourable conditions for access by business entities to credit funds. Revise the refinancing rate and reserve requirements (by the National Bank).
- From May 1 to August 1, 2020, released SMEs that have completely suspended their activities in connection with the spread of the infectious disease COVID-19 from paying rent for state property.
- Provide returning migrants access to preferential loans for self-employment.
- From the state budget and extra-budgetary funds through the state institution “Fund for State Support of Entrepreneurship under the Government of the Republic of Tajikistan”, allocate soft loans to companies that produce food and medical supplies, especially for women entrepreneurs.
- From May 1 to September 1, 2020, prohibit the application of tax liability measures to business entities that have not paid social taxes on time.
From May 1 to August 1, 2020, exempt individual entrepreneurs working in accordance with the patent in markets, shopping centers and consumer services, including hairdressing salons, beauty salons, fashion ateliers and sewing services, from calculating and paying taxes.

Other measures for supporting enterprises, jobs and incomes

- Create employment opportunities and conditions for entrepreneurship for returning migrants through the organization of short-term courses in professions that are in demand in the labour market.

Protecting workers in the workplace

New work arrangements

- Create conditions for remote employment by providing employees with Internet and IT equipment. In particular, intensify the process of implementation of electronic government to ensure the remote work of state bodies.
- Regulate labour relations during remote work by developing recommendations for employers on the regulation of labour relations in the transition to distance work and by organizing relevant short-term courses.

Access to paid leave

- Provide disability certificates and compensation for citizens who are undergoing a medical examination in connection with COVID-19.

COVID-19 Vaccination

On 22 March 2021, the Government of Republic of Tajikistan issued Order # 83 on "Conducting Immunization against COVID-19 in Republic of Tajikistan". The Order does not contain any references to mandatory vaccination, including at workplace. Nevertheless, it requires public sector institutions such as ministries and state agencies, local executive authorities, mass media and other relevant organizations to vaccinate their vulnerable employees against COVID-19. The Order created grounds for mass vaccination of certain public sector works, particularly in healthcare and education sectors.

In July 2021, the Republican Committee on Strengthened Epidemical Measures to Prevent the Spread of the New COVID-19 Infection in Tajikistan announced compulsory vaccination of the population aged 18 and above. However, no sanctions for individuals or business entities refusing to vaccinate are in place.

Other measures

- Together with government agencies and financial credit organizations, the National Bank takes measures for the remote use of electronic means of payment, payment of state-
paid services, fines and other obligatory payments to the budget.

- Study the legalization of residence and labour activities of labour migrants in the Russian Federation.
- Extend the period of registration for a license for labour migrants undergoing temporary self-isolation in the Russian Federation.

Activities of workers' organizations

Summary

- The epidemiological situation has been significantly worsening in Tajikistan in the course of the last week. Over 140 medical staff got infected and therefore, quarantined. This prompted the Federation of trade unions (FITUT) to initiate discussions with the Government and employers’ organizations on adding Covid-19 infection to the list of professional diseases for medical personnel.
- The FITUT, as a member of the national crises response center, has formally requested the Government to channel the part of the state social security fund, traditionally allocated for sanatoria and youth summer camps administered by trade unions, to the fight against Covid19 and support affected workers.
- Healthcare workers trade union, FITUT affiliate, has launched a nation-wide medical staff support campaign. In the first phase of this campaign it has provided several hospitals with PPE and necessary medications that are deemed effective to treat Covid19 patients.

Source: Tajikistan Independent Trade Unions Federation FNPT

Activities of employers' organizations

- There are no specific actions conducted by the Union of Employers of Tajikistan (UOERT) at the moment.

Türkiye

Stimulating the economy and employment

National action to stimulating the economy and employment


As of 1 June 2020, Turkey entered the “new normal” phase and lifted restrictions on intercity
travel, allowed restaurants, parks, cafés re-opened. The flexible working arrangements and telework at the public sector is terminated and kindergartens are reopened. However, following the increased number of the COVID-19 cases and to curb the spread of the coronavirus, the Government took new measures restricting the economic activities in certain sectors including cinemas, theatres, restaurants, hairdressers and malls.

As of 1 December 2020, A general lockdown started to be applied every weekday between 9:00 p.m. and 5:00 a.m. General lockdown was also be applied from 9:00 p.m. on Friday to 5:00 a.m on Monday morning on weekends. Sectors, such as production, supply, logistics, health, agriculture and forestry were outside of the scope of the lockdown. Businesses such as grocery stores, butchers, greengrocers and places that provide home delivery services were excluded from the weekend restrictions within the specified hours, restaurants could not serve other than take-away. Activities of kindergarten and similar educational institutions were suspended.

Gradual normalization period in virus restrictions was launched early March 2021 for a gradual return to normal life on a province-by-province basis.

However, due to increasing number of COVID-19 cases as restrictions eased in early March 2021, the Government decided to impose "full lockdown" from April 29 until May 17 2021 to curb a surge in infections and deaths. People stayed at home except for essential shopping trips and urgent medical treatment. All travel between cities was subjected to official permission. Schools were closed and strict capacity limits were imposed on users of public transport. Alcohol sales were limited. Some businesses were exempt from these restrictions.

On May 17, gradual easing of restrictions came as COVID-19 infections fall due to 17-day lockdown. During the new period, night curfew from 9 p.m. to 5 a.m. is being implemented during weekdays, while weekends are under full lockdown. Intercity travel is allowed outside the curfew days and hours. There are no special restrictions on people aged 65 and over who have taken two doses of COVID-19 vaccines or those under 18. Cafes and restaurants provide takeaway and delivery services only on weekdays from 7 a.m. to 8 p.m., and on weekends, delivery service only from 7 a.m. to midnight. Shopping malls operate from 10 a.m. to 8 p.m. on weekdays and will be closed on weekends. Wedding halls, sports centres, and game halls remain closed. These restrictions will remain in place until June 1, 2021.

As a part of gradual normalization process, a curfew was imposed from 10 p.m. to 5 a.m. on weekdays and Saturdays throughout June. A full lockdown was imposed on Sundays. Restaurants and cafes served in-person between 7 a.m. and 9 p.m. while delivery continued until midnight. Tea houses, sports halls, and amusement parks also began to operate as of Tuesday between 7 a.m. to 9 p.m., except for Sundays. Meanwhile, indoor and outdoor wedding ceremonies were allowed in line with virus rules.

Turkish Interior Ministry issued a circular on June 27, 2021 to announce the measures being taken in the third stage of the gradual normalization process. As of 1st of July, the curfew between 22:00 p.m. and 05:00 a.m. from Mondays to Saturdays, and the full-day curfew on Sundays, and the intercity travel restrictions have ended. All workplaces and cinemas, which have suspended their activities as part of the coronavirus measures reopened. Cafes and restaurants started to serve people with no limitation on the guest number in indoor and outdoor areas. Restrictions and measures in accommodation facilities ended, with hygiene,
mask, and social distancing rules still to be followed. Outdoor wedding ceremonies started to be held without a guest limit and food/drink could be served, while some restrictions were still in place for indoor ceremonies. Events such as concerts, festivals, and youth camps were allowed provided that the previously set rules are followed.

**Monetary Policy**

The Central Bank of Turkey has taken a set of measures, including a policy rate cut to inject liquidity into markets and improve the cash flow of firms. The measures are announced on 17 March, 31 March and 17 April. The measures taken have four main goals:

- Provide banks with flexibility in Turkish lira and foreign exchange liquidity management and thus enhance predictability.
- Secure an uninterrupted flow of credit to the hardest-hit corporate sector.
- Support the cash flow of exporting firms through rediscount credits.
- Strengthen the monetary transmission mechanism.

During the April-September 2020 period the Bank pursued taking measures on interest rates and liquidity management, in line with the afore-mentioned goals.

During the November 2020-February 2021 period, the Bank continued to use all available instruments in pursuit of the price stability and financial stability objectives. It was announced that the tight monetary policy stance decisively for an extended period until strong indicators point to a permanent fall in inflation and price stability.

For March-May 2021 period, the Bank set a monetary policy which is taking into account the upside risks to the inflation outlook and with a focus on bringing inflation down permanently in a cautious manner and achieving the price stability target. Accordingly, the policy stance will continue to be determined by taking into account inflation developments and inflation expectations, and at a degree of tightness that will restore the disinflation process as soon as possible and ensure its sustainability until the medium-term targets are achieved. The tight monetary stance will serve as a significant buffer against external and temporary volatilities in the context of inflation expectations, pricing behavior and financial market developments.

During the June-July 2021 period, same as before, the CBRT continued to use decisively all available instruments in pursuit of the primary objective of price stability. The policy rate will continue to be determined at a level above inflation to maintain a strong disinflationary effect until strong indicators point to a permanent fall in inflation and the medium-term 5 percent target is reached. The Monetary Policy Committee (MPC) decided to keep the policy rate (one-week repo auction rate) constant at 19 percent.

**Fiscal policy**

- Social security premiums and VAT deductions/payments totalled $7.9 billion are suspended for 6 months across various sectors, e.g retail, malls, iron-steel, automotive, logistic, textile, shopping malls, entertainment and hospitality, food and beverage, event organisation sectors.
- The income tax payments of 1.9 million additional taxpayers were postponed.
- Cuts in municipality budgets were postponed for 3 months allowing access to $445 million.
million in additional funding.
- The companies whose cash flow has deteriorated will be provided financial support.
- Extra custom tax is lifted on medical masks and respiratory equipment.
- Custom tax is cancelled on the ethyl alcohol import.
- Stock financing support is given to exporters.
- The Credit Guarantee Fund limit is increased from 25 bln TRY to 125 bln TRY to provide loans for SMEs.
- Tradesmen Credit Card is provided with a limit of 25,000 TRY without any payments for 3 months.
- All credit cards payments postponed until the end of July 2020.
- Exporters are given stock financing assistance to maintain capacity during temporary slowdown in exports.
- Exporters are given stock financing assistance to maintain capacity during temporary slowdown in exports.
- Turkish public bank Halkbank to postpone credit, interest and debt payments for 3 months of businesses and artists negatively affected. This decision is extended for another 3 months as of 1 July 2020.
- The administration will increase the Credit Guarantee Fund limit from $3.8 bln to $7.7 bln, and credit will first be given to businesses and SMEs with a collateral deficit and need of liquidity.
- The amount loanable to buying apartment flats valued below $77,000 is increased from 80% to 90%, thus reducing the minimum payment to 10%.
- With a new legislation, the Wealth Fund will be able to inject cash or take over private companies facing difficulty due to COVID pandemic.
- 1.6 million Craftsmen is provided with a support of 26 bln TRY. 700 thousand craftsmen is benefited from a total of 17.3 mln TRY credit.
- The tariffs are raised in textile, shoes and leather in order to protect domestic producers.
- The utility debts will be postponed for households and for workplaces whose activities are stopped due to COVID 19.
- The announcement and advertisement taxes and environment taxes of enterprises whose activities are stopped or cannot work due to pandemic are cancelled.
- 7 bln TRY personal finance credits is allocated.
- TSBK and World Bank agreed on a loan of 250 million $ to support the SMEs during the COVID 19.
- The deduction at source for workplace rentals is reduced to 10% from 20%.
- The value added tax is reduced from 18% to 8% in marriage organisations, resident maintenance, repair and tailoring services. The tax is reduced from 8% to 1% in accommodation, food& beverage services, cinema, theatre and museum fees.
- The withholding rate, which was reduced to 10% from 20% by the end of 2020, will continue until June 1, 2021.
- The Value Added Tax (VAT), which was reduced from 18% to 8%, in business renting services will also remain at 8% until the end of the first half of 2021.
- VAT rate for education services was decreased from 8% to 1% until the end of June 2021.
- VAT rate for some services were decreased to 8% and 1% (valid for cultural tourism and art activities) until the end of June 2021.
- Other VAT reductions introduced in several sectors will also remain in effect until June
Introduction of accommodation tax was deferred until January 2022.

The withholding tax rate for rental of business premises and rental of vehicles is also reduced from 20% to 10% till 31 July 2021.

As of March 2021, Turkey’s total fiscal support package including additional healthcare spending, cash aid and unemployment benefits, as well as loan guarantees to firms and households, loan service deferrals by state-owned banks, tax deferrals for businesses, equity injections into public banks, and VAT reduction on certain goods (e.g. food and accommodation services), was 12.7% of the country’s GDP.

In May 2021, Turkey’s Treasury and Finance Ministry announced a new supportive loan package for small and medium-sized enterprises (SMEs) in the country, whose turnover dropped 25% in 2020. The Treasury, with the cooperation of the Union of Chambers and Commodity Exchanges of Turkey (TOBB) and the Credit Guarantee Fund (KGF), will provide loans, named Breath Credit, to SMEs. Each SME, with annual turnover below 1 million Turkish liras ($118,371), will be eligible to receive up to 50,000 Turkish liras ($5,918), while SMEs with annual turnover below 10 million Turkish liras ($1.18 million) can benefit from the loan package of up to 200,000 Turkish liras ($23,674). The annual interest rate of the 12-month loans will be 17.5%, with the option of six-month payment-free period. Loans would be guaranteed by KGF, according to the Treasury’s statement. The package will become effective as of June 1, 2021.

Ministry of Trade announced that the instalment payments of the loans made available to tradesmen and craftsmen through TESKOMB or directly through Halkbank are postponed until July 1, 2021.

VAT rate reductions in many sectors were extended until 31 July 2021. VAT rate reductions for passenger transportation, food and beverage services, cultural activities, cinema-theatre, opera, ballet, museum entrance fees, congress, conference, seminar, concert, fair and amusement park entrance fees, weddings, organization services provided in ball and cocktail halls, hairdressing services, dry cleaning, laundry and ironing services, carpet and rug washing services, and some maintenance-repair activities related to the field of activity of small tradesmen have been extended until the end of July.

With the decision, it was ensured that the VAT rate in workplace rental services will be 8% until the end of July, and the withholding rate on payments for workplace rentals will continue to be applied as 10% instead of 20%. On the other hand, the 10% entertainment tax rate on movie tickets will be applied as zero until 31 July.

