POLICY WATCH:

EUROPE MIDDLE EAST AFRICA

VERSION OCTOBER 5, 2020

CUSHMAN & WAKEFIELD

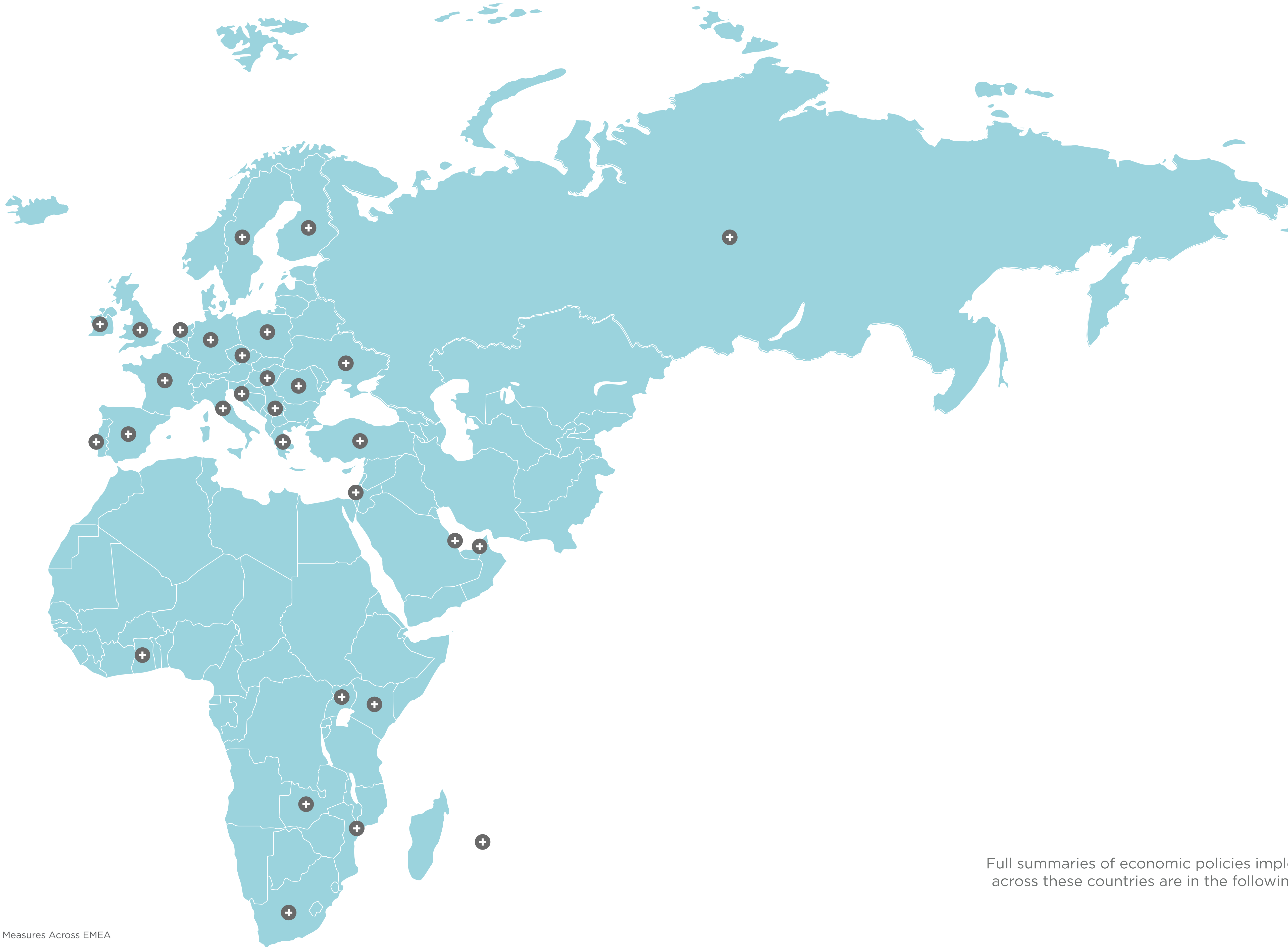
EMEA POLICY RESPONSES TO COVID-19

Countries across Europe, the Middle East and Africa (EMEA) have taken diverse approaches to addressing the multitude of economic issues that have arisen from the current pandemic. The aim of all of course is to limit the human toll of the virus whilst mitigating the economic damage business, governments and citizens are experiencing. Policy decisions across the region range from complete closure of all retail, bars and restaurants; extreme limitation of people permitted to work in positions unable to be fulfilled by work from home (WFH); to a 'trust the people to make the right decisions' approach. The question yet unanswered is whether the measures in place will ultimately be successful.

The financial implications for governments—when finally quantified—will be unprecedented. Measures that support real estate occupiers, supplement employee salaries whilst on furlough, implement employment protection schemes, provide debt relief and loan facilities for businesses and the self-employed must all be admired. The potential implications on real estate have also been recognized, with governments implementing aid that includes rental exemptions, eviction suspensions, cash grants, and tenant protections.

The following report itemizes the economic and real estate measures Cushman & Wakefield is tracking across the region. This is **not** an exhaustive list.

REAL ESTATE SPECIFIC POLICIES IMPLEMENTED ACROSS EMEA COUNTRIES



Full summaries of economic policies implemented across these countries are in the following pages.

EUROPE

CROATIA

Real Estate

- Starting with 27 April, Croatia started with a three-phase process to conclude the COVID-19 protection measures in order to restart economic activity. In the final phase of the process, which started on 11 May, most bans regarding business were lifted. Employers are still obligated to follow the physical distancing and work organization measures.
- There were no official Government instructions regarding the real estate industry in Croatia.
- The real estate market has seen a decline in activity during the current situation. Besides the COVID-19 measures, Zagreb was hit by a major earthquake at the end of March, which damaged a lot of buildings and offices in the city centre.
- Landlords faced requests from their tenants for financial breaks in rental payments during this health crisis. Most landlords were trying to approach every tenant individually and find a best solution which would be favourable for both parties.
- There was no significant impact on rental levels in Croatia although the volume of transactions decreased. Zagreb's office vacancy rates are at historically low levels and with limited construction activity in the commercial real estate sector, we do not expect to see significant changes in the office market in the upcoming period.
- Construction activities in Zagreb are mostly concentrated in the residential sector. All construction sites remained active during the crisis.

Monetary

- The government will bear the cost of giving 4.000 HRK net/per employee to entrepreneurs effected by COVID -19 crisis in order to preserve jobs.
- The deadline for submission of financial statements for 2019 is extended, from 30 April to 30 June. The submission of all related forms and calculations of income tax is also postponed.
- Agriculturists will be able to defer payments on refund requests and, after the deferral, make longer term repayments according to set deadlines.
- The government has decided to implement "COVID-19 working capital loan" program as a measure to help the economy due to the coronavirus epidemic. The program was aimed at micro, small and medium-sized enterprises. Loans of up to HRK 750.000 were given to companies, with an interest rate of 0.25%, with a grace period of 12 months and a maximum repayment period of five years with a shortened application procedure and without paying any additional fees.
- Amendments to the Micro and Small Loans for Rural Development Program have been adopted. More favorable interest rates were secured for micro and small loans for rural development. They were reduced from 0.5 - 1.0% to 0.1% - 0.25%. Furthermore, a new product is introduced - Micro loan for working capital for rural development with an interest rate of 0.5%.

Fiscal

- All business entities in Croatia whose business was endangered by the COVID-19 pandemic were invited to apply for economic relief measures of the Republic of Croatia. Measures included tax exemptions, loans for securing liquidity and work capital, deadline extensions, payment delay and loan reprogramming.
- Companies which had a drop-in revenue of more than 50% or were unable to maintain business activities due to anti-COVID measures, will be fully or partially exempt from paying income tax, personal income tax and social security contributions.
- VAT is now payable only upon related invoice's payment as opposed to before. This measure will be introduced to VAT on imports and on all goods.

CZECHIA (CZECH REPUBLIC)

- Czech government has gradually lifted the restrictions associated with the COVID-19 disease:
  1. As of 11 May, all shops could open, including shops in shopping centres and business premises over 2,500 sq m, which were restricted before.
  2. As of 25 May, restaurants could open their indoor premises. All theatres, cinemas and circuses may now be opened (max 300 persons), as well as museums, galleries, outdoor premises of castles and chateaus, outdoor training activities for professional athletes without public access.
  3. Beauty services are open from 11 May. As of 25 May, accommodation services, taxi services, tattoo salons open (limit on number of customers).
- People still must wear face masks in most of the indoor areas and retailers must provide them with enough protection gear (gloves) and disinfection.
- The government has approved a long time negotiated support program COVID-rent, which means state compensation of rents up to 50% provided the landlord offers a 30% discount off the rent and the tenant pays remaining 20%. The maximum amount of support will be CZK 10m for the period from April to June.
- Until the end of 2020, the City of Prague will not charge rent or local fees for placing outside restaurant seating on its premises.

Fiscal

- To support employment, the state will provide 100 billion CZK in direct support and 900 billion CZK indirectly in the form of guarantees.
- Liberation Package I – state will not impose fines for late submission of personal and corporate income tax returns, for late payment of a tax claim and for late submission of control tax reports.
- Liberation Package II - remission of the June advance on personal and corporate income tax, the state will not impose fines for late submission of real estate property tax return, introduction of Loss carry back and suspension of the obligation to electronically record sales for entities in all phases of EET (during the state of emergency and three months thereafter).
- A company support program called “Antivirus”, in which the state will contribute to employers' salaries has been adopted. Companies have to fulfil several conditions and they also have to prove that any liquidity problems are connected to the COVID-19 pandemic.
- The state will help self-employed persons who are taking care of a child from 6 to 13 years of age and are not able to go to work due to the coronavirus, to the value of 500 CZK per day. All self-employed, who have income only from their business, will be given six-month holidays on the payment of health and social insurance.
- An amendment to the State Budget Act for 2020 has been approved. The state budget deficit (already increased once) will be increased by 100 billion CZK (the original draft budget assumed a deficit of 40 billion CZK).
- To reduce the impact of the economic downturn, a proposal to create a financial reserve of 4% of GDP for 2021 and then consolidate public finances in the following years, has been approved.