The instalment payments of the loans used by the tradesmen and craftsmen from Türkiye Esnaf ve Sanatkarlar Kredi ve Kefalet Kooperatifleri Birlikleri Merkez Birlığı (TESKOMB) and Halk Bank started as of July 1, 2021.

Tourism Sector:

There will be no application of accommodation tax until the end of January 2021.

The easement and revenue share fees for April, May and June 2020 in hotel rentals is postponed for 6 months.

Suspended seasonal workers will also be eligible for short time allowance.

“Immunity Certification System” will be introduced to certify touristic areas and facilities to enable to open tourism season by end of May 2020.
• Travel agencies are exempted from subscription fee to Union of Travel Agencies for 2020
• “Healthy Tourism Certification Programme” is introduced by the Ministry of Tourism.
• As of 1st of January, “Healthy Tourism Certificate” became mandatory for all hotels to have 30 and more rooms.
• HES (a personal code implemented by the Ministry of Healthy to track COVID-19 cases) code application is mandatory on all hotels.
• The value-added tax (KDV) discounts in the tourism industry due to expire by the end of May 2021 have been extended for another month.
• On May 16, Turkey ended a requirement that tourists from 14 countries, including the U.K., provide a negative PCR test to enter the country.
• Turkey launched a vaccination campaign for tourism professionals to boost the tourism industry heavily impacted by the COVID-19 pandemic. Turkey aims to complete the vaccination of all tourism industry employees by the end of May 2021.
• It was announced that in order to ensure safe and healthy tourism, inspections have been carried out twice a month in 2020 but in 2021, there will be four inspections in a month by companies from Germany, the UK, France, and Turkey.
• In May 2021, a delegation led by Turkey’s Culture and Tourism Minister visited Moscow to discuss with their counterparts the restrictions on flights imposed by Russia. Afterwards, it was announced that Turkey will host delegations from some countries and demonstrate its practices and the measures under Safe Tourism Certificate Program on-site.

Airline Transport Sector:

• VAT rate on domestic flights is reduced to 1% from 18% for 3 months.
• 38 mln TRY of debt to Turkish government and 30 mln debt to Eurocontrol of the airline transport sector is postponed.
• All hot air balloon rides are cancelled and debts of companies f 15 mln TRY is postponed.
• Turkish airlines and HAVA-IS agreed to protect the vested rights of the employees, whereas a decrease will be made in their salaries up to 35-50%, until the end of 2021.
• Airline companies such as Turkish Airlines began requiring passengers on overseas flights to submit negative PCR tests sampled a maximum of 72 hours prior to their flight as of December 30, 2020. The obligation was applied to all passengers over six years old.
• As of April 22, 2021, all passengers arriving to Turkey who visited India within the last 10 days will be quarantined for 14 days at places selected by the Turkish official authorities following their arrival. On the 14th day of the quarantine period, passengers are required to undergo a second PCR test and if the test result is negative, the isolation period will end.
• Starting from May 14, 2021, except for transit passengers and children less than 6 years old, all international passengers who will arrive in Turkey are required to fill in the Turkey Entrance Form and submit the hard copy or mobile screenshot of the form with the negative PCR test results to the flight operator company before take-off.
• As of May 15, 2021, a PCR test will not be requested from passengers arriving to Turkey from China, Hong Kong (SAR of China), Vietnam, Australia, New Zealand, Singapore, Thailand, South Korea, Japan, United Kingdom, Latvia, Luxembourg, Ukraine and Estonia.

Health Sector:
Financial support of 6 mln TRY is provided to the firms that produce domestic disinfection, protective suit, glasses and masks.

Performance payments of health professionals are paid from its maximum wage by 3 months.

Health professionals will use the public transport free of charge.

Guesthouses of the public institutions are being made available for all health professionals during this period.

Protective masks to be provided free of charge from pharmacies or be delivered to home.

New hospitals are established and opened.

Several private sector metal producing companies are producing 5,000 ventilators for the MoH.

Additional payments to health professionals to be made for 3 months based on overtime worked throughout pandemic.

According to the notice issued by Turkey’s Health Ministry (October 2020), Turkey banned resignation of health care workers and annual leaves or unpaid leaves were suspended. Retirement procedures was not effect during this period, except for those who are forced into retirement due to disability or are retired on age grounds. This restriction on health workers’ retirement and leaves was lifted in early January 2021 on the condition that leaves will not disrupt public health services.

On 14th of January 2021, Turkey has begun administering nationwide vaccinations against COVID-19 starting with more than 1 million health care workers after authorities approved the emergency use of vaccine developed by China’s Sinovac.

According to the decision published in the Official Gazette; health care workers working in the health facilities affiliated to Turkish Ministry of Health will receive additional payments for 4 months as of April 1, 2021.

Council of Higher Education prepared a draft amendment regulation to make additional payments to staff who is working in university hospitals affiliated to the Ministry of Health and conducting research, diagnosis and treatment activities related to the COVID-19 pandemic.

As of May 13, 2021, spouses of health care workers were included in the vaccination plan.

In order to achieve herd immunity, Turkey speeded up its vaccination plan in June 2021 and extended the scope of the plan. In June 2021, the first group included in the new “age-free” chapter of the vaccination program was food sector employees, which includes everyone from the staff of restaurants and cafes to people processing and delivering the food to millions every day. It was followed with hairdressers for men and women. Later, Turkish Ministry of Health announced lawyers would be able to take vaccine appointments. Then, the vaccination campaign was extended to people in the transportation sector, including the staff of inner-city buses, minibuses, intercity buses and taxi drivers. People working in delivery services, including motorcycle couriers were also included in the vaccination plan.

As of June 15, 2021, Turkey expanded its COVID-19 vaccination campaign to cover its workers and civil servants registered with the state-run Social Security Institution.

As of June 25, 2021, the scope of vaccination program was widened by lowering the vaccine eligibility age to 18.

As of July 1, 2021, health care workers and people aged 50 and above will be eligible for a third dose of a coronavirus vaccine. People will be able to choose any vaccine they want.
regardless of what they received in the previous two doses.

- People who have tested positive for COVID-19 had to wait six months to become eligible for a vaccine. As of July 1, 2021, that period has been shortened to three months.
- As of July 1, 2021, the time period between the two doses of Pfizer/BioNTech vaccine has been reduced from six weeks to four weeks.
- The Ministry of Health announced that as of July 1, 2021, the ban on resignation applied to health workers will be lifted.

**Agriculture Sector:**

- 40 thousand beetroot producers will be paid in advance on 3 April 2020 of nearly 250 mln TRY.
- The credit payments of farmers equalling to 6 bln TRY are postponed for 6 months without any interest.
- The rent payments of agricultural lands for 51 thousand farmers is postponed for 6 months.
- A regulation is put in place to control the working conditions and accommodation of seasonal agricultural workers as well as to ease the process of transport of agricultural products to the market.
- Agriculture and Forestry Ministry will pay 1.9 bln TRY support payments to farmers.
- Agriculture and Forestry Ministry to support the animal producing companies up to 100 thousand TRY, vegetative production companies with 50 thousand TRY.
- Agriculture and Forestry Ministry announced a “seed grant program” agricultural production in 21 provinces. 75% of seeds will be donated to farmers in 21 selected provinces.
- Sheep and goat producers to be paid 187 million TRY as support payments.
- 228 projects to be supported in the area of rural development amounting to a total of 755 mln TRY.
- Turkish Agriculture Credit Cooperatives made 1 bln TRY fixed interest rate credits available to farmers.
- Wheat buying prices by government is increased by 22.2%.
- Agricultural credit cooperatives will be buying 2.5 bln TRY of products in 2020.
- The prior authorisation requirement that was introduced as COVID 19 measure for lemon export is banned.
- Agro industries and rural economic infrastructure investments will receive a grant for up to 50% of their project amounts.
- The support payment for grain products such as wheat, barley, rye and oats increased from 8 lira per decare to 16 lira. The additional support payment of 10 TL per decare for producers using organic and organomineral fertilizers increased to 20 TL per decare. Support payments will be made in spring.
- In May 2021, the Government announced that debts (debts to Ziraat Bank or Agricultural Credit Cooperatives) of Turkish farmers who are found to be damaged by drought to will be postponed. Also, Turkish Grain Board’s purchase price of bread wheat per ton will be increased to 2 thousand 250 TL and the purchase price of barley per ton to 1750 TL. Pulses purchase prices are determined as 5 thousand TL for red lentils, 4 thousand 150 TL for green lentils and 4 thousand 50 TL for chickpeas per ton. In addition, the Government announced that premiums and supports of 275 TL for grains and 910 TL for pulses will be
given per ton, and a contribution will be made to the expenses of producers.

- In May 2021, Turkey, striving to reach out to all eligible for vaccines in a nationwide inoculation campaign, started tracking down farmers and laborers unable or refusing to have their jabs, offering to vaccinate them in fields, farms and greenhouses.

**Supporting enterprises, jobs and incomes**

**Social protection**

- The bonuses for eid-al-fitr for the retired persons were paid in advance.
- Social Support Grant Program has been initiated under 3 phases. In the first phase, 2.1 million households, in the second phase 2.3 million households and in the third phase 1.80 million households were granted with 1,000 TRY social assistance as of 27.08.2020. The lowest pension amount is increased to 1,500 TRY per month.
- Public banks introduced long-term credit mechanisms targeting the households with a monthly income less than 5000 TRY.
- Municipalities established help-lines to assist citizens who are under strict orders to stay at home and provides food and cash supports to citizens who lost their jobs.
- The monthly amount that is being transferred to Social Benevolent and Solidarity Associations is increased to 180 mln TRY from 135 mln TRY in order to protect the most disadvantaged and vulnerable groups.
- The Ministry of Family, Labour and Social Services provides secure places to homeless people to protect them from COVID-19.
- Nursing homes for elderly and disabled people will provide service without seeking for any criteria of eligibility for 3 months.
- The total amount donated by citizens to the Solidarity Campaign exceeded 2 billion TRY as of 01.06.2020. 1.6 million Households are supported with 1000 TRY as of 27.08.2020. 1.6 billion of the total amount has been disbursed to families in need of urgent support.
- 2,234 thousand primary and secondary school students will receive conditional cash transfers for education (75 TRY for girls, 50 TRY for boys, 150 TRY for orphans).
- On 15th of November 2020, it was announced that the Ministry served 2.400 persons with disabilities and elderly people in 89 Social Isolation Centers during the pandemic process.
- During Covid-19 pandemic, residents of nursing homes affiliated with the Ministry of Family, Labour and Social Services spend their time participating in social, cultural and sport activities. The activities were planned as occupational therapy in order to help the elderly recover from the negative effects of the pandemic process and to increase their commitment to life.
- It was announced that the Ministry of Family, Labour and Social Services regularly allocated resources to Social Assistance and Solidarity Foundations in 81 provinces and districts in order to carry out social aid activities within the scope of "periodic shares" and this share was 186 million TL for December 2020.
- In February 2021, 55 million TL in total has been transferred for the accommodation project and food kitchen service to be used for the homeless and orphans. Accommodation Project for the Homeless was extended within the scope of Covid-19 pandemic and the maximum transfer of resources to Social Assistance and Solidarity Foundations (SYDV) was actualized in 2020.
• The Ministry increased the sums of supports provided in many headings, from Social and Economic Support Service (SES) to disability and elderly aids, home care services payments to sheltered workplaces.

• The financial supports and aids provided to citizens in 9 months within the context of “Social Protection Shield” approached 45.5 Billion Turkish Liras. Considering the support provided as of 31 December 2020 within the framework of the Social Protection Shield, the Ministry paid 2 billion 111 million 254 thousand TL for 2 million 111 thousand 254 households in the First Phase of the Social Support Program and 2 billion 316 million 10 thousand liras to 2 million 316 thousand 10 households in the Second Phase. Within the scope of the Third Phase 3, which is currently in progress, 1 million 949 thousand 785 households have separately been paid 1000 TL so far.

• In April 2021, the Government announced that it will restart the cash aid given to needy families by increasing it to TL 1,100 from TL 1,000 per household. An additional TL 183 million was allocated to social assistance and solidarity foundations to support families in need. It was also announced that the support provided so far by Turkey’s Social Protection Shield program to cater to public needs during the pandemic has topped TL 60 billion ($8.1 billion).

Employment retention

• Government eased the application criteria for the short-term work allowance (SWA) (equivalent to 60% of a minimum wage) to protect the employment and employers. Workers who have paid social security premium for the last 60 days, and have paid unemployment insurance premium for at least 450 days in the last three years will benefit from SWA. The application process have also been eased with facilitated bureaucratic assessment process. As of 27 August 2020, 3,576,805 employees were granted with SWA. Total amount of the support has exceeded 16.5 billion TRY.

• A recent law passed in the Parliament authorized President to take decision on the extension of the short-term work allowance and extend the layoff-ban to minimize the effect of the pandemic on the labour market.

• Financial support (1170 TRY monthly payment) will be provided to employees (2.3 million families is expected to benefit from) forced to take unpaid leave amid novel coronavirus and could not benefit from short-time work starting from 15 March 2020. 1.9 million employees have benefitted from the support, total amount of which exceeds 3.6 billion TRY as of 27.08.2020.

• Ministry of Family, Labour and Social Services introduced a new “normalization support programme” on 1 August 2020. Employees who have applied for short-time work allowance or cash wage support until 1 July 2020, and who benefit from short-time work allowance or cash wage support, shall be eligible for normalization supports. In this context, 1,103 TRY will be deducted from the social security premiums that the employers pay to Social Ssecurity Institution, in case the employees shift to normal working hours (30 days).

• One time cash transfer of 2,500 TRY to be paid to workers in TV and cinema industry by Istanbul Foundation for Culture and Arts and Trade Union of TV and Cinema Workers.

• Monthly minimum wage support of 75 TRY will continued to be provided to all employers (around 7.8 million) until the end of 2020.

• Despite physical classes being cancelled to prevent infection, public schools will continue
to pay untenured teachers and qualified instructors, who normally receive hourly wages.

- **With new legislation** (Act No. 7244), Turkish Government banned layoffs to secure employment and aims to protect employees who are not eligible for short-labour pay and are put on unpaid leave. The most recent presidential decree extended the layoff bans for another 2 months until 17 November 2020.

- KOSGEB increased the maximum limit of “Investment and management credit” to 3 Million TRY. Accordingly payback period was levelled up to 60 months from 48.

- The employment termination prohibition, unpaid leave and short-time working allowance have been extended until 31 March 2021.

- Law No. 7256 on the Restructuring of Certain Receivables and Amendment of Certain Laws has been published in the Official Gazette No. 31307, dated 17 November 2020, regulating the following issues:
  - Insurance premium support for individuals benefiting from unemployment allowance,
  - Extension of incentives for the employment of young individuals, women and individuals with professional qualification certificates,
  - Extension of additional employment incentive,
  - Extension of short-term working allowance,
  - Extension of insurance premium support,
  - Support for those who have been terminated between 1 January 2019 and 17 April 2020 and for unregistered employees,
  - Support for each additional employee to be employed when compared to the period between January 2019 and April 2020,
  - Return of excess and unwarranted short-term working allowances.


- The termination prohibition and unpaid leave were extended once again for an additional two months, until 17 March 2021, with the Presidential Decision No. 3344, which was published in the Official Gazette No. 31350 dated 30 December 2020.

- “Normalisation Support” in force has been extended until 30 June 2021 with the Presidential Decision. The period of the support has been prolonged from 3 to 6 months. The duration of additional employment incentive regulating premium and tax support to employers within the scope of securing and increasing employment was extended until December 31, 2022. The incentives applied to the employment of women, young people and those with vocational qualification certificates, the duration of this incentive was extended until December 31, 2022.

- As a normalization support within the recovery process, 2 billion 461 million 543 thousand 960 TL of SGK premium netting was made for 3 million 183 thousand 435 employees who started to work normally.

- It was announced that the rate of increase in minimum wage (21.56%) will become manifest in Cash Wage Support, Incentive for Return to Employment and Additional Employment Incentive with presidential decision, to be valid as of January 2021.

- On 25th of January, Minister of Family, Labour and Social Services stated that 1 million 428 thousand citizens have lodged applications for restructuring of SSI (Social Security Institution) premium debts so far and restructuring was carried out for a debt sum of 79
billion 24 million liras.

- On 5\textsuperscript{th} of February, 2021, it was announced that since the outbreak of the Covid-19 pandemic, a total of 27.6 billion liras had been paid for 3.8 million people under unemployment and short-time working allowance payments.
- Turkey extended a ban on layoffs until the end of June 2021, while also maintaining short-term work allowances. The short-term work allowance, under which people were receiving two-thirds of their salary, will be continued until the end of June and will be applicable to all industries. Around TL 32 billion ($3.8 billion) has been extended for some 3.7 million employees under the scheme since March 2020, including TL 27 billion throughout last year and TL 5 billion in the first two months of 2021.
- As of July 1, 2021: improvement of eligibility conditions for short-time working allowance; cash wage support paid to those who are on unpaid leave and cannot benefit from the short-time working allowance and unemployment benefits; ban on layoffs and normalization (premium) support were ended as most remaining pandemic restrictions have also been lifted.

**Assistance to business and business continuity**

- Public banks introduced 4 new loan packages to strengthen the demand side of the automobile industry, construction industry, general consumption and tourism. The interest rates of the credits are relatively lower than the averages in the Turkish banking system.
- Credit payments for firms who are facing cash flow disruptions due to coronavirus is postponed for three months.
- Credit payments of craftspeople and artisans to state lender Halkbank will also be delayed for three months without interest.
- Turkish Exim Bank introduced Turkish Lira Rediscount Credit Programme to deliver low interest credits to SMEs and bigger companies to support exports.
- Ministry of Industry and Technology announced “Triple Protection Package” to support the SMEs. The package consists of grants to SMEs that produce protective health equipment, postponement of the payments of SMEs Development Organization, and extension of deadlines for project implementation.
- The membership fees of companies to be paid to chambers and commodity exchanges due in June 2020 is postponed to October 2020.
- “Check Payment Support Credit” and “Stay in Business Credit Support” is introduced to all companies.
- SMEs Development Organization loans were postponed for three months.
- KOSGEB will provide support up to 6 mln TL for these projects. 4.2 mln TL of this amount will be loan.
- The limit of KOSGEB investment and management credits are raised to 3 mln TRY/SME from 300 thousand.
- Development Agencies announced loan programs to assist business in need of urgent cash
- All enterprises will be exempt from the environment sanitation tax and advertisement tax for the period of business shutdown.
- The incentive certificates for the investments that were ceased due to pandemic will be extended for up to a year.
Due to major changes in the schooling arrangements and in order to support the business, VAT was reduced from 8 percent to 1 percent for the private school fees. The discount decision will be valid between September 1, 2020 and June 30, 2021. The decision will also apply to private universities.

In December 2020, it was announced that affected businesses will be provided financial support. Support can be claimed by businesses, such as restaurants and cafes, whose 2019 turnover was at TL 3 million ($426,433) and below. Businesses, whose turnover has decreased by 50%, will be provided between TL 2,000 and TL 40,000 payment support for loss of turnover.

The government will provide tradespeople with nearly TL 5 billion ($677 million) worth of support for three months.

The government will pay shop owners negatively affected by the pandemic TL 1,000 for three months, benefiting nearly 1.24 million people, including 806,871 citizens and 432,657 business owners who are directly affected by the lockdowns.

The money will be extended as a grant and businesses such as taxis, minibuses, service vehicles, bazaar vendors, tailors, auto mechanics, hostels, dorms and kindergartens will benefit from it. In metropolitan cities, shop owners will be given TL 750 worth of rent support, while other cities will receive TL 500.

Income tax, withholding tax and sales tax payments for businesses that were closed due to the pandemic will be deferred.

In April 2021, Turkey revealed a new TL 5 billion ($604 million) support package to cushion the effects of its latest and strictest lockdown to date on the economy. It is primarily aimed at providing financial support to small and medium-scale enterprises whose businesses are severely harmed by the restrictions. The country is launching the new support program through the Small and Medium Industry Development Organization (KOSGEB). It is aimed at micro and small-scale enterprises that have lost income and needed to maintain employment with disrupted cash flow. As part of the support package, up to TL 30,000 will be allocated for micro-enterprises and up to TL 75,000 for small-scale businesses. Those that benefit from this support can use it for three years without any repayment or interest. About tradesmen and their businesses, monthly income support of TL 1,000 was extended and a rent support ranking between TL 750 and TL 500 will also continue.

In May 2021, the Government announced new funding for several sectors severely hit by the coronavirus pandemic. Some TL 4.6 billion (around $555 million) will be distributed to more than 1.38 million tradesmen and craftsmen split into two groups. Namely, cafes, wedding venues and theme parks, among other businesses hit by the outbreak, will be given a one-off payment of TL 5,000. On the other hand, restaurants, cab drivers, barbers, musicians, car washes and others will receive TL 3,000.

As of July 1, 2021, government wage support program for employees of companies hit by the coronavirus outbreak, adopted in early 2020, expired as most remaining pandemic restrictions were also lifted.

The instalment payments of the loans used by the tradesmen and craftsmen from Türkiye Esnaf ve Sanatkarlar Kredi ve Kefalet Kooperatileri Birlikleri Merkez Birliği (TESKOMB) and Halk Bank started as of July 1, 2021.

The application period for KOSGEB support for manufacturer micro and small businesses that were affected by the pandemic was extended until 6 August 2021.
Protecting workers in the workplace

Occupational Health and Safety

- The Ministry of Family, Labour and Social Services (MoFLSS) introduced a guidance for all workplaces to combat COVID-19. This include, the establishment of a Preparedness Team at Workplaces, Introduction of an Emergency Plan and Risk Evaluation, Preventions to Control the Spread of the Pandemic, Hygiene, Personal Protective Equipment and the Procedures on How to Respond if any Employee shows signs of sickness.
- The MoFLSS introduced new guidelines for OSH experts and professionals on OSH preventive measures against COVID-19 in the workplaces. Please see relevant web news here.
- The MoFLSS with 44,986 OSH experts and 2,446 health professionals provides regular training on prevention from COVID-19 and hygiene in the field.
- The MoFLSS introduced guidance for the specific sectors and workers played a critical role at the time of COVID-19 pandemic including private security, transportation and courier services, pharmacies, retail, baking, agriculture, waste collection, call centres, food sectors.
- Globally and in Turkey, trade unions are calling for SARS-CoV-2 to be recognized as an occupational hazard, and Covid-19 as an occupational disease to ensure full implementation of occupational safety and health (OSH) rights as well as the implementation of agreed measures to reduce safety risks. Under the latest decision taken by the Social Security Institution, dated 7 May 2020, Covid-19 is not classified as an occupational disease in Turkey.
- Covid-19 was classified as an occupational disease for health care workers in Turkey.
- As of 1 December 2020, in workplaces with more than 50 employees, the implementation of epidemic measures had to be strictly supervised by the existing occupational health and safety specialist or a designated staff, under the supervision of the workplace doctor.
- The Ministry of Family, Labor and Social Services imposed administrative fines on companies that risk public health by producing unsafe masks during the pandemic.
- In May 2021, the Minister Mr. Vedat Bilgin of the Ministry of Labour and Social Security announced that occupational health and safety experts who were mobilized to provide guidance and counselling to employers and employees in order to prevent the risk of COVID-19 transmission at workplaces will also be gradually included in the national vaccination plan.

New work arrangements

- All public employees regardless of their employment situation are given the right to flexible work. Due to decreasing numbers in the infected people most of the public institutions shifted to normal working arrangements. Nevertheless, with the presidential decree issued on 26 August 2020, state institutions may now implement flexible working methods. All public institutions are allowed to implement teleworking or design new shifts arrangements, including rotational basis, for employees.
- Private sector is called to apply flexible work.
- With the decision of the Government on normalisation process as of 1 June 2020, all public employees have returned to the office based work under the condition of application of

ilo.org/covid19-policies
strict safety and health conditions.

- With removal of restrictions in certain sectors under the new normalisation process, private sector workers are allowed to return to the office based work under the condition of application of strict safety and health conditions.
- However, due to increased number of COVID-19 cases, the Government announced in November 2020 that the scope of alternating and remote working methods were expanded in all public institutions and organizations. Accordingly; employees aged 60 and over (except those in administrative positions), pregnant women, those with chronic diseases, female personnel with children aged 10 and younger will work from home, deemed on administrative leave. Other personnel members will work alternately on a weekly basis.
- As of 20th of November, public and private sector workplaces were to allow flexible working hours for their employees in a way that does not create tension.
- In accordance with the Presidency Circular dated 14.04.2021 and numbered 2021/8 and the letter of the Presidency Administrative Affairs dated 27.04.2021 and numbered 17665, working hours of public institutions and organizations were determined as 10.00-16.00 and flexible working procedure could be implemented. In the gradual normalization period, these working hours will continue to be valid and the implementation of flexible working procedure will continue.
- As of July 1, 2021, public institutions returned to normal working hours.

Prevention of discrimination and exclusion

Access to paid leave

Procedures and duration of medical/doctor certificates from public hospitals are eased to facilitate provision of paid sick leave for workers and administrative leave procedures including paid leave for public employees have been streamlined.

Access to health care

- All private and public hospitals have become pandemic hospitals where necessary medical treatment for all citizens infected by COVID-19 will be provided free of charge as of 11 March 2020.
- Distribution of 24 mln surgical masks, over 3 mln N95 masks, over 1 mln protective gowns and goggles to hospitals as of 01 April 2020.
- The process of provision of medical prescriptions for citizens suffering from chronic diseases is eased and additional cost of medicaments will be born the Social Security Institution.
- The MoFLSS established “National Monitoring Units” to regularly monitor to nursing and rehabilitation centres covering more than 420.000 elderly to protect from COVID-19.
- According to Turkish National COVID-19 Vaccine Administration Strategy, vaccines and vaccination services provided by the Turkish Ministry of Health at the healthcare facilities will be free of charge.
- Nationwide vaccination started on 14th of January after the Chinese Sinovac was granted emergency use approval by Turkey’s Drug Regulatory Authority. Health care workers were the first to receive the shots, and under a mass vaccination plan, the elderly citizens are next in line. The age limit will gradually drop in line with the plan. People living in
nursing homes and nonagerians were in the first group broadly described as “people at the age of 65 and above.” The elderly and frail citizens unable to leave their homes are vaccinated at home. As of 1 December 2020, healthcare expenses of patients receiving COVID-19 treatment within the scope of Healthcare Implementation Communiqué (SUT) are covered by Social Security Institution (SSI) regardless of their test result. Pandemic care fees will be paid to healthcare providers within this framework.

• As of April 2021, Turkey began administering Pfizer and BioNTech’s COVID-19 shots. In May, the Minister of Health announced that the country has made deals to receive 100 million doses of Sinovac, 120 million doses of Pfizer/BioNTech and 50 million doses of Sputnik vaccines. It was also announced that Turkey will soon be administering its own COVID-19 vaccine. Turkey will accelerate its vaccination campaign as of June 1.

• In April 2021, “vaccination persuasion” teams, which is an initiative of the Health Ministry, were created to persuade people who fall into the eligible age groups for the vaccine but who have so far been reluctant to get vaccinated.

• In June 2021, vaccination venues were diversified. Along with hospitals and clinics, people can get their vaccines almost everywhere. Health care crews visit the villages far from city centers and vaccinate people at home or at where they work. In cities, shopping malls and busy squares are dotted with vaccination stands staffed by nurses and doctors. Vaccination points were also set up in border crossings in four provinces, while 40 airports across the country offer vaccination for passengers. Vaccination spots are also established at major train stations and bus terminals.