Monetary

- The Czech National Bank (CNB) can now trade instruments with maturities of more than one year. In addition, the CNB can from now on trade with other entities, for example, with insurance and pension companies or with other institutional investors (normally the CNB may trade only with banks and credit unions).
- As of 17 March, the CNB has reduced the two-week repo rate by 50 basis points to 1.75 %, the Lombard rate to 2.75% and the discount rate to 0.75%.
- A moratorium proposal on the repayment of loans and mortgages signed before 26 March 2020, which will be binding on all banks and non-banking companies, has been adopted. Both natural persons and corporate debtors will be able to suspend their repayments for three or six months, as they choose.

FINLAND

Real Estate

- No official policy from the government, but many investors, funds and cities giving flexibility to rents. For instance, Ilmarinen, Varma, Elo and Veritas have given 2 rent free months for all businesses in the restaurant sector.

Fiscal

- Tax administration is easing the terms for payment arrangements in case of financial difficulties. Time period for the first instalment increased to 3 months.
- The government has proposed a lower interest rate on the late payment of taxes due the end of August.
  - The easing of late-payment interest arrangements could also be applied retroactively to taxes that have fallen due in March.
  - A lower interest rate also applied to tax deferments for vehicle and excise tax.
- An instalment-free period for loans payments is provided by some banks.

Monetary

- The government has prepared an extensive package funded by Finnvera, Business Finland, Centre for Economic Development, Transport and the Environment and Tesi to support businesses. Municipalities provide aid to self-employed workers until the end of June and the government has decided to provide a billion-euro support package to municipalities.
- The government introduces a new form of support to businesses to cover costs. The support package is allocated to companies and sectors most affected by coronavirus and have experienced a decrease in turnover. The support is intended to help cover company’s fixed costs and salaries, that are difficult to adjust. The exact turnover decrease required to be eligible for support and the amount of support granted will be determined in further preparations.
- Unemployment benefit given on easier terms and labor market support provided to entrepreneurs if their full-time employment has ended or the income from entrepreneurial activities falls below a certain level per each person engaged in it as an entrepreneur.
- The government proposes to raise exempt amount of unemployment benefit and amend temporarily the conditions for relocation allowance. The aim is to provide financial support to help people find part-time work or other short-term work. The amendment would apply to unemployed jobseekers who already received adjusted unemployment benefit.
- Additional funding to be granted to organisations and foundations in health and social services sector. Funding will be allocated to 106 organizations and foundations and it is allocated for projects focusing on the development of psychosocial support and the digital services provided by Public Service Info.

FRANCE

Real Estate

- NO PENALTY RENT DEFERRAL: During the entire state of health emergency and for the following two months, companies eligible for the solidarity fund[1] will not suffer any penalty or interest for delay, or activation of guarantees or deposits, in the event of unpaid rent.
- UPDATE 24 April 2020: The 2nd amending finance law for 2020, adopted Thursday 23 April, allows landlords to deduct for tax purposes the abandonment of rental receivables granted between 15 April and 31 December 2020 under certain conditions:
  - » The tenant must be a company
  - » When the landlord is also a company, the landlord and the tenant must not belong to the same group
  - » When the landlord is an individual and the tenant business is operated by a person belonging to his family circle, he must be able to justify the tenant's cash flow difficulties
  - » The deductibility of charges relating to abandoned rents is also confirmed.
- Finally, tenant companies will be able to deduct from the profit they have to declare, which corresponds to the abandonment of rents, any tax loss carryforwards that may be carried forward without applying the limitation beyond €1 million.

Fiscal

- Postponement of tax and social security payments for April
- State guarantee of up to €500 billion in loans on bank loans to companies to consolidate their cash flow.
- For small sized companies and ones who will suffer large gap in upcoming revenues, the government stated a simple rule of "no revenue, no expenses."[2]
- Emergency aid of €1,500 paid at the beginning of April to very small businesses, including the self-employed, whose activity has been prohibited or which have experienced a sharp drop (-70%) in turnover.
- A solidarity fund is created for this purpose, which will be matched with a €1 billion, including €250 million from the regions.
- State will take full charge of compensation paid to employees by companies in the event of partial activity, up to a limit of 4.5 times the minimum wage.[3] The support of the government will be reduced by 10% from June 1st 2020.
- The publication deadlines for Companies' accounts will be extended to allow them to calmly complete their procedures:
  - » The procedures for organizing general meetings of shareholders and boards of directors will be simplified to allow meetings to be held via video or audio conference or even by post;
  - » When they are the holder of contracts with the State or are called upon to tender to a public contract during the period of health emergency, the rules and deadlines relating to the award and execution of public contracts will be reduced. This measure will particularly help SMEs.
- During the period of the health crisis:
  - » A company or branch agreement may allow employers to fix or modify the dates of paid holidays, within the limit of 6 working days. Furthermore, when the situation justifies it, employers may impose, within the limit of 10 days in total, the mobilization of days of rest, days granted within the framework of RTT and days allocated to a time savings account.
  - » Possible derogate from the maximum working hours and the weekly and Sunday rest rules in sectors strategic for the National security, continuity and economic and social life. This measure might be implemented after informing the Social and economic committee and direction.
  - » The authorities announced a gradual phasing-out of support measures starting in June, except for industries that still face opening restrictions (e.g. tourism, which will benefit from targeted exemptions from taxes and social security contributions, and the reduced-hour scheme and the solidarity fund until end-2020). They have also announced additional support plans for the hardest-hit sectors (e.g. incentives to purchase greener vehicles and green investment support for the auto and aerospace sectors). A third budget amendment increasing the fiscal package to €135 billion has been announced and is expected to be legislated later in June.
- Short-time work scheme is extended so that benefits can be accessed for two years
  - » Stimulus package focused on supporting jobs through investment. Investments will focus on increasing competitiveness, greening and digitalization, and job support. Of the total, €10 billion will be spent on tax cuts for businesses through 2021-2022.
  - » The European Council agreed on the Next Generation EU (NGEU) recovery fund on July 21. It will provide €750 billion in total, financed by borrowing at the EU level. The funds are split between grants (€390 billion) and loans (€360 billion) which will be channeled through a special Recovery and Resilience Facility (RRF) and a top-up to existing EU budget programs. Most of the money is set to be committed in 2021-23, with 70% of grants to be committed in 2021-22

Monetary

- ECB providing additional €3T in liquidity through refinancing operations at minus 0.75%.
- ECB providing additional €750B net asset purchases will be added until the end of the year, (on top of the extra €120B announced on 3/12). ECB provided guidance that intervention would be unlimited, if needed.
- ECB interest rates remain unchanged. Reinvestments of principal payments from maturing securities to continue.
- On June 4, the weaker inflation outlook in the ECB's June projections prompted the Governing Council to expand the size of the Pandemic Emergency Purchase Program (PEPP) by €600 billion to €1.35 trillion. The duration of the program has been extended to at least June 2021, and the ECB will reinvest maturing securities until at least the end of 2022. Further measures included an expanded range of eligible assets under the corporate sector purchase program (CSPP), and relaxation of collateral standards for Euro system refinancing operations (MROs, LTROs, TLTROs).

[1] Self-employed workers and companies with less than 10 employees with a maximum turnover of €1 million, who have been prohibited from welcoming the public or who have suffered a loss of at least 70% of their turnover compared to March 2019.

[2] More clarity is needed to understand the full meaning of this measure.

[3] Last data provided by the Ministry of Labour indicated more than 10 million employees are now in partial activity.

GERMANY

Real Estate

- TENANT PROTECTION: Landlords must not terminate a lease if the tenant is unable to pay the rent or is unable to pay the full rent, as long as this is due to the impact of the Covid-19 pandemic. This refers to the rental period 1 April 2020 to 30 June 2020. However, the outstanding rent for the relevant period has to be paid by 30 June 2022 at the latest. The ban on termination also expires on this date.
- An extension of this three-month, April-to-June tenant protection period by a further three months was discussed but refused by the government.
- Small and medium-sized companies who suffered significant turnover loss in April and May are eligible to receive interim aid as a non-repayable grant for their operating expenses for the period July to August.

Fiscal

- Tax deferral for all sizes of firms and free of interest; adjustments of tax prepayments; no enforcement measures (valid for income tax, corporate tax, VAT).
- For smaller firms and the self-employed in trade, culture, gastronomy: Firms expecting losses in their year-end balance for 2020 due to Covid-19 will receive support. Foreseen losses will be balanced against profits in 2019. That is, tax prepayments for 2020 might be refunded, as well as tax paid for 2019.
- Improved depreciation allowance for working capital.
- For gastronomy: VAT for meals is reduced from 19% to 7% for the period 1 July 2020 until 30 June 2021.
- General reduction of VAT for retail and services from 7% to 5% for essential goods and otherwise from 19% to 16%, for the period 1 July 2020 until 31 December 2020.
- No enforced collection of tax payable until end of 2020, no late payment fines.
- Employees' bonus rewards up to 1,500 Euro, payed between 1 March 2020 and 31 December 2020 are tax-free and free of contribution to social security insurance.
- Extra earnings are tax-free for employees in short-time working.
- Tax-free allowance for single parents increased to €4,008 (from €1,908) for 2020 and 2021.
- Direct support for small businesses: €50 billion emergency aid for micro-enterprises and solo self-employed workers (up to €9,000 for enterprises with up to 5 employees; up to €15,000 for enterprises with up to 10 employees) for three months.
- Short-time Working:
  - » For companies: Access to short-time working allowances are simplified: if 10% of employees are underemployed; valid for 12 months; contributions to social security to be refunded by the state.
  - » For employees: State covers 60% (for families with children 67%) of the net income for the hours not worked.
  - » Update as of 28 May: For employees who work less than 50% of their usual hours and receive short-time working funds for the loss in income for more than three months, from March 2020 on, will receive 70% (77%) of the net income lost in their fourth to six months and 80% (87%) from the seventh month, at maximum until the end of December 2020.
  - » Employees in short-time working may earn money in other jobs up to their usual monthly income until the end of December 2020.
  - » Update as of September 2020: the government extended the duration of short-term work benefits from 12 to 24 months, until the end of 2021. The government has earmarked €10 billion to pay for the extension
- Unemployment:
  - » The right to receive unemployment benefit (Arbeitslosengeld) is extended by three months for all whose right would expire in the period 1 May 2020 to 31 December 2020.
  - » Access to Grundsicherung (basic security benefits for job seekers) is simplified for self-employed for a period of six months.
- Families:
  - » Access to Kinderzuschlag (children's allowance) is simplified. Loss of earnings due to shutdown of kindergartens and schools, is partially cushioned for up to six weeks. It is planned to extend the period to 10 weeks (for single parents to 20 weeks).
  - » Extra payment of €150 in September and in October for each child eligible for children's allowance, payment is subject to income tax but is not credited against basic security benefits for job seekers (Grundsicherung).
- Financial Protective shields for hospitals and doctors.
- Business activity support programme (Konjunkturpaket) presented on 12 June 2020, 57 monetary, fiscal and other measures, worth €130 billion, including:
  - » Interim aid for sectors and companies suffering most acutely from the crisis (i.e., hotels, gastronomy, clubs, bars, restaurants, sports): payments for fixed costs of operation up to €150,000 in the three-month-period June to August.

  - » Automotive industry:
    - Stimulus for the purchase of e-cars: existing flat-rate of €3,000 increased to €6,000 (for e-cars up to €40,000 list price).
    - €2.5 billion planned for investment in expanding the charging network for e-cars.
    - €2 billion premium programme planned to support the structural change in the industry.
  - » Support for municipalities: tax deficits to be balanced by national and state governments
- The German cabinet has approved a draft budget for 2021, with new borrowing of €96.2 billion next year aiming to finance more measures to support the recovery.
- The European Council agreed on the Next Generation EU (NGEU) recovery fund on July 21. It will provide €750 billion in total, financed by borrowing at the EU level. The funds are split between grants (€390 billion) and loans (€360 billion) which will be channeled through a special Recovery and Resilience Facility (RRF) and a top-up to existing EU budget programs. Most of the money is set to be committed in 2021-23, with 70% of grants to be committed in 2021-22

Monetary

- The authorities extended all ECB-issued regulatory and operational relief to German banks under national supervision.
- KfW Sonderprogamm 2020 (Special program 2020 of the state-owned KfW development bank) credit in order to support liquidity – no financial limit set for the value of the program. Access to loans is simplified, interest rates are reduced compared to usual programmes. KfW (i.e. the German state) guarantees 80% / 90% of the loan, the residual risk lies with the firms' banks. The special programme includes a number of programs that address different sizes of firms
- ERP-Gründerkredit: loans for firms that have existed for a minimum of 5 years, max loan €100 million, term up to 5 years.
- KfW Direktbeteiligung für Konsortialfinanzierung, for firms which have existed for a minimum of 5 years, loan of €25 million and above.
- KfW Unternehmerkredit: for firms which have existed for a minimum of 5 years, max loan €100 million.
- KfW-Schnellkredit 2020 (Kfw Quick-Loan): for small and medium-sized firms with more than 10 employees that have been active in the market since at least 01 January 2019. Loan up to €500,000 for firms with up to 50 employees; loan up to €800,000 for firms with more than 50 employees, to be applied for via the firms' banks, but with a 100% risk guarantee by KfW/German state.
- Wirtschaftsstabilisierungfonds (economic stabilization fund) addresses large firms (250+ employees, and smaller firms in sectors of critical infrastructure); Includes €100 billion for corporate actions, €400 billion for debt guarantees, €100 billion for the refinancing of already agreed KfW programmes.
- ECB providing additional €3T in liquidity through refinancing operations at minus 0.75%.
- ECB providing additional €750B net asset purchases will be added until the end of the year, (on top of the extra €120B announced on 3/12). ECB provided guidance that intervention would be unlimited, if needed.
- ECB interest rates remain unchanged. Reinvestments of principal payments from maturing securities to continue.
- On June 4, the weaker inflation outlook in the ECB's June projections prompted the Governing Council to expand the size of the Pandemic Emergency Purchase Program (PEPP) by €600 billion to €1.35 trillion. The duration of the program has been extended to at least June 2021, and the ECB will reinvest maturing securities until at least the end of 2022. Further measures included an expanded range of eligible assets under the corporate sector purchase program (CSPP), and relaxation of collateral standards for Euro system refinancing operations (MROs, LTROs, TLTROs).

GREECE

Real Estate

- Enterprises, whose operation has been suspended or temporarily interrupted based on measures taken for precautionary or repressive purposes in relation to the coronavirus spread, shall be exempted from paying 40% of the total amount of rent due for the months of March and April 2020 (i.e. they can pay only 60% of their rent).
- For owners, there will be a four (4) month suspension of payment of their tax obligations.

Fiscal

- VAT reduced (from 24% to 6%) for goods related to addressing the outbreak.
- A 4-month suspension of payment of tax obligations that refer to the month of March, without the imposition of penalties and/or interest for late payment, will be provided to enterprises of business sectors that are drastically affected because of COVID -19 (their main activity must be among the specific Activity Code Numbers announced by the Ministry of Finance).[4]
- Employees, free lancers and personal businesses, who will receive the special purpose compensation, will be provided with a 3-month suspension of their loan instalments.
- Banks would suspend the payment of loan capital instalments, for enterprises that are consistent with their payments, until September 2020. This relief concerns legal entities that belong to business sectors drastically affected by the coronavirus spread.
  - » Banks and Loan Servicing companies should extend the above reliefs also to individuals that are economically affected by the coronavirus spread, by facilitating the payment of their loan instalments (for performing loans)

Monetary

- » Certain freelancer, self-employed or independent contractors will be eligible for compensation payment of €800 to address COVID-19 implications, and tax payments due in March 2020 by these persons will be extended for four months.

[4] These reliefs shall apply on condition that the enterprises being granted the reliefs will retain the existing number of employees.

HUNGARY

Real Estate

- Tenant Protection: In the tourism, entertainment, hospitality, sports and culture sectors, lease agreements cannot be terminated, and rents cannot be increased.

Fiscal

- In the tourism, entertainment, hospitality, sports and culture sectors, statutory cost payments were waived until 30 June, workers' contributions were reduced.
- Small businesses in some of the most impacted sectors (mostly services) received tax exemptions.
- Small business' tax debts are deferred by the government until the end of the emergency.
- The rate of the small business tax will be reduced from 12% to 11% from 2021. Tourism tax will not be collected for the year 2020. VAT refund procedure will be accelerated.
- Tax authority would be expected to refund VAT to SMEs within 30 days (instead of 75 days) of the filing date of the refund claim. Taxpayers classified as “reliable taxpayers” will receive a VAT refund within 20 days of the filing of the refund claim.
- Tax execution is suspended.
- Social Contribution exemption and increased financial envelope for preferential non-wage benefits provided by employers. The exemption is temporary, lasting for April, May and June in 2020.Companies highly affected by the pandemic may apply for tax reduction of any taxes for an amount of max. 5 M HUF.
- Both private and enterprise debt (loans taken out before March 18.) repayment was suspended until the end of the year.
- The social contribution tax will be reduced by 2% from 1 July and reporting obligations and related tax returns will be postponed until 30 September
- Extension of 6 months for tax payments not exceeding HUF 5 million or instalment payments up to 12 months for taxpayers who face difficulties with paying taxes due to COVID-19 crisis.
- A maximum 20% of existing tax debt (it cannot exceed HUF 5 million, i.e. about EUR 14,000) for any corporate taxpayer who faces difficulties with its tax payments due to the COVID-19 crisis. The tax reduction can be requested in respect of only one tax type and it cannot be combined with other payment allowances.

Monetary

- Measures to make work rules more flexible, so employers and employees can come to agreements faster.
- Evictions and seizures shall be suspended until the end of the emergency.
- Forms of childcare support expiring extended by government until end of emergency.
- Eligible firms can access HUN 2000 billion in subsidised emergency credit lines an interest rate of 0.1% of the Hungarian Development Bank (MFB) (6 April). On 7 May, the sum was raised to HUF 2500 billion, with a 90% government guarantee. HUN 439 billion in credit lines are available through the MFB Crisis Loan programme, the MFB Competitiveness Loan Programme, and the SME Technology Loan Programme (6 April). The MFB Crisis Loan programme provides small and medium sized enterprises loans between HUF 1 million and HUF 150 million at a 2.5% annual interest rate. The MFB Competitiveness Loan programme offers loans for large companies and finances major investments, loan refinancing, and acquisitions. The SME Technology Loan Programme provides loans for SMEs at 0% interest rate.
- HUF 371 billion are allocated to four capital programmes that target start-ups, SMEs and real estate, including the SME Rescue Capital and the Startup Rescue Capital Programme. Short-term loans to businesses have been extended to 30 June. Firms can apply for a 2-year Job Maintenance Loan that will carry a 0.1% interest rate to cover nine-months worth their payroll.