Vaccination Update

• In January 2021, Turkish Ministry of Health announced a 4-stage vaccination plan which identifies the occupational groups who has priority in vaccination. In the first stage, health care workers started to receive their first dose vaccines as of January 14, 2021. In the second stage, essential workers who work in critical jobs started to be vaccinated. In May 2021, teachers and school staff aged over 40 were included in the vaccination program. As of June 7, 2021, all teachers and school staff were included in the vaccination program regardless of their age. As of June 9, 2021, musicians, academics, university personnel and those who work in the TV and cinema industries were started to be vaccinated. All lawyers, employees of the food production and distribution sector, cafes and restaurants, as well as barbers and hairdressers were included in the COVID-19 vaccine priority program starting on June 11, 2021. Immediately after, people working in inner city and intercity transport, taxi drivers, cargo workers and couriers were added to the country’s vaccination program. Lastly, Turkish Ministry of Health announced that Turkey began COVID-19 vaccination of all employees registered in the Social Security Institution as of June 15, 2021. As of August 16, 2021, Turkey expanded its vaccination campaign to include everyone aged 15 and above, and children aged 12 and above with chronic illnesses.

• In Turkey, there is no legal regulation that obliges everyone to be vaccinated against COVID-19 pandemic. However, Turkish Ministry of Labour and Social Policies sent a general letter dated 2/9/2021 on Covid-19 Measures at Workplaces to the 81 Provincial Governorships. The Ministry stated that it is the Ministry’s main duty to take measures to regulate working life, to facilitate and protect labor peace in employee-employer relations, and to monitor the implementation of measures to ensure occupational health and safety. Accordingly, it is reminded that employers are obliged to inform all their
workers about the protective and preventive measures against the health and safety risks that may be encountered in the workplace, and employers are requested to inform their workers in writing, whose COVID-19 vaccine has not been completed. In addition to that, employees who are not vaccinated should be notified of the possible consequences of a definitive diagnosis of COVID-19, in terms of labor and social security legislation, by the employer. Lastly, it was announced that, as of September 6, 2021, workers who are not vaccinated against COVID-19 may be required to have a PCR test mandatory once a week by the workplace/employer, and the test results will be recorded at the workplace for necessary procedures. It should be noted that the Direction did not make the vaccinations mandatory, but every employer must take into account its general duties under the Occupational Health Safety Act, 85 of 1993 to provide a working environment that is safe and without risk to the health of his employees and persons other than those in his employment who may be directly affected by his activities are not thereby exposed to hazards to their health or safety.

Relying on social dialogue for solutions

Approaches to tripartite consultation

The Government under the leadership of the President organised a Coordination Meeting to Combat COVID-19 in March 2020 with the participation of workers and employers organisations.

- The Government launched a “National Solidarity Campaign” on 30 March 2020 to provide additional support to low-income people suffering economically due to the measures taken, which was welcomed by social partners. Donations to National Solidarity Campaign have reached nearly 1.8 billion TRY. Donations collected within the context of the campaign were transferred in payments of 1000 Turkish Liras per household to a total of 53 thousand 282 households of citizens with the need of periodic supports.
- With a new legislation (Act No. 7244), the procedures of collective bargaining agreements, collective labour disputes, strikes and lockouts have been suspended for 3 months.

Joint action of employers and workers

In response to Government’s Economic Stability Shield programme, workers (TÜRK-İŞ, HAK-İŞ, DİSK, KESK, MEMUR-SEN, T. KAMU SEN) and employers organisations (TİSK) announced statements calling the government

- to take urgent actions to mitigate adverse impact of COVID-19 measures on the economy and labour market
- to introduce new measures to protect income of workers and enterprises and
- to protect workers from unfair dismissals and unsafe working conditions.
- To support small shop owners and grant employees paid leave
- To provide unemployed unconditionally paid unemployment salary,
- To access to health care system free of charge without exceptions and preconditions

The new legislation (Act No: 7244) has been criticised by workers organisations:

- To remove the article suspending the procedures of collective bargaining agreements, collective labour disputes, strikes and lockouts for 3 months.
To increase the total amount of cash payment to workers in unpaid annual leave

To ban forced unpaid leave by employers

The conditions for short-term work allowance and unemployment insurance should be eased

To provide financial support to informal workers who lost their work

Furthermore, TÜRK-İŞ, HAK-İŞ, MEMUR-SEN, T. KAMU SEN and TİSK together with other employers organisations called employers to benefit from short-term work allowance to protect employment.

TÜRK-İŞ, HAK-İŞ and TİSK announced a joint declaration for new normalisation process for smooth transition period with continuation of short term allowance payments in certain sectors, extending the scope of short term allowance system, promoting employers and enterprises having collective agreements with new incentives.

TÜRK-İŞ, HAK-İŞ and TİSK made a second joint declaration on 27.08.2020 and welcomed the continuation of short term allowance until the end of the year. They called the government to:

- Ease the benefiting conditions for short term allowance.
- Introduce an incentive mechanism for the employers who are benefiting from the short term allowance and but at the same time paying the full wages to their employees.
- Introduce an income tax exemption for the wage difference that is being paid by short term allowance benefiting employers.
- Take necessary measures to protect the labour peace in cases where mistakes were made by ISKUR in payment of short term allowance.
- Support companies that protect their employees and implement collective agreements with extra incentives.

DİSK made a separate announcement on 27.08.2020 and called the government to:

- Re-design the ban on dismissals lifting all exceptions and continue during the pandemic process
- Remove the unpaid time off
- Implement the “paid time off” in private sector too, make teleworking available in workplaces, and end discrimination among workers.

DİSK, KESK, TMMOB and TTB called Government to take necessary urgent actions to protect workers and employment through designed action plans such as implementation of teleworking modality in all relevant sectors, ensuring paid leave for all relevant workers, increasing lowest pension equal to minimum wage and prohibition of terminating contracts during the COVID-19 crisis. DİSK published a report analysing the negative impact of the COVID-19 on workers and announced a new Roadmap for Industrial Relations after COVID-19 crisis.

Following the announcement by the President on the National Solidarity Campaign to combat COVID-19, TİSK announced its financial contribution of 20 m TRY and Türk-İŞ, Hak-İŞ, Memur-Sen and T. Kamu Sen has pledged more than 8 m TRY in total to contribute to the national campaign.

Turkish Employers Association of Metal Industries (MESS) has announced an Aid Package on March 2020 to fight against COVID-19 for MESS members and their workers which includes:
• distribution of voluntary membership support of 500 m TRY for 2 years,
• suspension of membership fees for 6 months, provision of education grants to children of workers,
• organising online training programmes,
• initiating online market where 30% discount applied to MESS members and their workers,
• provision of 2 mln masks, gloves and disinfections purchased for workers.
• COVID-19 health costs were included to the supplementary health insurance provided 130 thousand workers.

The Turkish Metal Workers Union (Türk Metal affiliated to Türk-İş) reached a deal with automakers to protect the rights of the workers during suspension of production. The employers have committed not to lay off any workers apart from voluntary redundancy applications. In case of suspension of production, workers will be paid a full wage but they will take 12 days annual leave.

Workers confederations (Hak-İş and Memur-Sen) supported health care professionals through provision of medical protective equipment and allocating guesthouses of trade unions for health care professionals.

On the Global Action Week for Healthcare Workers (between 26th and 30th of October), demands such as "better wages for healthcare workers, more staff, job security and the right to organize" and "qualified and free health care for all, more budget for health services" were voiced by DiSK.

On 3rd of November, TÜRK-İŞ, HAK-İŞ and DiSK made a joint statement saying that arrangements of flexible working should be withdrawn from the agenda of the Turkish Grand National Assembly.

Trade unions and CSOs called the Government to make necessary legal changes to classify COVID-19 as an occupational disease for all workers including health professionals.

In December 2020, TÜRK-İŞ, HAK-İŞ and DiSK evaluated the developments in the minimum wage determination and made joint statements saying that a minimum wage that will ensure decent living for workers and their families is the expectation and common demand of millions of workers.

The special focus of this year’s TISK Corporate Social Responsibility Awards Program which is organized every year to increase awareness in the field of corporate social responsibility and to encourage institutions on this issue, will be the fight against Covid-19.

TÜRK-İŞ called the Government to take the following actions to mitigate the negative impact of COVID-19 on workers’ rights:

• Cash wage support should be increased at least to the level of minimum wage,
• Behaviours contrary to the rules of ethics and goodwill, which are within the scope of exception, and similar reasons have recently become a method of dismissing workers by some employers (with reference to the Kod-19). Employment contracts of organized workers are terminated on the pretext of aforementioned behaviours. Workers who are dismissed in this way cannot receive unemployment insurance, notice and severance pay,
and cannot benefit from unemployment benefits. Some workers are sent to unpaid leave without their consent.

DİSK called the Turkish Parliament to make necessary legal changes to make the minimum wage exempt from tax and to increase the minimum wage by 750 TL with the support of SGK premium to the minimum wage.

HAK-İS called the Government to take necessary measures to mitigate the negative effects of the pandemic on people with disabilities and their rights.

DİSK, KESK, TMMOB and TTB made a joint statement on the occasion of March 8, 2021 and pointed out that the reflections of the pandemic in economic and social life have deeply affected women. It was declared that women will continue to fight for all kinds of laws that protect and improve their rights, especially İstanbul Convention.

KAMU-SEN also made a statement on 8th of March and pointed out the negative effects of pandemic on women. Increasing informality in women employment, increasing domestic violence and lack of childcare services were the most highlighted issues.

In the first year of the pandemic, DİSK presented its renewed and expanded suggestions for the fight against COVID-19 in Turkey:

- Short-time work allowance should be continued by expanding its scope,
- Layoff ban should continue by removing the unpaid leave application and exceptions,
- During the layoff ban, workers should be given short-time work allowance, not cash wage support,
- Minimum income support should be provided to employees and households who lost their jobs and income in the pandemic,
- The minimum wage should be paid based on gross,
- All employees who have to go to work must be vaccinated as soon as possible.

On the occasion of 1st of May, 2021, HAK-İ$ reiterated its request that COVID-19 be considered as an occupational disease covering all employees.

DİSK, KESK, TMMOB ve TTB published a joint declaration on the occasion of 1st of May, 2021:

- Everyone should be vaccinated, everyone should receive income support,
- COVID-19 should be considered as an occupational accident and occupational disease for workers who get sick while working,
- Code 29 and unpaid leave should not be applicable any more,
- Not employers but employees and unemployed people should be benefited from Unemployment Insurance Fund resources,
- All taxes and deductions on the minimum wage must be removed,
- In order to fight with unemployment, public employment should be increased, public workers who were unlawfully dismissed should be returned to their jobs, and their working hours should be reduced.

After the Government has announced “full lock-down”, KESK expressed its criticisms and listed its suggestions on how to take effective measures to fight with COVID-19 and protect the public:
• Production should be stopped and a 4-week full lock-down should be implemented for all sectors in both public and private sectors other than the production of essential goods and services,
• During the full lock-down period, the salaries and wages of all employees must be covered by the Treasury without any loss of rights,
• A new vaccination plan should be made and priority should be given to those working in the production of essential goods and services,
• Protective equipment (masks, cologne, liquid soap, etc.) should be distributed to the people free of charge, especially those with low income,
• A “basic citizenship income” should be provided to everyone, not less than a living wage level, especially to women most affected by the epidemic conditions,
• Price increases made on basic consumption items in the last two years should be withdrawn, and the VAT taken from these items should be zeroed,
• Electricity, natural gas, water and communication expenses of households with incomes below the poverty line should be covered by the Treasury until the pandemic threat disappears,
• COVID-19 should be considered as an occupational accident and occupational disease for workers who get sick while working,
• Code 29 and unpaid leave applications must end,
• In cases of full lock-down, measures should be taken against the increasing domestic violence against women and women’s increasing care burden.

Türk-İş, Hak-İş, TİSK and TOBB made a joint statement regarding the extension of the short work allowance and extended their thanks to the Government and other relevant parties.

Türk-Sağlık Sen called the Ministry of Health to compensate all economic losses of health care workers during the pandemic, establish an employee-oriented and fair system, leave the additional payment application and make a single payment in the form of a wage increase, prevent violence against health care workers and improve childcare services at the hospitals.

In its several statements, TTB called the Government to prevent the violence against health care workers, lift the ban on resignation which has no legal basis and make efforts to lighten the burden on health care workers.

DİSK made a press release on the "normalization process" that has begun on July 1, 2021 and recommended the Government to take following measures:

• The ban on layoffs should be continued without any exceptions and the unpaid leave should be terminated.
• Income support, not less than the minimum wage, should be given to all workers who lost their jobs and income in the pandemic, and the eligibility criteria for applying to unemployment benefit should be lifted.
• The minimum wage should be completely exempted from tax and the amount of cash received by all workers should be increased by at least 750 TL.
• Pension income should be raised to the minimum wage level.
• In order to compensate for the income loss of informal workers, a minimum income support should be provided within the social security system, and family insurance should be started to support poor households.
Considering that women and young people are affected more negatively by the pandemic, special measures should be taken for the employment of women and youth. Remote working should be reorganized in a way that does not create loss of rights and guarantees workers’ rights.

**DİSK** called the Ministry of Labor and Social Security to convene the Tripartite Advisory Board, as the limited social policy measures regarding the pandemic ended as of July 1, 2021, and this brought a series of new problems in working life.

**TTB** called the Government to take necessary scientific measures against the Delta variant. According to TTB, it is necessary to increase scientific precautions, especially in international travels, in order for Turkey not to encounter a new danger. A third dose vaccine program should be initiated with mRNA vaccines effective against variants.

**Other measures**

- The Grand Assembly adopted a new legislation on remission of sentence which would result in releasing 90,000 inmates from the prisons who will be put under house arrest to mitigate the impact of COVID-19 in prisons.
- A new legislation was adopted by the Grand Assembly to protect health care professionals from violence and harassment which envisages higher penalties for perpetrators.
- In complementarity with the central government, local administrations (municipalities) also provided several cash and in-kind support to the unemployed, small enterprises, and vulnerable segments of the society, including those making a living out of casual works including street vendors and waste collectors. Food and hygiene packages, one-off cash assistance, regular food supply, payment of essential bills (water, local transportation and internet), suspension of payment of municipal taxes and rents, matching the philanthropists with people in need, and care services for homeless persons are some of the services provided by municipalities.