IRELAND

Real Estate

- Deferral of Business Rates: Payments due from affected businesses in retail, hospitality, leisure and childcare sectors are deferred until the end of May.

Fiscal

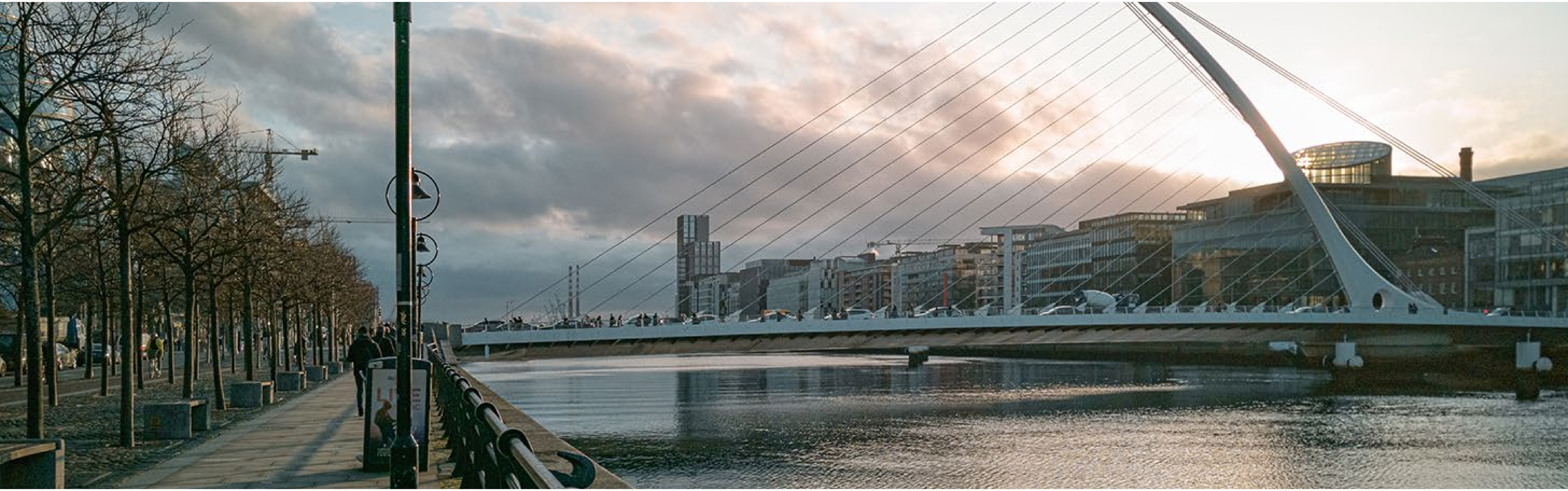
- Interest will not be applied on late VAT payments for January or February 2020, and interest has been suspended on late payments of employers PAYE liabilities for February and March.
- A deferral of up to 3 months on loan repayments will be available to many businesses.

Monetary

- The Credit Guarantee Scheme - supports loans up to €1million for periods up to 7 years. Microenterprises can access COVID-19 loans of up to €50,000 from MicroFinance Ireland. Six months interest free and repayment moratorium. €200 million SBCI COVID-19 Working Capital Scheme for loans between €25.000 and €1.5 million.
- €200 million package for Enterprise Supports including Rescue and Restructuring Scheme available through Enterprise Ireland.[5]
- Sustaining Enterprise Fund: Financial support to companies of 10 employees or more, operating in the manufacturing and internationally trading services sector.
- COVID-19 Online Retail Scheme: Grants between €10,000 and €35,000; total fund size €2 million.

[5] https://bit.ly/3awJpgd

- Lean Business Continuity Voucher is available to eligible companies to access up to €2.500 in training or advisory services support related to the continued operation of their businesses during the current pandemic.
- The Irish government has introduced a temporary wage subsidy scheme.
  - This will cover 70% of take-home pay, up to €410 a week, to help affected companies keep paying their employees
  - Those who have become unemployed as a result of the pandemic will receive a payment of €350 a week
  - The self-employed are also eligible to receive €350 a week
- Residential rents are frozen for the duration of the crisis, and evictions are suspended.
- Childcare providers are receiving support from the state, so parents do not have to pay for a service they are not receiving.
- Changes to assist Public Health Policy: The Minister is requesting that industry increase the limit on contactless payments to €50.
- Deferral to stamp duty: The Minister has decided to defer the collection of stamp duty on credit cards to July, which is normally levied in April, for which he will legislate for in due course.
- Support for Bank Borrowers:
  - Possibility of a payment break of up to 3 months for mortgages and other loans
  - Support for buy-to-let bank customers with tenants affected by COVID-19; customers with rental property in which the tenants are adversely impacted by COVID-19 will also be provided with flexibility including with an opportunity to seek a payment break of up to 3 months, which will allow them to exercise due levels of forbearance to their tenants
- Tailored supports including extensions of credit lines, risk guarantees, and trade finance.



ITALY

Real Estate

- For shops in cadastral category C1, a tax reduction of 60% of the rent amount of March 2020; This only applies to property leases; not applicable for business leases.
- A compensation is provided for the hospitality structures that have been requisitioned to host people in sanitary surveillance and isolation.
- Building authorizations expiring through 15 April 2020 will be valid until 15 June 2020.
- The execution of property release measures is suspended until 30 June 2020, even for residential buildings.
- For activities with a turnover up to €5 million is provided a tax credit of 60% of the monthly amount of rent for property leases, leasing and concessions for non-residential properties (such as industrial, commercial, agricultural, touristic interest). For business leases the tax credit provided is of 30% of the amount of the rent.
- Increase to 110% of the tax deductions for renovations related to Ecobonus (enhancement of energetic efficiency class) and Sismabonus (enhancement of sismic risk class).

Fiscal

- For entrepreneurial, artisanal and professional activities, a tax credit of 50% for sanitization activities of the workplaces for a maximum of €20.000.
- Tax reliefs on donations from companies, commercial entities and individuals."
- Suspension, without turnover limits, for most affected sectors (hospitality and tourism related, restaurants, culture, instruction, passenger transportation, sports, events, betting centres) of withholding tax, social security, welfare contributions and insurance for the months of March and April, together with the VAT payment of March.
- Suspension of the terms of fiscal payments and obligations for entrepreneurial, artisanal and professional activities with a turnover of up to €2 million (VAT payments, withholdings tax and tax contributions of March).
- Non-application of the withholding tax on the invoices of March and April for professionals without employees, with revenues or fees not exceeding €400.000.
- Suspension until 31 May 2020 of the terms relating to the activities of liquidation, control, assessment, collection and litigation by the offices of the tax control agency (Agenzia delle Entrate).
- Debt deferment in the case of overdraft facilities (aperture di credito) and loans granted over discount on receivables (prestiti a fronte di anticipi sui crediti) in place as of 29 February 2020 or, if higher than such date, until the date of publication of the Second Law Decree, amounts lent and related commitments may not be recalled on demand or cancelled until 30 September 2020.
- Loans with bullet repayment maturing before 30 September 2020 together with related ancillary rights are deemed extended without further formality until 30 September 2020 on identical terms.
- Loans and other financings repayable in instalments (including agricultural bills of exchange) and instalments or lease payments due prior to 30 September 2020 are deemed suspended until 30 September 2020 and the related amortization schedule together with the related ancillary elements are deemed extended without further formality and at no extra cost for either party. Companies are also entitled to request a suspension with respect to the principal component only.
- "Decreto liquidità" public guarantees are provided on loans granted by banks to enterprises, for a total amount of €400 billion.
- Non-refundable contributions are provided by the State to enterprises, for a total amount of €6 billion.
- The balance and the first advance payment to be paid in June for the IRAP (Regional Tax on Productive Activities) have been canceled, for all the companies with annual turnover up to €250 million.
- "August decree" extends furlough program until 31 December; stimulus will ease pension contributions, boost incentives for investment in automotive sector, and provide funds for capital injections
- Cassa Integrazione Ordinaria (CIGO), ordinary unemployment benefit: For employers who were forced to suspend or reduce their working activity due to events related to the epidemiological emergency, a simplified procedure has been introduced for filing a request for ordinary unemployment benefit.
- Cassa Integrazione Straordinaria (CIGS), Extraordinary unemployment benefit: Companies already operating under CIGS can request CIGO.
- Fondo di integrazione salariale, (FIS), Wage Integration Fund: Employers can access an income support instrument in case of suspension of work due to COVID-19 if:
  - » They have more than five employees
  - » They do not fall within the scope of the Wage Integration Fund – either ordinary or extraordinary
  - » They belong to sectors where no agreements for the activation of a Solidarity Fund have been executed
- Furthermore, employers registered with the FIS who have a solidarity allowance in course as of 23 February 2020, may apply for the ordinary allowance for a period not exceeding nine weeks. The granting of the ordinary treatment suspends and replaces the ongoing solidarity allowance.
- CASSA Integrazione in deroga (CIGD), Derogated unemployment benefit: The Decree extends to all businesses employees—including businesses with less than five employees—not protected by unemployment benefit or Solidarity Funds, the possibility to access the CIGD for the duration of the suspension of the employment relationship and in any case for a period not exceeding nine weeks (extended at 14 weeks).
- A one-off allowance of €600 for self-employed workers whose income was lower than €50,000.
- In order to ensure income support measures for employees and self-employed workers who, due to the COVID-19 epidemiological emergency, ceased, reduced or suspended their activity or employment, a €300 million "Fund for last resort income" has been established.
- Dismissal Prohibition Decree:
  - » As of 17 March 2020, the date of entry into force, companies may not dismiss their employees for the next 60 days (extended at 5 months).
  - » Quarantine equals sick leave: The new Decree provides for the equating of sick leave to the period spent in quarantine or in permanent home trust with active supervision for COVID-19, for the purposes of economic treatment and of computation in the relevant contractual period, for employees in the private sector.
- Special leaves: In support of working parents—employed or self-employed—whose children are forced home following the suspension of school services, a special parental leave is provided
- Guarantee Fund for SMEs: The Guarantee Fund for Small and Medium-sized Enterprises (SMEs) has been increased to €1 billion, which will be able to benefit, for a nine-month period, from a guarantee for up to €5 million in loans for investments and restructuring of debt situations, in compliance with the guarantees and limits set forth by the provision itself.
- Support of Cassa Depositi e Prestiti (CDP):
  - » Banks (with the support of CDP) to further extend credit to companies that have suffered a reduction in turnover due to Covid-19
  - » CDP to support banks that provide such loans and guarantees, including "first loss" guarantees granted in respect of portfolios or single exposures
  - » The State to grant counter-guarantees to CDP for up to 80% of CDP's exposure at market rates.
- The European Council agreed on the Next Generation EU (NGEU) recovery fund on July 21. It will provide €750 billion in total, financed by borrowing at the EU level. The funds are split between grants (€390 billion) and loans (€360 billion) which will be channeled through a special Recovery and Resilience Facility (RRF) and a top-up to existing EU budget programs. Most of the money is set to be committed in 2021-23, with 70% of grants to be committed in 2021-22

Monetary

- ECB providing additional €3T in liquidity through refinancing operations at minus 0.75%.
- ECB providing additional €750B net asset purchases will be added until the end of the year, (on top of the extra €120B announced on 3/12). ECB provided guidance that intervention would be unlimited, if needed.
- ECB interest rates remain unchanged. Reinvestments of principal payments from maturing securities to continue.
- On June 4, the weaker inflation outlook in the ECB's June projections prompted the Governing Council to expand the size of the Pandemic Emergency Purchase Program (PEPP) by €600 billion to €1.35 trillion. The duration of the program has been extended to at least June 2021, and the ECB will reinvest maturing securities until at least the end of 2022. Further measures included an expanded range of eligible assets under the corporate sector purchase program (CSPP), and relaxation of collateral standards for Euro system refinancing operations (MROs, LTROs, TLTROs).

NETHERLANDS

Real Estate

- SUPPORT AGREEMENT DUTCH RETAIL SECTOR: Businesses in the retail, hospitality or leisure sector have agreed to provide retailers a three-month postponement of 50% of rent payments. After this period, a possible waiver will be determined based on the actual loss of turnover incurred in the postponement period.
- Landlords assured to not evict any tenants, while retailers in return have promised keep businesses open for as much as public safety allows.
  - » This agreement was made on a voluntarily basis and serves as a starting point for future arrangements between retailers and landlords.

Fiscal

- Possibility of immediate revision of provisional 2020 corporate income tax or personal income tax assessments.
- Immediate suspension of all tax collection of all payable taxes with three months (corporate/VAT/ wages).
- Tax deferral of more than three months upon request.
- Temporary reduction of recovery interest and tax interest rates from 4% and 8% respectively to 0.01%.
- Lower social security contributions for employers (when working overtime)
- Special deferral of payment obligations for corporate income tax, personal income tax, wage tax and value added tax.
- Temporary deferral of payment for energy tax and renewable energy surcharge for certain enterprises.
- GO (State Guarantee corporate financing)
  - » 50% state guarantee on loans to max €50 million
  - » Increase guarantee budget from €400 million to €1,5 billion)
- Increase SME State guarantees (BMKB); increased state guarantees on loans from 50% to 75%.
- Qcredits (microcredits) payments schemes will be less strict.
- The largest Dutch banks are now jointly introducing measures which offer their SME clients extra breathing space.
- Companies healthy prior to COVID-19 crisis are offered a six-months postponement for the repayment of their loans with a max of €2,5 million and is based on state guarantees.
- Clients having larger obligations are assessed on a case by case basis.

Monetary

- NOW income compensation scheme: Businesses expecting a loss of turnover of at least 20% with effect per 1 March 2020 can apply to the UWV for a wage allowance, that compensates wage costs (up to a maximum of 90% of the wage costs, the actual percentage depending on the loss of turnover) for a period of three months with the possibility to prolong for another three months.
- TOZO: Additional Income support for entrepreneurs and self-employed persons without employees for three months to the social minimum (with a max of EUR 1200 per one-person household and EUR 1600 for a family)
- TOSG: Compensation entrepreneurs affected sector. One-off gift of €4.000 to compensate for immediate damages following mandatory closure of businesses.
- If companies decide to apply for income compensation of one the schemes listed above, employees cannot be laid off during the compensations (3 months).

POLAND

Real Estate

- FOR SHOPPING CENTERS: Most shopping centre restrictions were eased on 4 May 2020. Contrary to previous announcements, they were lifted during the second, not the third stage of the reopening of the Polish economy.
  - » Restaurants, café, bars, as well as hair and beauty salons were permitted to open on 18 May provided, they followed a strict sanitary regime. Limitations on the number of people permitted in retail and F&B outlets at any one time per square metre area were lifted on 30 May.
  - » Cinemas, gyms and fitness clubs reopened on 6 June. Shopping centres had to prepare for the reopening at short notice while ensuring adherence to all customer safety rules.
  - » The average footfall has been on a steady growth trajectory since the reopening of shopping centres, with small and medium-sized shopping centres reporting higher footfall numbers. In the eighth week after reopening (22-28 June 2020), the average footfall accounted for 78-81% of the footfall recorded in the same period last year (PRCH).
- FOR TOURIST SECTOR: Extending the deadline for reimbursement of customer payments in the event of inability to organize the event due to an epidemic (i.e. organization of exhibitions and congresses or cultural, entertainment, recreational, sporting activities, organizing thematic exhibitions or outdoor events) to 180 days from the termination of the contract.

Fiscal

- Release of micro-enterprises (to 9 persons) and medium enterprises (to 50 persons) from ZUS (Social Insurance) contributions for 3 months.
- Temporary abolition of the extension fee when postponing or dividing tax and contribution receivables into installments (ZUS).
- Exemption from tax on civil law transactions (PCC) for loan agreements concluded until 31 August 2020.
- Enabling CIT and PIT taxpayers who bear the negative consequences of COVID-19 to deduct the loss incurred in 2020 from operating income generated in 2019. The condition is to achieve in 2020–compared to 2019–lower revenues by at least 50%.
- Postponement of the date of advance payments for income tax on remuneration paid in March and April 2020 (until 01 June 2020).
- Banks will postpone the repayment of principal and interest installments or principal installments for up to 3 months with simultaneous extension of loans for the same period.
- Polish National Bank has decreased reference rates from 1.5% to 0.5% in April and to 0.1% in June.

Monetary

- Enabling the calculation of creditworthiness based on financial data as at the end of 2019. This will be accompanied by recommendations on how to calculate loan reserves.
- The banking sector declared its readiness to extend working capital loans when the regulations were changed. This solution makes it possible to extend working capital loans–by approximately PLN 150 billion–for the enterprise sector.
- Polish government will provide additional financial aid (loans) of PLN 100 billion to enterprise sector (PLN 25 billion to small enterprises, PLN 50 billion to medium enterprises and PLN 25 billion to large enterprises). Up to 75% of this loan will be redeemed.
- Extension of legal stay and work permits for foreigners.
- Co-financing of employment by state treasury in the event of a decrease in turnover.
- One off benefit for in the amount of up to PLN 2,000 for contractors (agency contract) and self-employed with income below 3 times the average salary.