**Activities of workers' organizations**

**Summary**

As HAK-İŞ, we have expressed our demands and solution suggestions in all meetings with the relevant Ministries in order to protect employment and employees. We also presented our evaluations regarding the regulations in the work life and the following suggestions for better implementation of the existing regulations;

1. We consider the prohibition of layoffs as a very important step under the omnibus bill. In addition to this important regulation for employees, we find it worrying for our employees that the unpaid leave application is open to abuse due to prohibition of termination. We think that the application of unpaid leave can be abused, especially for economic reasons.
2. In order to prevent abuse of the unpaid leave application; we find it as an important step for the Ministry to monitor the practices of employers, and to publish a practice rescript on this issue to establish a method and to provide unity of implementation if necessary.

3. As HAK-İŞ; we demand that the conditions for benefiting from the Short Term Work Allowance to be improved in favour of the employees and making it based on actual working action. We believe that the Short Term Work Allowance should be improved in terms of the prohibition of termination, and all the applicants should benefit from this directly, while the conditions regarding the minimum insurances and premium payment days for workers are removed.

4. In this process, we published three joint declarations about Short Term Work Allowance and unpaid leave applications, as HAK-İŞ, TURK-İŞ and TISK. We believe that operating the social dialogue mechanism effectively will contribute to this process.

5. We deem it necessary to provide cash support for 4 million refugee citizens living in our country who are affected by the epidemic.

6. As HAK-İŞ, within the scope of May 1 events, the theme of fighting epidemic and its effects on working life was used in the statements and posters we published this year.

HAK IS info letter sent to the ILO- ACTRAV

Sources:


Activities of employers' organizations

The Turkish Confederation of Employer Associations (TISK) on its website and via social media, provides info and advice on COVID-19 of relevance to enterprises in Turkey.

The TISK board regularly holds virtual meetings with Ministers and other high representatives of the government to exchange views on Covid-19-related problems in individual economic sectors and to discuss support measures for companies, e.g.

- Video meeting on COVID-19 with the Minister of Family, Labor and Social Services, Mr. Zehra Zümrüt Selçuk. In the meeting, TISK Chairman, Özgür Burak Akkol conveyed TISK’s COVID-19-related requests and proposals concerning working life, especially regarding the short-time working allowance.

- Video conference with Mr Fuat Oktay, Vice President of Turkey. In the meeting, among others, the effects of the Covid-19 pandemic on the Turkish economy, in particular the effects of the new normal on industry and
production and necessary measures overcome the crisis, were discussed.

TISK also issued joint declarations/statements with partner organizations, e.g.:

- a joint declaration with other Turkish business organizations and trade unions, issued on the fight against COVID-19.
- a joint statement with the trade unions TURK-IS and HAK-IS expressing thanks and satisfaction with government support during the COVID-19 crisis but also proposing additional measures to facilitate the normalization process, among others: the prolongation of short-time working allowances by the end of 2020 and its extension to all workers, related tax relief, and further incentives for enterprises that main employment and adhere to collective agreements.

TISK also donated 20 mio. ₺ for the national solidarity campaign and called upon the whole nation to support this campaign.

---

**Turkmenistan**

**Stimulating the economy and employment**

No cases of COVID-19 have been confirmed in Turkmenistan since the beginning of the pandemics in the country in April 2020. Nevertheless, since 15 January 2022 non-food markers and shops and catering enterprises were put under a strict lockdown.

**Protecting workers in the workplace**

**Strengthen OSH measures**

**COVID-19 Vaccination**

On 9 April 2021, the Ministry of Health and Medical Industry of Turkmenistan adopted the COVID-19 National Deployment and Vaccination Plan. According to the Plan, vaccination against COVID-19 is to be carried out in a step by step manner, starting with the groups most at risk, and transform into a mass vaccination campaign for all age groups and populations.

The plan does not single out specific categories of population (e.g. workers of certain sectors or industries, age groups) for a mandatory COVID-19 vaccination. Rather, starting from 7 July 2021, it made COVID-19 vaccination mandatory for everyone above the age of 18 without medical contraindications to inoculation. Nevertheless, healthcare workers underwent mandatory vaccination during the first phase of the Plan roll-out in January-April 2021.
Adapt work arrangements

Governmental offices should introduce shift work for employees working 8 hours a day, 40 hours a week. In organizations with up to 100 employees, half of the employees should work from 8 am to 5 pm, and half from 9 am to 6 pm. If the organization has more than 100 employees, then 30% of them should work from 8 am to 5 pm, 40% from 9 to 18, 30% - from 10 to 19. Organization that do not work according to the standard five-day schedule, new work regimes should be drawn up taking into account the specifics of the tasks and the need for minimizing staff concentration.

Activities of employers' organizations

- The Union of Industrialists and Entrepreneurs of Turkmenistan (TSTB) has taken the following action for members related to the COVID-19 pandemic:
  - Provision of info and contacts helping comply with and understand the newly adopted temporary regulation on the movement of export, import and transit goods through the territory of Turkmenistan.
  - Provision on the TSTB website of a list of available online retailers.

Ukraine

Stimulating the economy and employment

Fiscal Policy

- Until 30/4: Land and real estate taxes shall be lifted.
- Until 31/5: Tax payers shall be exempted from late fee in case of untimely payment of taxes.
- Until 1/7: Deadline for submitting the tax declaration extended. Tax payment deadline extended till 1 October 2020.
- Until 1/7: Citizens shall be exempted from late fee for untimely payment for communal services.

Monetary Policy

- Until 30/4: Land and real estate taxes shall be lifted. All citizens shall be exempted from fines and late fees for protracting repayment on consumer loans. The debt shall not be forgiven, it’ll have to be repaid.
- Until 31/5: Citizens shall be exempted from late fee for untimely payment for communal services.
- Until 30/4: Fines for untimely or incomplete payment of single social contribution shall be lifted.
Support to specific sectors, incl. the health sector

- Health workers treating the COVID-19-infected patients shall be paid 300% in addition to their basic salary, workers of the territorial health centers shall be paid 100% to their basic salary;
- Additional bonuses shall be established for social protection workers that provide social services at the residence place of their clients at the level of 100% in addition to their basic salary.

Supporting enterprises, jobs and incomes

Social protection

- Partial unemployment benefit introduced for the period of quarantine (through 22 May 2020 with a possibility for extension) for workers employed by those enterprises that have reduced or completely stopped activities, with some UAH 4.72 billion (USD 177.2 million) allocated to this end, and financing through the State Employment Service (Government Resolution No. 306 of 22 April 2020);
- Online registration of unemployment status and unemployment benefit introduced at the State Employment Service based on electronically submitted documents;
- Additional UAH 1.27 billion (USD 47.7 million) allocated from the state budget to finance unemployment benefits;
- For those workers whose employment was terminated by resignation, the deferment of unemployment benefit has been lifted;
- During quarantine, the unemployment benefit for persons without contributory record has increased by 54 per cent to UAH 1000 (USD 38).
- Until 30/4: Entrepreneurs, farmers and self-employed (scientists, artists, teachers, attorneys, notary, etc.) shall be exempted from paying the single social contribution
- Automatic extension of social benefits, incl. unemployment, until the end of quarantine
- State Employment Service introduced online registration of clients www.dcz.gov.ua
- Every pensioner whose old-age benefit is under UAH 5,000 (~USD183) shall be paid a lump sum of UAH 1,000 (~USD37) in April. Those pensioners aged over 80 will receive an additional UAH 500 (~USD 18)
- All pensions will be incremented by 11% as of 1 May to adjust to inflation
- Shortened the period for granting the status of "unemployed" immediately upon submission of a written request, unemployment benefit shall be established starting the next day after the registration with SES; a 7-day period for active search for a "suitable job" shall be temporarily put on hold
- The obligation of the registered unemployed to regularly visit the State Employment Service during 30 or more calendar days has been suspended (all communication between an unemployed and the SES shall be done online) (Government Decree of 29 March 2020)
Assistance to businesses and business continuity

- Ban to increase lending interest rates by the banks during the quarantine.
- Suspended payments for leased premises by the SMEs that the latter cannot use due to quarantine.
- Severe restrictions on the usage of public transport have been limited to workers in health care, social and municipal services as well as for workers employed in critical infrastructure and strategic enterprises to ensure continuity of production and services. These categories were issued special passes for public transport.

Protecting workers in the workplace

OSH

- obligation on the central and local authorities sealed by law to equip the health and social workers that provide services at the residence place of their recipients with anti-epidemiological and personal protective equipment necessary to ensure protection against COVID-19
- shortened procedure of certification of domestic producers of personal protective equipment to address shortages thereof
- urgent reprofiling of distilleries to cover deficit of disinfectants

New work arrangements

Legal amendments were introduced to the Labour Code (Art. 24, Art. 60) stipulating the "remote (home-based work) and "flexible working hours"

Relying on social dialogue for solutions

Joint action of employers and workers

The Federation of Employers of Ukraine and the Federation of Trade Unions of Ukraine made a Joint Statement on COVID-19 outbreak Excerpts in English are given below:

- concerns raised about the proliferation of overlapping and contradictory platforms, crisis-centres and alike – and call to create a Single Crisis Center with the President, Parliament, Government, experts, academia and social partners aboard.
- supporting the quarantine measures, they warn against possible introduction of the state of emergency and shutdown of most industrial enterprises, arguing that a one-month shutdown may reduce GDP by about 4% to 9%, massive job and livelihood losses, major decline of budgetary revenues, and social unrest.

They proposed to:
urgently prepare a package of priority legal amendments and policies to minimize the socio-economic impact
make a budget revision to prioritize funding support to domestic industry, wage increase those workers involved in anti-epidemiological measures, support to vulnerable groups;
design and implement employment policies, manage returning labour migration and address undeclared work;
use the public procurement tool for employment and economic growth;
prevent from unjustified rise of tariffs for essential commodities, transport services, energy, etc.;
monthly reviews of refinancing rate to: inflation rate plus 2%.

Other measures

Other measures

Until 31/5: Starting 18 March all inspections have been under moratorium (exception for the budget recovery inspections). Those inspections that had not been completed before 18 March shall be temporarily put on hold.

Government & other relevant sources

https://www.president.gov.ua/
https://moz.gov.ua/pres-centr

Activities of workers' organizations

Summary

Social dialogue is not functioning at appropriate levels in Ukraine. As a result, there are protests against Government from health care workers and street vendors
There are discussion being held at the joint representative body, where unions can voice opinion vis-à-vis the Governments. Some areas are negotiated, but main policies are not negotiated.
FPU has set up a special web-page where they publish all the info on COVID covering the issue of remuneration, health and safety issues, the issue of vacations, payment of sick leave, unemployment. FPU urged the public authorities and employers to take all possible steps in order to:

-prevent dismissal of workers that have temporarily suspended/reduced their production
activities and services in accordance with Government decisions, as well as to avoid any violation of workers’ rights guaranteed by law and collective agreements in case of suspension of work;

-no worker, including informal sector workers, temporary or subcontracted workers, should suffer from wage loss or deterioration working conditions during quarantine;

-where possible, send the workers to telework from home, keeping their wages; at the request of the worker, to agree with him short working hours or paid leave, if necessary, to provide sick leave;

-trade unions’ and workers’ rights should be at the heart of the Covid-19 response, they are important to reduce the risks and built confidence; necessary preventive and protective measures must be introduced at the workplaces in order to protect of the health of workers, especially those at the forefront of the fight with the epidemic outbreak.

KVPU started the campaign “What is your quarantine situation?” to show best practices at enterprises, highlight violations of workers’ rights and urge workers to inform about their problems.

Sources: FPU and KVPU

Activities of employers' organizations

The Federation of Employers of Ukraine (FEU) provides on its website COVID-19 related information, mainly on government actions and decisions adopted in response to the crisis and advocacy related activities for its members.

To support companies cope with COVID-19, FEU has set up an anti-crisis hotline offering guidance on workplace safety measures, as well as information on measures adopted by the government to support companies impacted by the crisis.

FEU has adapted and published on its website a set of ILO tools for its members:

- An employer’s guide on managing the workplace during COVID-19
- Safe return to work: Guide for employers on COVID-19 prevention

FEU has made a number of proposals aimed at minimizing the socio-economic impact, which have been partly reflected in the measures adopted by the Government (for instance, a moratorium on tax audits and inspections; cancelled penalties for violation of tax legislation; extended deadline for filing annual income and asset declarations; suspended payments for leased premises by the SMEs that the latter cannot use due to quarantine; suspended payments for the single social contribution for several categories of payers; medicines, medical devices and other equipment used to prevent or combat COVID-19 exempted from import duties and VAT; creation of a temporary budgetary programme to fight the pandemic).

On 15 May, FEU published the findings of the first rapid assessment on the impact of the COVID-19 pandemic on enterprises in Ukraine. The survey was developed based on the ILO’s Enterprise
Survey Tool on COVID-19 for Employers’ and Business Membership Organisations (EBMOs) and was conducted between 10-27 April.

The Confederation of Employers of Ukraine (CEU), issued a statement highlighting the importance of social dialogue and political coordination and coherence in combating the current crisis.