PORTUGAL

Real Estate

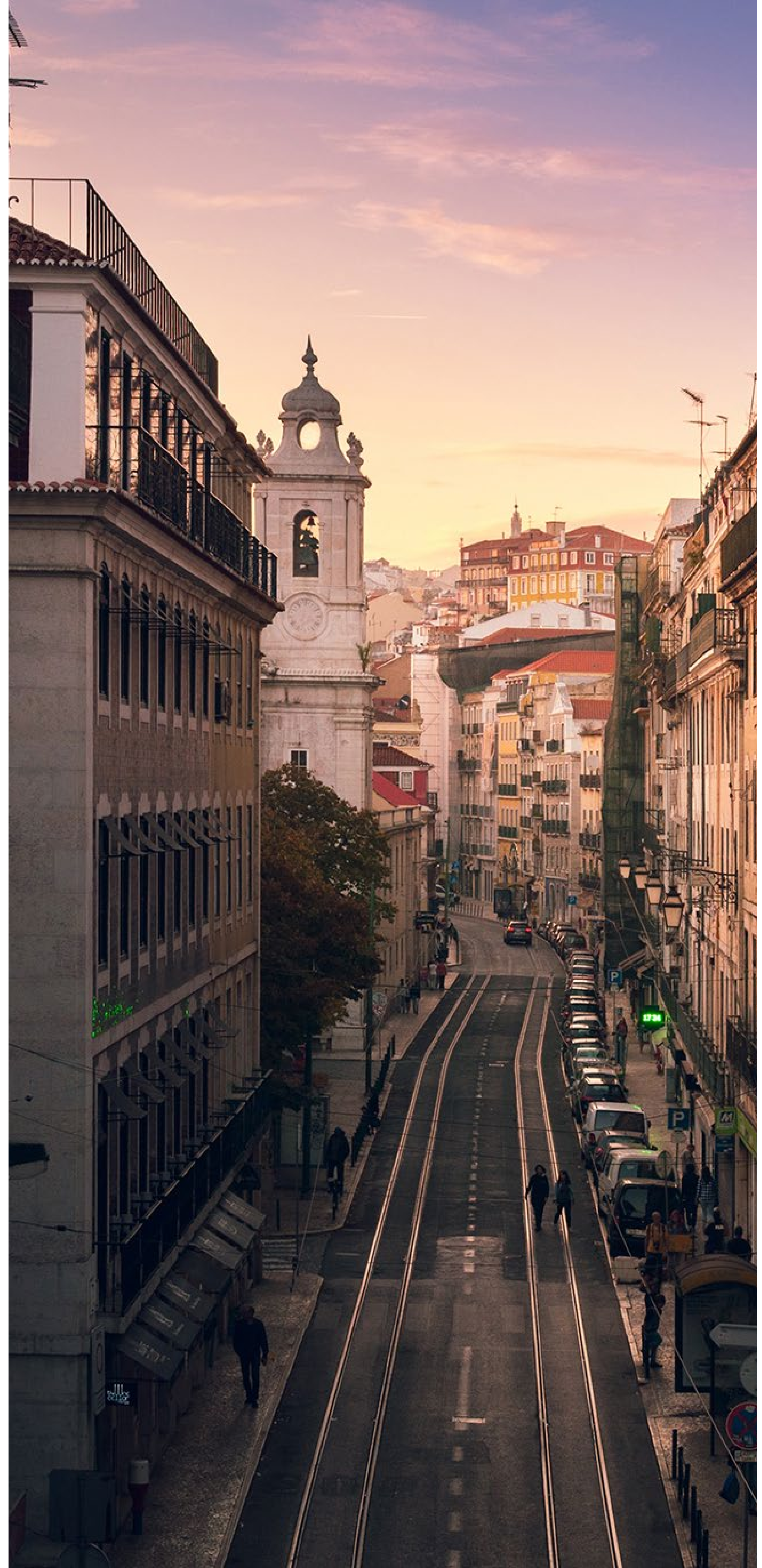
- Moratorium on the payment of rents on commercial leases until one month after the end of the State of Emergency, whereby affected retailers may stop paying rent, which will be repaid over the subsequent 12-month period.
- Suspension of evictions, foreclosures of mortgages and cancellation of lease agreements.
- Specific credit facilities totalling €3 billion for the sectors most impacted by the Covid-19, including tourism, hotels and restaurants.

Fiscal

- Temporary exemption of social security contributions for entities benefiting from the temporary measures set for labour protection.
- Suspension of any tax enforcement proceedings (tax and social security debts) until 30 June.
- Subject to eligibility limitations, the payment of VAT and CIT/PIT withholding taxes (due in April to June), and two-thirds of social contributions (due in March to June) may be deferred and paid in instalments.
- Six-month moratorium (upon request) on bank loan repayments for families (mortgages) and companies affected by the coronavirus outbreak.

Monetary

- State-guaranteed credit lines for micro, small and medium-sized companies, covering all economic sectors, in the total amount of €400 million.
- Specific credit facilities for the sectors most impacted by the Covid-19, namely:
  - €600 million for restaurants and similar establishments
  - €200 million for travel agencies and event organization agencies
  - €900 million for other companies in the hospitality sector
  - €1,300 million for the industry sector (textiles, footwear and extractive industries)
- Companies forced to close due to the state of national emergency, are able to access a "simplified lay-off mechanism", through the suspension of the employment contract or reduction of working hours. In turn, workers are entitled to receive two-thirds of their basic remuneration (70% supported by Social Security and 30% by the company).
- Suspension of evictions (when the tenant risks a vulnerable situation due to lack of home ownership); foreclosures of mortgages (on properties that are a permanent residence); and cancellation of lease agreements (both residential and non-residential).
- Assistance to workers staying at home to accompany their children (following the current schools' closure): wage subsidies for employees in the amount of two-thirds of their basic remuneration (equally supported by the employer and Social Security); and cash transfer for self-employees, corresponding to one-third of their average remuneration.



ROMANIA

Real Estate

- The state of alert imposed on 18 May was subsequently extended for another 30 days from 17 June onwards, with other restrictions being lifted:
  - All shopping centers officially reopened on 15 June (initially only those with an area of less than 15,000 sq. m reopened on 1 June).
  - F&B units with terraces reopened on 1 June.
  - All travel restrictions within the country were lifted on 1 June.
  - School exams took place in the 15 June – 25 June period.
  - All kindergartens reopened after 15 June.
  - Restaurants with no terraces or which are located inside shopping centers remain closed for the moment and will only be reopened if the medical situation stabilizes.
- Tenants can postpone the payment of rent from the period related to the State of Emergency without paying interest and penalties. The rent is to be paid by the fiscal authorities, upon the tenant's request and will be returned by the last until 31.12.2020 (the amount is capped at 10,000 RON for legal entities and 2,000 RON for individuals and is conditioned, among others, by the proof that the tenant is unable to pay the rent).
- Evictions are suspended for a period of 30 days after the emergency situation is ended.
- During the emergency situation, the payments for rents and utilities related to the leases with the local authorities are suspended.

Fiscal

- Obligations for real estate taxes are deferred until 30 June 2020 (extended from initial term of 31 March).
- HORECA operators are exempted from profit tax payment for a period of 90 days (1/4 of the annual profit tax they were required to pay), while similar taxes for the other economic operators are deferred until 25 October.
- The Ministry of Public Finances will subsidize the interest for the loans contracted by the small companies and SME and guaranteed by the State until 31 March 2021, under conditions.
- Bank monthly payments can be suspended for a period up to maximum 9 months, only if the debtor income has been affected by the current epidemic context. This applies to individuals, authorised individuals, family businesses and SMEs.

Monetary

- The government will guarantee for maximum 80% of the loans for investments and 90% of the loans for financing the work capital, granted to SME, that follow a specific set of rules.
- The State allowed companies to suspend the individual working contracts if the company's activity is affected by the Military Ordinance. The State paid 75% of the gross average salary for those who were in technical unemployment (under several conditions) between 1 April and 1 June.
- The State continued to provide funds via the technical unemployment scheme after 1 June, but only for a limited number of companies that have been most affected by lockdown and which were expected to relaunch their operations after the State of Emergency was lifted. Effectively subsidizing the income and social security taxes by paying 41.5% of the salaries in question (but more than 41.5% of the national gross average salary).

RUSSIA

Real Estate

- Industries that will receive support from the government (tax and credit privileges, interest free credits, governmental payments to partly cover salaries) are identified and include non-food retail, hospitality, education and leisure, sport facilities and food and beverage.
  - SMEs from the list may apply for lease vacation or up to 50% discount on rental rates until the end of the year. Landlords may apply for land and property tax holidays if they provide rental rate discounts to such tenants.
  - SMEs from the list now have a legal right to break lease agreements with no additional penalties (after they apply for rental payments discounts and receive rejection during 14 days).
- The government announced subsidies for interest rates on current and future credits.
- Construction permissions prolongation: A one-year extension of the construction permits that expire before 01 January 2021.

Fiscal

- Small and Medium-sized Enterprises (SMEs) receive 2-times decrease of social insurance payments and 4-6-month vacation on all taxes except for VAT.
- Real estate companies negotiate debt deferrals case by case, no state aid measures are applied.
  - In some cases, banks provide deferrals on interest rates for several months.
  - People that have more than 30% decrease of income for the recent months and COVID infected may apply for debt deferrals (consumer credits, limited for mortgage).

Monetary

- Bankruptcy moratorium for some categories of companies.
- Only those companies that saved not less than 90% of staff are allowed to apply for the state support.
  - Unemployment compensation is increased in some regions.
  - SMEs from the list of the most suffering industries may apply for subsidies partly covering salaries.
- Russia keeps one of the lowest levels of state aid measures -3% of GDP. Dramatically low oil prices and the economics which was noticeably dried for the recent years limit the resources for the state support.

SERBIA

Real Estate

- As of 6 May 2020, The Republic of Serbia cancelled the State of Emergency imposed on 15 March and announced relaxation of the measures adopted by the government to reduce transmission of COVID-19. However, certain restrictions that were introduced to restraint the spread of the coronavirus, will remain in force.
- There were no official government measures regarding the real estate industry in Serbia.
- The real estate market is clearly exposed to the current situation, still property types which depend on a social contact and human interaction, such as hospitality and retail segment, are more exposed, while the other property types such as office, industrial and residential are more resilient but not immune.
- The previous period was marked by a difficult and complex negotiations between tenants and landlords regarding rental payments. Most landlords are trying to identify tailor-made solutions for tenants based on the numerous factors, which is favourable for both landlords and tenants.
- At the moment, there is no significant impact on the rental levels, having in mind that the investors are applying different pricing strategy (i.e. rent-free period to be used earlier than stipulated in lease agreements, a waiver of certain obligations and/or tenant incentives, etc).
- Although the prices were not affected significantly, the volume of transactions compressed.
- There were no measures limiting construction works in Serbia and most construction sites remained active, with preventative measures being taken. However, due to the permitting processes slowdown and other obstacles, some scheduled completions could witness a slight delay.

Monetary

- National Bank of Serbia has announced a 3-month moratorium on annuity payments related to all loans and encompassing also financial leasing. This is an optional measure and it is up to the single loan user if it will be accepted or not.
- The main interest rates were lowered twice during this period and the terms of financing became more favorable. On 9 April, National Bank of Serbia reduced the reference rate from 1.75% to 1.50%, the deposit facility rate to 0.50% and the lending facility rate to 2.50%.
- Certain measures are conditioned by the number of workers dismissed. Moreover, there are certain benefits for the companies being donors during the pandemic.