United Kingdom

Stimulating the economy and employment

- Tax and spending measures, see sections on social protection and assistance to business below
- reducing Bank Rate by 65 basis points to 0.1 percent
- expanding the central bank’s holding of UK government bonds and non-financial corporate bonds by £200 billion
- introducing a new Term Funding Scheme to reinforce the transmission of the rate cut, with additional incentives for lending to the real economy, and especially SMEs
- £330bn of loans and guarantees available to businesses (15 percent of GDP); (v) activating a Contingent Term Repo Facility to complement the Bank’s existing sterling liquidity facilities
- together with central banks from Canada, Japan, Euro Area, U.S., and Switzerland, further enhancing the provision of liquidity via the standing US dollar liquidity swap line arrangements
- reducing the UK countercyclical buffer rate to 0 percent from a pre-existing path toward 2 percent by December 2020.
- The Prudential Regulatory Authority (PRA) set out supervisory expectation that banks should not increase dividends or other distributions, such as bonuses, in response to policy actions. (IMF)
- additional funding for the NHS and other public services (£5 billion)
- New legislation (Coronavirus Act 2020) covering a wide range of aspects related to COVID-19
  
  January 2021

  Chancellor Sunak announced a £4.6bn fresh financial support package for
struggling UK companies. This would be divided in two parts: £4bn of one-off “top-up grants” for an estimated 600,000 retail, hospitality and leisure companies, which can each claim up to £9,000; There will also be a new £594m discretionary fund made available for councils to support other businesses that are not eligible for those grants but are affected by the restrictions. No further measures are expected until the annual budget is announced on March 3. (source: IMF)

Supporting enterprises, jobs and incomes

Statutory sick pay (SSP) for individuals. SSP existed previously but the government is legislating for it to be paid from day 1, rather than day 4, of absence from work.

- Easing of rules governing use of sick notes (ie can be obtained online).
- Rules governing access to social protection (Universal Credit) are also eased for the self-employed. Claimants of benefits who are staying at home as a result of coronavirus will have their mandatory work search and work availability requirements removed to account for a period of sickness.
- a Coronavirus Job Retention Scheme where the Government pays 80 per cent of the wages of furloughed workers, up to £2,500 per month. This scheme was extended until April 2021.
- deferred the next quarter of VAT payments for firms, until the end of June (£30 billion injection into the economy)
- a Self-employment Income Support Scheme
- a Statutory Sick Pay relief package for small and medium sized businesses (SMEs)
- a 12-month business rates holiday for all retail, hospitality, leisure and nursery businesses in England
- small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief
- grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000
- the Coronavirus Business Interruption Loan Scheme offering loans of up to £5 million for SMEs through the British Business Bank
- Coronavirus Large Business Interruption Loans Scheme: all firms with a turnover of more than £45 million will now be able to apply for up to £25 million of finance, and up to £50 million for firms with a turnover of more than £250 million (complements existing support including the Covid Corporate Financing Facility and the Coronavirus Business Interruption Loan Scheme).
- a new lending facility from the Bank of England to help support liquidity among larger firms, helping them bridge coronavirus disruption to their cash flows through loans
- the HM Revenue and Customs Time To Pay Scheme. Support on tax affairs for all businesses and self-employed people in financial distress.
- new ‘support finder’ tool will help businesses and self-employed people across the UK to quickly and easily determine what financial support is available to them during the coronavirus pandemic.
- new £1.25 billion coronavirus package to protect firms driving innovation in UK. Package includes a £500 million investment fund for high-growth companies impacted by the crisis. In addition, SMEs focusing on research and development will also benefit from £750 million of grants and loans.

11 May 2020

- Government issued a range of guidance to help re-open businesses and ensure the return to work is safe. This guidance was prepared in consultation with a wide range of stakeholders, including business and trade unions.

19 May 2020

- Update to above guidance issued, which includes a policy to undertake a risk assessment before re-opening in consultation with trade unions or workers.

**Protecting workers in the workplace**

- access to health care

- New 5-pillar plan outlines the ambitions to:
  - Scale up swab testing in Public Health England (PHE) labs and NHS hospitals for those with a medical need and the most critical workers to 25,000 a day in England by mid to late April, with the aligned testing strategies of the NHS in the Devolved Administrations benefiting from PHE’s partnership with Roche through a central UK allocation mechanism
  - Deliver increased commercial swab testing for critical key workers in the NHS across the UK, before then expanding to key workers in other sectors
  - Develop blood testing to help know if people across the UK have the right antibodies and so have high levels of immunity to coronavirus
  - Conduct UK-wide surveillance testing to learn more about the spread of the disease and help develop new tests and treatments
  - Create a new National Effort for testing, to build a mass-testing capacity for
the UK at a completely new scale

- OSH
  - Information and advice for workers and businesses
- prevention of discrimination and exclusion
  - guidance on support for victims of modern slavery in context of COVID 19
- Vaccinations
  - Currently vaccinations are not mandatory (one exception, see next bullet) although the Government has issued guidance for employers to encourage workers to get vaccinated.
  - From 11 November 2021, people working or volunteering in Care Quality Commission (CQC) registered care homes in England must be vaccinated by law, unless exempt.
  - A consultation (to last 6 weeks) was launched on the 9 September 2021 regarding mandatory vaccinations for frontline health and care staff (although worth noting that 92% of NHS staff have had their first dose and 88% both doses of a COVID-19 vaccine).

**Relying on social dialogue for solutions**

- The TUC has five key asks:
  - Strengthen government guidance on the safety measures all employers must give consideration to now.
  - Regulate to require employers to undertake proper risk assessments in line with guidance and in consultation with union reps, accompanied by meaningful enforcement action and sanctions for those employers that are unwilling to comply.
  - Establish a tripartite network, involving employers, unions and the HSE, with the power to instruct employers that refuse to take reasonably practicable safety measures to cease work.
  - Ensure protection from detriment for workers with genuine concern of being exposed to COVID-19 risk.
  - Urgent action on the provision of PPE – particularly to those workers who are subject to prolonged and direct exposure to the virus, such as health and social care professionals – followed by a wider roll out across all sectors of the economy.
  - TUC campaign: [https://www.tuc.org.uk/CoronavirusProtectingWorkers](https://www.tuc.org.uk/CoronavirusProtectingWorkers)
- Research (18 Dec) about impact of Brexit and COVID-19:
Joint action of employers and workers

- The Health and Safety Executive (HSE), CBI (Employers) and TUC (Workers) issued an unprecedented joint call for employers to ensure safe working conditions during the coronavirus outbreak.

Other measures

Links to relevant websites:

https://www.gov.uk/coronavirus


https://www.cbi.org.uk/coronavirus-hub/

www.bankofengland.co.uk/coronavirus

February 2021

From 8 March 2021, people in England will see restrictions start to lift and the government’s four-step roadmap offer a route back to a more normal life. Further information: www.gov.uk/government/publications/covid-19-response-spring-2021

Activities of workers' organizations

Summary

A plan to get Britain growing out of the crisis – and stop mass unemployment

The pandemic alone did not cause this economic crisis. It was made worse by a decade of austerity and the government’s failure to strengthen the UK’s economy. Choosing the wrong approach to recovery now risks embedding low growth, long-term unemployment and all the social ills that go alongside.
An investment for growth approach means taking action on six key areas:

- **Decent work and a new way of doing business**: New business models based on fairer employment relationships. A fairer share for workers of the wealth they create, with a higher minimum wage and new collective bargaining rights.
- **Sustainable industry**: Economic stimulus for a just transition to net zero carbon. Rebuilding the UK’s industrial capacity with modern tech and training in new skills.
- **A real safety net**: Reforms to social security to provide help faster and prevent poverty. A job guarantee scheme so everyone can work and long-term unemployment does not take hold.
- **Rebuilding public services**: Bringing our public services back to full strength, with decent pay for those who looked after us in the crisis, and a new focus on good jobs and direct employment in social care.
- **Equality at work**: Specific actions to make sure women, disabled people and BME groups do not suffer disproportionately from the impact of the coronavirus recession.
- **Rebuilding internationalism**: New international rules must prioritise decent jobs and public services for all.

The evidence from the post-war recovery is that this investment for growth recovery plan can pay for itself. Millions of working families with higher disposable income create the economic demand needed for strong growth and healthy public finances. Stronger public services and an effective safety net will support people to start and grow businesses, and will better protect against a future pandemic.

**Source**: Trade Union Congress (TUC) - [https://www.tuc.org.uk/](https://www.tuc.org.uk/)

For more information, see also:

- [https://www.tuc.org.uk/CoronavirusProtectingWorkers](https://www.tuc.org.uk/CoronavirusProtectingWorkers)
- UK’s teachers’ unions NASUWT issued a [comprehensive guide](https://www.tuc.org.uk/)
- The National Education Union (NEU) also has a [dedicated portal](https://www.tuc.org.uk/)
- The NEU together with other unions has issued a [manual to members](https://www.tuc.org.uk/)

**Activities of employers' organizations**

The [Confederation of British Industry (CBI)](https://www.cbi.org.uk/) has created a “Coronavirus Hub” website on which it provides up-to-date support, intelligence and guidance for business on COVID-19, for instance:

- [Latest information and insights](https://www.cbi.org.uk/) (impact of coronavirus, latest UK government actions, international updates)
- [FAQ on COVID-19 issues](https://www.cbi.org.uk/) (general, government and financial support, emergency legislation and regulation, employment; meetings, travel and events; cleaning and health in the workplace; supply chain) and links to external resources
- Checklists, e.g. [19 steps to successful social distancing](https://www.cbi.org.uk/) (checklist prepared by Airbus UK to ensure employees’ safe working),
● Factsheets, e.g. on Corporate governance and coronavirus, Coronavirus and the PPE challenge, and coronavirus job retention scheme

● Video statements by CBI leadership.

CBI has also set up a dedicated COVID-19 inbox which enables companies:

● to inform CBI how the COVID-19 outbreak is impacting on their business
● to share thoughts and experiences, and make suggestions for government action
● to ask questions on COVID-19

CBI has been organizing daily webinars on topical COVID-19 issues, such as on: whether business can stay open or must close (30 March); how to manage key employment law issues (2 April); access to finance (6 April); business rates and VAT (7 April); trade unions and businesses working together (8 April); economic impact of COVID-19 (15 April); productivity and working from home (16 April); supporting SMEs impacted by coronavirus (20 April); how businesses can operate safely (21 April); how COVID-19 is transforming digital (22 April); the generational impact of lockdown and restarting the economy (28 April); leading a business through lockdown (4 May); mental health and wellbeing (12 May); latest insights from government and lessons from abroad (13 May), returning to work safely (14 May); Transport: how to return people to work safely (21 May); innovation and driving the post-coronavirus recovery (1 June); preparing for a green recovery (2 June); reskilling for the recovery (4 June); Adapting and innovating for a resilient future (5 June); Unlocking regional growth in a post-COVID economy (16 June).

CBI regularly reports on business support it helped secure so far, as well as proposals for further government action (What next? Building back better).

CBI also informs every two weeks about its latest political engagements (How is the CBI responding?). Recent priorities in this regard have been: bringing more flexibility to the Job Retention Scheme and Self-Employment Income Support Scheme; ensuring that economic recovery is not inhibited by quarantine restrictions; helping businesses re-open safely and securely; building confidence amongst employees and customers; and continuing to engage and respond to the PPE challenge.

CBI has set up “Business Heroes” inbox to encourage and support business to help overcome the COVID-19 crisis, e.g. by redeploying people, supporting families in hardship, helping people maintain their mental and physical well-being, or provide critical PPE supplies.
- Ensuring during the quarantine period the stability of budgets of all levels by transferring the planned expenses for the second quarter of 2020 to the second half of 2020

- Reduce the costs of extra-budgetary funds of state authorities, courts and prosecuting bodies, ministries and departments, accumulated from taxes, mandatory fees, duties, fines (excluding the cost of employees and material incentives established by law), with the direction of the saved funds to the republican budget.

- By 1 August 2020, ministries, departments and their territorial divisions should stop the expenses related to the purchase of fixed assets, construction and reconstruction, at the expense of extra-budgetary funds, with the exception of activities for which funding has already been allocated.

- Budget revenues will be primarily aimed at financing:
  - activities to counteract the spread of the coronavirus infection, including the acquisition of drugs, medical devices, construction, reconstruction, repair and equipping of medical institutions;
  - timely payment of wages, pensions, stipends and allowances;
  - procurement of food products, utility bills and other urgent expenses;
  - other activities and expenses based on decisions of the Republican Anti-Crisis Commission.

- The deadlines for paying income tax and filing tax returns are extended. The submission of a declaration on the total annual income of individuals for 2019 is extended to August 1, 2020. Income tax payers are entitled to submit a certificate on the amount of advance payments on income tax starting from Q2 of 2020 based on the estimated volume, with the cancelation of the requirement for its calculation based on the results of the previous quarter. Collection of tax debt is suspended. Some categories of taxpayers are exempt from VAT. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Consumer/bank loan and mortgage holidays. Extending loan repayment terms and not applying fines for overdue external debt. Expansion of mortgage lending. (The amount of interest calculated and deferred by commercial banks on loans is not included in the total income when calculating income tax in the period of the granted deferral.)

- Revision of the country’s investment programme, with the redirection of funds for the implementation of priority infrastructure projects that provide opportunities for entrepreneurship and employment. Additional infrastructure projects in the regions aimed at expanding economic activity, exports and employment, as well as construction of utilities, especially in small industrial zones. To ensure economic activity, new investment projects have been launched in the amount of more than 1 trillion soums (USD 98.6 mln).


- Reduction of mandatory prepayment for gas and electricity from the current 100 to 30% for legal entities.
- Exemption from taxation of the income of individuals received in the form of material benefits from charitable organizations

- Support for investment projects experiencing challenges in global production chains, transport, and logistics systems and trade relations [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Lending to the citizens for the construction and repair of individual housing in some regions including Tashkent to create seasonal jobs there

- Ensuring the continuous and stable functioning of the banking and payment system by:
  o Providing liquidity in the monetary market for a total amount of up to 1 trillion soums per month through active use of monetary policy instruments - through repos (UZS 500 billion) and swaps (UZS 500 billion);
  o Providing commercial banks with additional liquid resources in the amount of 2.6 trillion soums by easing requirements for mandatory reserves (by the Central Bank);
  o Support for commercial banks in case of deterioration in the quality of loan portfolio. Introduction of a special mechanism for providing liquidity to commercial banks with a term of up to 3 years in the amount of up to 2 trillion soums;
  o Uninterrupted supply of 5,000 ATMs with sufficient cash, the establishment of another 2,000 ATMs, stimulation of the development of remote banking services, and recommending use of non-cash payments;
  o Mandating that by June 1, 2020, commercial banks must provide the results of stress testing of the loan portfolio, as well as the assessment of quality of assets in banks at risk of an increase in problem loans. [https://lex.uz/docs/4770763](https://lex.uz/docs/4770763)

- An interdepartmental operational headquarters has been established to ensure expedited passage of goods through border customs posts, their uninterrupted customs clearance, and issuance of permits for exported and imported goods. Customs clearance of imported food products has been accelerated. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Exemption from customs restrictions, customs duties and VAT (on imports and sales) for medicine, substances, medical equipment, essential commodities and other necessary goods imported to the country, particularly for importers and large retail networks. Other flexible regulations and provision of such items. Compensation for expenses to cover interest on loans, primarily for the production, purchase, and sale of such items.

- Monitoring of the volume of production of raw materials for the production of consumer goods and measures to raise their representation on the stock exchange to load production capacities. Definition of the amount of food products needed for importing and intervention by the State Reserves Management Committee.

- Ensure daily monitoring of prices in the markets, hypermarkets and pharmacies and establish
tough control over the prevention of artificially high prices for socially important food products, creation of shortages and excessive demand for them. Production and import of essential consumer goods and medical equipment to avoid shortages and unnecessary price increases. When necessary, utilization of the government reserves is allowed. Governmental price-fixing for specific products (rice, pasta, sunflower oil, flour, sugar, wheat, buckwheat, beans, milk powder and its products) by subsidizing corresponding businesses.

- The export of raw materials used for manufacturing medical products and the import of cement products are restricted. The former is to meet the needs and ensure uninterrupted supply to the domestic market, while the latter is to support domestic producers facing declined demand.

- Payers of value-added tax, whose turnover of goods (services) does not exceed 1 billion soums per month and who use electronic invoices, are entitled to calculate and pay value-added tax on a quarterly basis. The value-added tax benefits are applied to taxpayers without the precondition of sending the funds exempted from taxation for specific purposes.

- The Anti-Crisis Fund under the Ministry of Finance, created in March 2020 to mitigate the negative impact of the coronavirus pandemic on the economy of Uzbekistan, was terminated from January 1, 2021. The residual funds were transferred to the state budget.

- The President signed a decree “On the state program for the implementation of the Action Strategy in five priority areas of development of the Republic of Uzbekistan in 2017-2021 in the ‘Year of Supporting Youth and Strengthening Public Health’”. The document notes that the programme will implement projects worth 29.4 trillion soums and US$2.6 billion (in 2020, 18.2 trillion soums and US$10.3 billion, of which US$8 billion within the investment programme). From the budget and extra-budgetary funds, funds will be allocated for 19.4 trillion soums. The Fund for Reconstruction and Development of Uzbekistan will allocate 1.4 trillion soums and US$850 million for the implementation of the programme.

**Support to specific sectors, including the health sector**

- Commercial banks will provide free debt service deferrals on a total of 5 trillion soums in loans for businesses in the tourism, hospitality, transport, and logistics sectors, as well as other business entities and individuals facing financial difficulties due to the introduction of restrictions on foreign trade operations. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Low interest rate loans for businesses, especially for those in the tourism and hospitality sector.

- Tax deferral for tourism and hospitality, transport, pharmaceuticals, and the light industry. Exemption from paying land and property taxes for businesses engaged in tourism and hospitality, including Uzbekistan Airways JSC and its structural divisions, Uzbekistan Airports JSC and Aeronavigation Center State Unitary Enterprise. Social tax is reduced to 1% for such
businesses in the tourism and hospitality sector. Suspension of tourist (hotel) tax.

- JSC “National Bank of Uzbekistan”—the main financing bank of JSC “Uzbekistan airways”—is provided a new debt repayment schedule for its maturing debt of USD 111 million in 2020 (with the suspension of debt payments for 2020). Related to this, negotiations were made with foreign creditors of Uzbekistan Airways JSC to review the conditions for the repayment of loans and payments on them. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Reduction of tax rates by 50% for the use of water resources for irrigation of agricultural land. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Reduction of fees (by 25%) for the right to sell alcohol products for public catering enterprises. The amount of deductions for wholesalers of alcoholic beverages is reduced from 5 to 3%. By the end of this year, maintain the current excise tax rates on alcohol and alcohol products, as well as the excise tax on the sale of gasoline, diesel fuel, and gas to the final consumer. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Recommending that cities and districts reduce by 30% the personal income tax for individual entrepreneurs whose activities directly or indirectly depend on the tourism industry. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- The state committee for tourism development cooperates with ministries, departments, and local administrations to open new domestic tourism routes, to increase the number of mobile holiday centres, and to develop medical and health tourism.

- From March 1, 2021 to June 1, 2022, as part of the promotion of domestic tourism, a mechanism will be introduced to reimburse part of the following travel expenses in Uzbekistan:
  - for air carriers—25% of air ticket fares for local routes; and
  - for tour operators and travel agents—15% of the air and railway ticket fares, as well as 10% of the cost of accommodation services (hotel services). At the same time, reimbursement of part of these costs is provided subject to at least one overnight stay in accommodation facilities located in the provinces to which the trip was made.

- To increase domestic demand for the products of local enterprises and thereby support them, the government bodies are granted the right to carry out purchases planned for the III-IV quarters of 2020 in the II quarter.

- Building materials needed for the construction of medical and quarantine institutions to combat coronavirus infection, as well as goods necessary for their functioning, are exempted from customs duties, including value-added tax, by December 31, 2020. COVID-19 rapid tests are not charged a customs clearance fee when imported. [https://lex.uz/ru/m/acts/4780477](https://lex.uz/ru/m/acts/4780477)

- Material incentives and salary supplement of 120% (6% increase of their daily pay rate; an extra UZS 5–25 million or USD 500–2,600) for health workers dealing with the spread of coronavirus

- Extension of the term of repayment of loans that cotton-textile sectors received in 2019 for cotton harvesting. [http://www.uzbekembassy.in/president-addresses-people-due-to-the-](http://www.uzbekembassy.in/president-addresses-people-due-to-the-)

[ilio.org/covid19-policies](http://ilio.org/covid19-policies)
- Another 50 million USD (in addition to the 50 million already allocated in 2019) allocated to create conditions and opportunities for artisans to ensure employment or the development of the service sector, commercial banks receive a loan in the equivalent of 100 million US dollars from the Fund for Reconstruction and Development. Loans will be granted to commercial banks for a period of 7 years, including a 3-year grace period with an interest rate of 4 percentage points lower than the Central Bank's basic rate. Credits will be allocated to business entities in the service sector (with the exception of business entities in the field of trade and finance) for the creation and equipping of enterprises, especially those operating in the field of consumer services, education, medicine, information communications and other demanded areas.

Supporting enterprises, jobs and incomes

Supporting enterprises, jobs and incomes

Social protection

- Strengthening measures to support low-income families and increasing the number of social benefit (social assistance) recipients by 10%, in collaboration with the Council of the Federation of Trade Unions. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Payment of allowances to families with children, childcare benefits, and material assistance, the deadline of which ends in March-June of the current year, will be extended by 6 months to 1 year without interruption, without requesting an application on their extension for a new term and other documents (but no longer than for a child to reach the age of 2 and 14 years, respectively). These benefits are newly paid to other families in need. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- (Announced on 29 July) The allocation of 150bn soms (nearly USD 15m) to provide financial support for families in need. This is intended to alleviate the negative impacts of the new quarantine restrictions, which were declared for 20 days in July 2020; (announced on 5 August 2020) a further 50bn soms (USD 4.9m) will be allocated for this purpose.

- (Announced on 30 July) The provision of 220,000 soms (21 dollars) per person in one-off financial allowances for 1.7 million people, or 400,000 needy families. A total of 380bn soms (37.3m dollars) was allocated for this purpose.

- Provision of basic food and hygiene products free of charge to vulnerable people, such as elderly people who are alone, persons with disabilities, and low-income families. (For the period of quarantine measures, the list of free basic foodstuffs and hygiene products is supplemented with disposable masks, antiseptic agents, and antibacterial soap sets.)

- Collection of charity assistance at Uzexpocentre in Tashkent and, based on the calls received at the call centre, its delivery to families in need through makhalla representatives and volunteer groups. Allocation of 20 vehicles with protective equipment for this purpose.

- 3,6 trillion soums (335 million dollars) was allocated from the crisis fund for the construction of...
social and infrastructure facilities. Additionally, 1.5 trillion soums (147 million dollars) from Anti-Crisis Fund will go on construction of engineering and communications infrastructure. That includes 500 billion soums (around 50 million dollars) on 55 projects in the area of water supply and 1 trillion soums (98.5 million dollars) on 1,547 projects in road construction. [https://www.un.int/uzbekistan/news/uzbekistan-allocates-more-35-trillion-soums-support-construction-area-time-pandemic](https://www.un.int/uzbekistan/news/uzbekistan-allocates-more-35-trillion-soums-support-construction-area-time-pandemic)

- Pensions and salary payments in Uzbekistan are fully transferred to bank cards to prevent the spread of the coronavirus.

- Amendment of the current procedure for the allocation and payment of social benefits in order to streamline the process of assessing the need of families receiving social benefits, including:
  - Reduction of the list of documents required for the application for social benefits;
  - (Newly announced on 6 August 2020) Gradual introduction of a Single Social Register – a unified register with an information system – for social protection of residents in all regions, from 1 September to the end of 2020. This will simplify the registration process and reduce the number of certificates and supporting documents needed to receive benefits and allowances (which will start on 1 January 2021). The single portal for interactive public services will issue certificates of recognition to low-income families, which will be valid for 12 months. Necessary equipment and systems for this will be purchased with a loan of 5m dollars received from the World Bank.
  - Exclusion of individual transfers from the total family income as measures of state social support, and more.

- With a loan provided by the International Development Association and support by the World Bank, expand the system for providing temporary benefits to low-income families and unemployed people for the quarantine period. Together with activities to enhance the healthcare system, the project will cost 106.7m dollars total.

- The Ministry of Neighborhoods and Family Affairs is organizing short-term training courses for 33,380 women to teach them professions.

- The President declared 2021 the Year of Supporting Youth and Strengthening Public Health. Special attention is to be paid to training youth in modern, in-demand professions, developing their entrepreneurial skills, implementing their initiatives, and providing jobs and housing. [https://president.uz/en/lists/view/4057](https://president.uz/en/lists/view/4057)

- An initiative was put forward by the President and received active support from business people to assign one unemployed young person to one entrepreneur according to the principle “Every entrepreneur – supporter of youth”. At least 500 thousand young people may be provided with jobs in 2021 under this initiative.

- The Resolution of the Cabinet of Ministers of the Republic of Uzbekistan approved the Model Regulations on the Youth Support Fund included in the Yoshlar Daftari (Youth Book). According to the Regulation, the funds of the Youth Book fund are directed to the following:
  - providing one-time material assistance up to 4 times the size of the base calculated value of young people with a difficult financial situation, included in the “Youth
- The President signed a Resolution on measures to improve the system of social protection of the population of the Republic of Uzbekistan for 2021-2030. The Resolution envisages approval of the Concept of National Social Protection Strategy and development of a Roadmap on the formulation of the National Social Protection Strategy.

- By the end of 2021, 900 orphans/graduates from orphanages in need of housing will be provided with houses.

- It is planned to build 22 preschools, 31 schools, 16 higher educational institutions, 24 health care facilities, and 23 sports facilities in 2021.

- The following practice to support persons with disabilities is expected to be introduced by June 1, 2021:
  - transition of the practice of providing the needy population with prosthetic and orthopedic products, the rehabilitation and technical means for the system of issuing a certificate with the creation of an opportunity to purchase prosthetic and orthopedic products, and the rehabilitation and technical means of their choice from any manufacturer at the expense of funds provided by the state; and
  - assignment of disability for an indefinite period to a citizen recognized as a disabled person with anatomical defects that have clear signs of disability, without additional examination to obtain clinical and functional information.

- Under the State Program for 2021, from July 1, nurses will be allowed to independently engage in nursing on a self-employment basis.

- On April 1, 2021, mass vaccination against coronavirus infection started in Uzbekistan. At the first stage, citizens over 65 years of age, medical workers, people with chronic diseases, employees of schools and kindergartens, the armed forces, and law enforcement agencies will be vaccinated.

- The President signed a Resolution on additional measures to support the owners of housing lands and provide employment for the population. The Resolution provides for the allocation of funds in the amount of 50 billion soums to the State Employment Promotion Fund at the expense of the Anti-Crisis Fund under the Ministry of Finance to fund the improvement of household plots’ efficiency, as well as the allocation of subsidies to unemployed, low-income, and poor families to pay contributions for membership in agricultural cooperatives.

**Employment retention measures**

- Prohibiting termination of the employment contract with quarantined or infected employees
or their family members.

- Continuing timely provision of salaries for 1.04 million employees of state educational, sports, and cultural institutions that have suspended their activities. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Through the decision of the President of Uzbekistan, the state programme for creating new jobs and promoting employment in 2021 has been approved. The programme includes the creation of 457,127 new jobs, promoting employment for 513,575 citizens, and encouraging employers. Also, it determines the employment of 281,289 unemployed citizens for vacant and reserve jobs. According to the decree, subsidies, benefits, and microcredit in the following amounts will be allocated in 2021 to promote employment: 92.3 billion soums (allocation of subsidies), 65.1 billion soums (payment of unemployment benefits), 40.6 billion soums (covering the costs of vocational training, retraining, and advanced training), and 125 billion soums (resources allocated to commercial banks for the implementation of small projects for the creation of new jobs).

**Assistance to business and business continuity**

- The right to interest-free deferrals of property tax, land tax, social tax and the usage of water resource tax, is granted to MSMEs who suspended their activities and/or whose revenue is reduced by more than 50% compared to the monthly average for Q1 2020. This is applied without submitting an application to local government bodies, with their subsequent payment in equal shared within 12 months (for social tax, with its subsequent payment within 6 months).