Fiscal

- Deferral of payments of salary tax and social security contributions for the private sector until the beginning of the fiscal year 2021, with a possibility for repayment in 24 installments.
- Deferral of corporate income tax advance payments for second quarter until submission of final corporate tax return for 2020, i.e. until 30 June 2021.
- Direct grants to privately-owned companies in the form of non-refundable cash grants. Micro, small and medium enterprises, entrepreneurs and farmers are entitled, per each FTE, to cash subsidies corresponding to a minimum wage. Large enterprises are entitled to cash subsidies corresponding to 50% of a minimum wage per full-time employee referred to a paid leave.
- The last planned measure of fiscal policy will be a so-called helicopter fiscal policy, i.e., one-time cash support in the amount of 100 EUR in dinar countervalue shall be paid to each adult citizen of the Republic of Serbia, aimed to increase consumption in the short run.
- Financial Program which is aimed at providing loan facilities to private sector for the purpose of acquiring working capital and preserving their financial liquidity and which operate in the production, service, trade and agriculture sectors will be realized through National Development Fund (Fond za razvoj).
- The Republic of Serbia shall provide a state guarantee to local banks as the collateral for the loans granted to companies with the purpose of financing the liquidity and working capital. Banks are entitled to grant the total amount of up to EUR 2,000,000,000 of loans to businesses for the purposes and under the terms set out in the Guarantee Scheme.

SPAIN

Real Estate

- Lease payment moratorium for the duration of the lockdown and its extensions for tenants and large owners (more than 10 urban properties).
- Monthly instalments (up to 4 in total) are also extendable, if the period is deemed insufficient given the impact of COVID-19.
- Rent deferrals are exempt of interests and are payable over a period of two years.
- Temporary and extraordinary deferment in rent for tenants and small owners (less than 10 properties).
  - » The lessor may use deposits as rent payment and the lessee must replace it in less than a year.
  - » Large Residential real estate owners in situations of economic vulnerability: temporary and extraordinary deferment in rent payment. The lessor must communicate to the lessee an option chosen from the following 2 alternatives:
  - » Reduction of 50% of rent during the state of alarm and the following monthly payments if that period were insufficient in relation to the situation of vulnerability caused by COVID-19, with a maximum in any case of 4 months.
  - » A moratorium on the payment of rent for the period of time that the state of lockdown decreed by the government lasts and for the following monthly payments, extendable one by one, if that period is insufficient in relation to the situation of vulnerability caused by of the COVID-19, without being able to exceed, in any case, 4 months. The rent will be deferred by dividing the payments for at least 3 years without interest.
- Rental assistance programs for vulnerable renters and additional state contribution to the State Housing Plan 2018-21(€400 million).

Fiscal

- Extension of the temporary employment adjustment schemes (ERTEs) until 30 September. In cases of new outbreaks and confining measures companies will be able to use new ERTEs with exemptions of c. 80% for small companies (less than 50 workers) and 60% for those with larger staff.
- Reduction of the contribution base (up to 70%) for seasonal self-employed. The maximum duration is four months.
- Alignment to real income perceived of tax bases using the Direct Estimation Method by self-employed workers for VAT and Income Tax payments.

- Deferment of tax payment for companies with a turnover of up to €6 million. The maximum deferment is six months, with the first three shortfalls in payments:
  - » If the delay in payments is only up to three months, there is no interest
  - » If it is from three to six months, half of the interest that would normally correspond will be paid
- Mortgage moratorium.
- Plan to promote and defend the automotive industry aiming sustainable and connected mobility (€3.725 billion). The measures are focused on facilitating the adaptation of the industry to technological change and adoptions of plug-in electric or hybrid vehicles.

Monetary

- The combined amount of direct stimulus, credit lines and loan guarantees to protect employment, production and reduce the impact of COVID-19 amount to 10.1% of Spain's GDP.
- At an estimated cost of €3 billion per year the government has introduced a minimum income guarantee scheme.
- The creation of COVID-19 fund for the regions (€16 billion).
- Fewer requirements to receive unemployment compensation.
- Expansion of the legal unemployment situation.
- Increase of the funding capacity of the Institute of Official Credit (ICO) by €10 billion.
- Deferral of principal and interest payments of loans allotted by the Ministry of Industry, Trade and Tourism.
- Tourist sector promotion plan consisting in investment to improve competitiveness for the sustainability and digitalisation of the sector and liquidity measures (ICO guarantees of €2.5 billion).
- Suspension of evictions for non-payment of rent.
- Housing solutions for victims of gender violence, the homeless or vulnerable.
- Compensation for parents with reduced working hours.

SWEDEN

Real Estate

- Partly Reimbursed Rent Reductions. The Swedish government has proposed to reimburse h1ust be applied for in retrospect and apply for the period 01 April - 30 June 2020 and maximum government budget would be SEK 5 billion (announced 25 March).

Fiscal

- The Swedish government has proposed to extend the time period during which social charges, payroll taxes and VAT to be paid. It still needs to be reported and it is a loan with interest.
- POSTPONED TAX PAYMENTS: A liquidity boost is introduced through the tax account. This includes the postponement of payment of the employer's contribution (announced 16 March).
- VAT reported annually from 27 December 2019 to 17 January 2021 will be included in the previously presented proposal on new opportunities to get deferred with tax payment extended. (announced 25 March).
- EARLIER RECOVERED TAX: Companies can apply to be able to recover paid taxes already on March 30 instead of as previously decided on 07 April (decision made by the Committee on Finance on 24 March).
- REDUCING SOCIAL CHARGES: The Swedish government has proposed a reduce of social charges during the period 01 March - 30 June 2020, only the retirement pension contribution is paid. The reduction applies to up to maximum 30 employees and on the part of the salary that does not exceed SEK 25,000 per month (announced 25 March).
- Loan Guarantee: The Swedish government guarantees 70% of new loans from the banks to companies that have difficulties due to Colvid-19, but otherwise are viable. The guarantee is issued to the banks, which in turn issues guaranteed loans to the companies.

Monetary

- Short term furlough: The government introduced short-term leave (introduced 16March). The aid means that companies in the event of economic crises can temporarily reduce the working hours of the employees and that the state is responsible for part of the salary cost of the employee. Under the proposal (furlough with reducing working time with 20 - 40 - 60%):
  - » An employee may be granted over 90% of their salary up to 44,000sek per month;
  - » All salary above 44 000sek is fully paid by the employer.
  - » While the employer's staff costs can be reduced by half as the state will cover a larger proportion (up to 40% of the total staff costs) depending on which level of working time. (introduced 16 March and extended to 80% time reduction on 15 April).
- STATE TAKES OVER SICK PAY: The Swedish government takes over sick pay responsibility for two months (announced 16 March).
- TEMPORARY REMOVING UNPAID FIRST DAY OF SICK LEAVE: The government will compensate for the first day of sick leave/the employee will get paid even on the first day of sick leave, which normally is not reimbursed (announced 11 March).
- Extending vocational education. SEK 250 million, including student support, will be allocated for 5,000 more spots available to study at already decided courses at the college of higher vocational education (Yrkeshögskola) during 2020 (announced 30 March).

TURKEY

Real Estate

- Along with the normalization plan, essential and non-essential retail have re-opened. Gradual re-openings started with shopping centres on 11 May. Turkey has officially reopened its borders to travelers, as of 15 June.
- Extension of 'rent holiday' arrangements and the exemption of service charges were highly discussed; at least until the end of June, while some shopping centre owners have agreed to extend these agreements. Retailers are pushing landlords for pandemic clauses to be inserted into leases and negotiating new rent terms for turnover rents.
- Office based working is gradually resuming, partial home office demand is accelerating. Social distancing measurements to be applied in the offices. Employee limitations in the available workplace and health & safety standards are imperative for many
- Tourism facilities are obligated to ensure social distancing protocols are in order to integrate the certification process.
- All property markets to apply social distancing measurements.

Fiscal

- The VAT on domestic air travel will be cut from 18% to 1% for a temporary period of 3 months.
- Accommodation tax will be cancelled until November.
- Payments in April, May and June related to withholding tax returns, VAT returns and Social Security Premiums and service documents will be postponed for six months for companies operating in certain industries (e.g. retail, iron steel, automotive, logistics and transportation, cinema and theatre, accommodation, food and beverages, textile and garment and event organization).
- Implementation of accommodation tax will be postponed to November 2020 (from April 2020).
- A three-month deferral of loan payments by companies and will offer additional financial support to affected businesses.
- Revenues sharing payments and usufruct fees with respect to hotel leases will be postponed for 6 months for April, May and June.

Monetary

- Minimum pay-outs for pensioners will be increased to 1,500 Turkish Lira from 1,000 Turkish Lira the government will make an early annual bonus payment to pensioners.
- The implementation of the minimum wage support will continue also in 2020.
- The Turkish government announced its plan to ban layoffs for three months in a bid to protect those lacking job securities and to ease damages to the economy.
- Turkish government unveiled measures to support labor markets, including a doubling of the part-time compensatory work scheme to four months.
- The government also declared to provide cash aids in April 2020 for a total of 4.4 million families with low income.
- Employers in certain sectors can postpone payment of their social security contributions related to the months of April, May and June by 6 months.
  - » No penalty will be applied. The sectors covered by this measure include retail, shopping malls, accommodation, logistics-transportation, food-beverage, textile-garment, iron-steel and automotive (same sectors covered under the tax deferral measure)
- In total, Turkey launched a 21-point stimulus package (Economic Stability Shield) worth USD 15.4 billion to tackle the coronavirus pandemic.
- The Central Bank of the Republic of Turkey (CBRT) convened an emergency meeting on 24 March, pressed on with its easing cycle in May, delivering a ninth straight cut, bringing the policy rate down to 8.25%, significantly below both the current and expected inflation rates.
- The CBRT also instituted a host of emergency measures including 91-day repo auctions at a 150bps discount to the benchmark rate, a 500bps cut in FX reserve requirements that it hopes will free up $5.1 billion for Turkish banks, and repayment delays for rediscount credit (FX loans to exporters) for up to 3 months that could postpone repayments of up to $7.6 billion.