- Provision of interest-free loans for enterprises to repay loans under the state guarantee and priority expenses, and to pay wages to employees of business entities that have suspended their activities in connection with the announcement of quarantine. For this, capitalization of the State Fund for Support of Entrepreneurship Development is increased to 500 billion soums. The fund compensates 12% of expenses on loans of entrepreneurs whose interest rate does not exceed 28% (both rates were increased). It provides a guarantee of up to 75% of the loan amount (increased from 50%) for entrepreneurs with a positive credit history. The upper limit of the guarantee amount was increased from 8 to 10 billion UZS. The restriction on granting guarantees and compensation by the state fund to only one project of one entrepreneur is now lifted. State guarantees already issued for loans are extended.

- Reimbursement of interest expenses on loans issued to business entities in national currency for working capital replenishment with an interest rate not exceeding 1.75 times the basic rate of the Central Bank, while maintaining the established compensation amounts.

- Providing up to 30 trillion soums of renewable revolving credit facilities (RCFs) to be made available to private sector businesses to avoid a liquidity gap and to ensure continued production of essential consumer and medical products.

- Removing barriers to export. For example, suspension of the application of penalties to business entities for overdue receivables from foreign trade operations. Allowing businesses to:
  - export goods without guarantee payment with existing overdue receivables not exceeding 10% of the total export of goods for the reporting year;
  - conduct one-time operations on importing technological equipment and raw materials alternatively to the repayment of overdue receivables from foreign trade operations.
operations. https://lex.uz/ru/docs/4770763

- Partial compensation of the transport costs of business entities engaged in foreign trade activities https://lex.uz/ru/docs/4770763

- Extending loan repayment terms and not applying fines for overdue external debt. To mitigate possible negative effects for business entities, the Central Bank recommended to all commercial banks:
  o to study the possibility of repaying loans by enterprises affected by the spread of coronavirus infection;
  o to review the terms of the loan agreement based on the results of the study to provide a grace period for the repayment of the loan;
  o not to change the classification of loan quality, the terms of which were revised based on the study.

- Suspension of the calculation of a fixed amount of personal income tax and social tax for individual entrepreneurs who were forced to suspend their activities for the period of quarantine, with no need to submit a certificate of state registration and notify the state tax service of suspending business through a personal taxpayer account.

- Reduction of social tax rate for small businesses (and farms) from 12 to 1%. Reducing the minimum amount of social tax by 50% of the basic estimated amount per month for individual entrepreneurs.

- Small businesses and individual entrepreneurs are exempt from land tax and property tax. Reducing property tax and land tax rates for unused facilities and non-residential buildings of entrepreneurs. Suspension of the imposition of interest on late payments of property tax, land tax and tax on the use of water resources to business entities experiencing temporary difficulties.

- The procedure for applying increased property tax and land tax rates in relation to idle production areas and non-residential buildings (including those identified before April 1, 2020), as well as interest and penalties for recovering debt arising from the application of increased rates, is suspended on the specified taxes.

- Deferment (installment plan) provided by local authorities for business entities for payment of property tax, land tax, and tax for the use of water resources without interest. The Ministry of Finance provides monthly compensation from the Anti-Crisis Fund to local budgets for shortfalls in connection with the provision of these deferrals. https://lex.uz/ru/m/acts/4780477

- Implementing a zero-rent policy for businesses using government-owned properties, particularly for the businesses forced to suspend their activities for the period of quarantine.

- Suspension of tax audits on business entities, with the exception of criminal cases and cases related to liquidation of a legal entity. The deadline for conducting audits on 2019 outcomes at business entities subject to a mandatory audit is extended to October 1, 2020. The requirement for a mandatory annual audit of limited and additional liability companies with a book value of assets exceeding 100,000 base estimated value is introduced following the results of 2020. The requirement for a mandatory annual audit of businesses with assets of more than 100,000 base
estimated value is introduced based on the results of 2020. [Link](https://lex.uz/ru/docs/4770763)

- Operations of 2,000 major enterprises are organized in compliance with quarantine requirements and in accordance with decisions made by the special national crisis commission. (Each of them is assigned advisors [officials in charge of the enterprises] and receives practical assistance in solving infrastructure and commodity supply problems, dealing with transportation of products and workers, and resolving tax, credit and customs issues)

- A moratorium is imposed on initiating bankruptcy procedures and declaring bankruptcy by enterprises facing financial difficulties due to restrictive measures to counter the spread of coronavirus infection.

- Official notification of the occurrence of force majeure and issuing relevant certificates upon requests from business entities. [Link](https://lex.uz/ru/docs/4770763)

- Heads of sectors in districts and cities work closely with enterprises in the assigned territory. Headquarters are organized in the district departments for economic development and poverty reduction that will deal with solving the problems of entrepreneurs.

- Since the majority of industrial enterprises that had suspended their activities for the period of quarantine resumed work in May, the Ministry for Economic Development and Poverty Reduction has been instructed to carefully study, together with the hokims (heads of local executive authority) of the regions, the problems of 4,000 non-working industrial enterprises and to help launch their activities.

- A list of activities (67 types of works and services) that self-employed can engage in has been expanded. Registration of self-employed persons is carried out in a notification manner through a special mobile application or personal account of the taxpayer with the issuance of a matrix bar code (QR code) certifying the fact of registration as self-employed, with the cancellation of the procedure for issuing temporary labour certificates. [Link](https://lex.uz/docs/4849605)

- A mechanism for returning part of the VAT to business owners was introduced on 1 July 2020.

- Credit funds will be allocated for migrants to start a business, including partial compensation for the cost of an insurance policy on credit security. By the end of the year, 25bn soms (about 2,450,000 dollars) will be allocated from the Employment Promotion Fund for these purposes, and 100bn soms (about 9,800,000 dollars) will be allocated as loans.

- Under the President’s Decree on approving the State Program for 2021 in order to support businesses in the context of the coronavirus pandemic, the validity period has been extended until December 31, 2021 for the following:

  deferrals for payment of land and property taxes for businesses in the field of tourism, transport, and restaurants (cafes, canteens) as of January 1, 2021 (by 400 billion soums for 20 thousand enterprises);

  suspended penalties on property and land tax arrears to businesses in temporary difficulties as of December 31, 2020, as well as the requirement to not apply the measures of enforced collection of tax arrears provided for in the presidential decree of March 19, 2020;
the interest-free deferral (installment plan) of the balance of property tax and land tax as of December 31, 2020, provided by the pandemic period; and

a moratorium on tax audits of small businesses that pay taxes and other mandatory payments on time, with the phased introduction of the “risk analysis” system during tax audits to reduce the share of the “shadow economy”.

- The Ministry of Employment and Labour Relations of the Republic of Uzbekistan, Xalq Bank (People’s Bank), and “Tadbirkor Ayol” (Businesswoman) Association signed a tripartite memorandum of understanding. The main goal of this memorandum is to increase the economic and social activities of women by expanding their economic, financial, and legal literacy, developing entrepreneurial skills, developing their entrepreneurship, and improving their business environment.

Other measures to support enterprises, jobs and incomes

- Organization of vocational training centres and provision of vocational and language training for migrant workers.

Protecting workers in the workplace

Protecting workers in the workplace

OSH

- The Republican Anti-Crisis Commission take measures to create conditions for businesses continuing production activities, ensuring that sanitary-epidemiological control services and healthcare institutions are attached to them for continuous monitoring of conditions for their employees, as well as extending the deadlines for payment obligations not fulfilled due to restrictive measures introduced due to the coronavirus infection.

- The national special commission (for combating Covid-19) is carrying out disinfection work and stepping up sanitary control at firms and organizations, markets, and trade complexes which have resumed business, as well as expanding awareness-raising campaigns in the media among the population and working people.

New work arrangements

- Allowing transition of employees, especially pregnant women, elderly and people with disabilities or chronic diseases, to a distance-working method with flexible working hours.

Access to paid leave

- Parents quarantined with coronavirus infection or suspected infection, and persons who are looking after a child below 14 years of age, who are quarantined or in self-isolation, receive temporary disability benefits in the amount of 100% of the average wage.

- During the period of closure of preschool educational institutions and comprehensive schools, parents of pupils of such institutions are granted annual leave (including those who have
worked less than 6 months), regardless of the schedule for using annual leave.

- Government agencies and NGOs placing at least 50% of their staff on paid leave and the rest on remote work.

- Simplifying the procedure for the issuance of documents on temporary disability (sick leave).

**COVID-19 Vaccination**

On 3 August 2021, vaccination-related amendments to the Law on Protecting Public Health and the Labour Code entered into force. The Law on Protecting Public Health introduces a specific norm which allows introduction of [mandatory] preventive vaccination of the population in the event of a threat of infectious and other dangerous. However, mandatory vaccination can only be introduced by the decision of the Chief State Sanitary Doctor of the Republic of Uzbekistan. The amendments to the Labour Code allow employers to suspend employees who refuse to undergo preventive vaccination against infectious diseases, including COVID-19, without medical justification.

On 17 July 2021, in the course of the expanded meeting of the Special Republican Commission on Combatting Coronavirus Disease a decision was made to introduce compulsory vaccination for certain citizens over 18 years of age. Corresponding changes were made to Sanitary and Epidemiological Rules and Norms (SanPiN) No. 0239-07 on Immunoprophylaxis of Infectious Diseases in the Republic of Uzbekistan. Mandatory vaccination has been introduced for the following categories of citizens:

- Employees of all types of service contacting the public (public service centers, post offices, banks, leasing companies, notary offices, insurance companies, beauty salons, hairdressing salons, etc.);
- Employees of all types of shopping facilities (food, household goods, clothing stores, pharmacies, etc.);
- Employees of sports schools and other sports facilities;
- Employees of cultural and entertainment institutions and recreation areas;
- Employees of hotels, hostels, and campgrounds;
- Employees of public and private transportation services;
- Employees of public and private educational institutions;
- Military personnel;
- Employees of public catering services, in particular fast-food outlets located in public places, banquet halls, cafes and restaurants, as well as employees of enterprises involved in groceries delivery;
- Employees of all types of public and private medical and social institutions;
- Utility workers;

[https://ilo.org/covid19-policies](https://ilo.org/covid19-policies)
Communication and telecommunication workers;
Employees of public authorities and administration;
Law enforcement officers.

The amendments suggest the following vaccination schedule:

- first dose of the vaccine by 1 September 2021;
- second dose of the vaccine by 1 October 2021;
- third dose of the vaccine (if applicable) by 1 November 2021.

**Relying on social dialogue for solutions**

**Relying on social dialogue for solutions**

- Representation and participation of social partners in the Special Anti-Crisis Commission created in relation to the spread of COVID-19. (The decisions made by the President concerning the unfolding crises are discussed and consulted in this commission.)

- Expected submission of a proposal by the Federation of Trade Unions of Uzbekistan (FTUU) to the government to make amendments to the Labour Code and other relevant laws so that the national legislation effectively regulates teleworking and other forms of non-standard work arrangements.

**Other measures**

- Replenishment of shortfalls in the budget of regions and the city of Tashkent by providing monthly reimbursement and interest-free budget loans for up to 3 years, particularly in connection with the provision of tax deferrals and a reduction in entrepreneurial activities. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Expanding remote services for taxpayers to fulfill tax obligations without visiting the state tax service. Provision of assistance to taxpayers in preparation and submission of tax reports, using IT and involving specialized software product development companies. [https://lex.uz/ru/docs/4770763](https://lex.uz/ru/docs/4770763)

- Monitoring the prices of the most essential products in the supermarkets.

**Activities of workers’ organizations**

**Summary**

- As the pandemic has already left tens of thousands unemployed and without reduced income, the FTUU has negotiated with the Government the additional measures to
mitigate the negative consequences. Accordingly, the hairdressers, shoemakers, bakers, blacksmiths, carpenters, tailors, taxi drivers, translators, designers, programmers - self-employed representatives of more than 60 professions will be exempt from income tax. To take advantage of this benefit, it will be enough to notify the tax authorities by phone. Based on international best practices, a mobile application will be developed for registration and registration of self-employed citizens.

- In addition, the FTUU, which is the member of the state Covid19 Disaster Response Center, succeeded to push the decision of the Government to increase financial assistance by 10% from June 1, the number of beneficiaries of families with children under the age of 14 years, also for child care until they reach the age of 2 years.

Source: Uzbekistan Trade Unions Federation FTUU

For more information, see also:

www.kasaba.uz


https://kasaba.uz/ru/aktualnye-voprosy-i-otvety-na-nih-vo-vremya-pandemii/

Activities of employers' organizations

The Chamber of Commerce and Industry (CCIU) provides on its website COVID-19-related info and advice to business, including

- government measures to support business
- instructions for members who wish to donate resources to combat the COVID pandemics.
- news related to crisis, relevant for the enterprises

CCIU also distributed a guide developed by the Ministry of Justice containing recommendations for business on such topical issues as payment of loans, goods and services to suppliers, and rent. The guide also deals with the issues of how to enforce a force majeure clause in contracts, how to act in the absence of such a clause, as well as the procedure for obtaining a force majeure certificate, and it also explains measures of state support to entrepreneurs in quarantine.

In April/May, CCIU organized an online competition “COVID-19 Challenge 2020” for innovative tools and solutions to mitigate the consequences of the COVID-19 pandemic. People from all over Uzbekistan were invited to collaborate and create innovations, combining knowledge, technology, entrepreneurial skills to help those who are affected by the COVID-19 pandemic. The competition covered eight subject areas, i.e. health; help to vulnerable populations; support for small business and employment; community support; education; improvement and behavioural models; leisure; and others. CCIU published the winning project ideas on their web site.
CCIU shifted a significant part of their operations towards online meetings and online events, making sure that they keep providing support to their members while minimizing the exposure and spread of pandemics.

CCIU also made an agreement with UNDP on joint action to support business affected by the COVID-19 pandemic, including the

- launching of a hotline (business clinic) to advise entrepreneurs on assistance, benefits and preferences available to entrepreneurs facing financial difficulties during the pandemics

- provision of integrated support to business through the development of skills (organization of trainings), financial support and business coaching in the post-pandemic period in such areas as: business planning and financing; organization and management of small business; transferring part of the business to online mode; and improving skills and job opportunities for the unemployed/self-employed.