UKRAINE

Real Estate

- For the entire period of quarantine, which commenced on 12 March 2020 and now is extended until 11 May 2020, tenants could be released from payments for the use of the property, which they could not use because of circumstances beyond their control.
- However, there is a high degree of uncertainty as to how exactly this is applied. Whilst fitness centres, eateries, beauty salons and most fashion retail tenants have largely secured rent relief, to date office landlords have not by a large accommodated discount.

Fiscal

- Non-application of penalties for violations of tax laws committed during the period from 01 March until 31 May 2020 (except for some exceptions). Though taxpayers are exempt from imposition of punitive sanctions (fines and penalties), outstanding tax liabilities shall be payable.
- A moratorium on documentary and actual tax audits for the period from 18 March until 31 May 2020.
- Exemption of individual entrepreneurs (including single taxpayers), persons pursuing independent professional activity and farmers from payment of the single social contribution for the period from 01 March until 30 April 2020. In addition, such unpaid periods shall be included in the length of pensionable service of such persons.
- Abolition of land tax on land plots and lease payments for state- or municipally owned land plots that are owned or used by individuals or legal entities for the period from 01 March until 31 March 2020.
- Abolition of tax on immovable properties other than land plots, including non-residential properties owned by individuals or legal entities, for the period from March 1 until March 31, 2020.

Monetary

- Banks and other credit institutions are prohibited from increasing interest rates on loans already issued.
- Flexible working hours and remote homework approach recommended for businesses in non-vital industries of economy. An employee may be granted an unpaid vacation upon his/her consent for the entire period of quarantine.
- Some activities have been prohibited during the quarantine period from 12 March 2020, including the following:
  - » Operation of any of any business entities which envisage visitors, in particular various retail and entertainment activities, except for retail of food products, fuel, medical products and devices, etc.
  - » Arrangement of mass (cultural, entertainment, sports, social, religious, advertising and other) events/activities, in which more than 10 persons participate, except for securing work of state authorities and self-governing authorities (this prohibition might apply to any construction activities, in particular, related to renewable power plants or oil & gas production related activities where more than 10 persons participate).
  - » Administrative and criminal liability for violation of quarantine measures and legislation has been increased.

UNITED KINGDOM

Real Estate

- CASH GRANT: Businesses in the retail, hospitality or leisure sectors in may be entitled to a cash grant based on property value.
- BUSINESS RATES: Business rates holiday for retail, hospitality and leisure businesses in England for the 2020 to 2021 tax year.
- EVICTION BAN: the government has extended the ban on commercial property evictions until the end of the year

Fiscal

- The government will defer the next three months of VAT until the end of the financial year to help businesses to pay people and keep them in work.
- Temporary Coronavirus Business Interruption Loan Scheme.
- The government will provide additional funding for local authorities to support small businesses that already pay little or no business rates because of small business rate relief (SBBR), to help meet their ongoing business costs (RE included).
- The Covid Corporate Financing Facility (CCFF) will provide funding to businesses by purchasing commercial paper of up to one-year maturity, issued by firms making a contribution to the UK economy.
- The government will help pay people's wages – offering grants to employers who promise to retain their staff, covering most of the cost of paying people's wages. The cost of wages will be backdated to 01 March 2020 and will be open initially for at least three months.
- Small- or medium-sized business may be entitled to reclaim the costs of Statutory Sick Pay (SSP) for sickness absence due to COVID-19.
- For furloughed employees, the scheme has been extended until end-October. Starting in July employers will be allowed to furlough employees for part of the daily working hours. Government coverage falls to 70 percent of wages in September (up to £2,187) and 60 percent in October (up to £1,875) with employers required to contribute the difference to 80 percent of wages (up to £2,500). The scheme for the self-employed has been extended for three more months but at a reduced level of 70 percent of earnings. Trade credit insurance for business-to-business transactions will receive up to £10 billion of government guarantees through the Trade Credit Reinsurance scheme, with the scheme available for nine months.
- A cut in VAT for hospitality and tourism companies is extended until March 2021. The cut from 20% to 5% VAT - which came into force on 15 July - had been due to expire on 12 January next year.
- The Job Support Scheme, which will replace the furlough scheme, will see workers get three quarters of their nominal salaries for six months aiming to stop mass job cuts after the government introduced new measures in September to tackle a rise in coronavirus cases. The new scheme begins on 1st November and will cost the government an estimated £300m a month. Government's contribution to workers' pay will fall sharply compared with the furlough scheme. Under furlough, it initially paid 80% of a monthly wage, under the new scheme this will drop to 22%. Companies who use it can also claim the Job Retention Bonus.

Monetary

- Term Funding Scheme introduced with additional incentives for banks who lend more to small and medium-sized enterprises. And a new lending facility to help support liquidity among larger firms, helping them bridge coronavirus disruption to their cash flows through loans (COVID-19 Corporate Financing Facility)
- £200bn increase in UK asset purchases financed by central bank reserves, taking the total capacity to £645bn. Most purchases will be government bonds, but corporate bonds are also in scope.
- The Bank of England is set to directly finance the extra spending needs of the UK government on a temporary basis, supporting the huge increases in short term spending without the need to use the bond market. The move highlights the extraordinary demands on cash the Treasury has experienced in recent weeks.
- The Bank of England voted in June to maintain Bank Rate at 0.1% and to continue with the existing programme of £200 billion of UK government bond and sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves. The Committee voted to increase the target stock of purchased UK government bonds, financed by the issuance of central bank reserves, by an additional £100 billion, to take the total stock of asset purchases to £745 billion.
- The September MPC meeting saw unanimous votes in favour of keeping Bank Rate at 0.1% and the target for the stock of asset purchases unchanged at £745bn.
- In addition, the MPC had been briefed on the Bank of England's plans to explore how a negative Bank Rate could be implemented effectively, should the outlook for inflation and output warrant it at some point during this period of low equilibrium rates. The Bank of England and the Prudential Regulation Authority will begin structured engagement on the operational considerations in 2020 Q4, confirming they are in no hurry to make this an active policy option.

MIDDLE EAST

ISRAEL

Real Estate

- As of 19 April 2020, some reliefs were given in regards with the quarantine prohibitions, such as raising office capacity of employees from 10% to 30% (subject to hygiene protocol) and specific retail (i.e. electronics) on street level only were allowed to be open.
- As of 27 May 2020 - all business, retail, malls, school, food & beverage (incl. indoor and outdoor sitting and service), events up to 100 people etc. are open and back to regular activity. Only left unopened are gathering without audience limitations (due 14 June), cultural bodies as theater and cinema and airport (due 1 July).
- No major rent influence was listed yet nor major numbers of lease terminations / reduction requests.
- As of 08/07/20, due to a concern to a second breach of the virus, some limitations returned:
  - » Public gathering limitation again been reduced from 250 to 20.
  - » Public transport reduced to a capacity of 20 per bus and train up to 50 by orders only.
  - » Bars and restaurants are only allowed to host up to 20 guests in close area and additional 30 in open area.
  - » Cultural avenues are closed (no performance, theater, cinema etc.)
  - » Retail and mall still open, but government looks into further limitation if case levels don't improve within the next two weeks.
  - » Majority of business back in office only up to 30% capacity.

Fiscal

- 25% discount on Municipal Tax.

Monetary

- 70% of last salary for those forced into temporary leave, paid by national insurance.
- Discussing various incentives to be given, due to be agreed by 1 July.

QATAR

Real Estate

- The government and semi-government entities announced rent relief for their commercial, industrial and retail tenants (mostly F&B) either for 3 to 6 months starting from March or April or until further notice.
- Qatar Cool, a government utility monopoly, is waiving both consumption and capacity fees for three months for hospitality establishments starting from 01 March; a substantial operating expense in this hot climate as summer nears.
- Several sectors have been exempted from electricity and water charges (also provided by government monopolies) for six months: hospitality and tourism, retail, SMEs, commercial and industrial in exchange for providing services and exemptions to tenants.
- The Qatar Development Bank (QDB) payroll and rent program now includes construction and contracting sectors, but still excludes real estate.
- Companies whose landlords haven't waived rental payments will also be able to tap the QDB program to pay rent for up to 3 months (April-June) on the same terms provided the most recent rent payment has been honoured.
- The government published its four-phase plan to reopen the economy, likely to take place over summer:
  - The first phase, which started on 15 June, permitted retail malls and parks to partially reopen (with restricted hours); school exams, use of personal boats; 20% restriction on a number of employees at a workplace still maintained.
  - The second phase, which began on 1 July, presumes partial re-opening of beaches, museums, and libraries; restricted boat rental; retail outlets including traditional markets (souqs) with restricted hours (apart from leisure), F&B units (at low capacity); 50% restriction on a number of employees at a workplace.
  - The third phase, to commence on 1 August: restricted inbound flights resume; full operation hours for retail malls apart from entertainment but including hairdressers, gyms and pools (at reduced capacity); resumption of indoor sports up to 40 people, nurseries and other childcare facilities; an increase to 80% of office employees.
  - The final phase, to start on 1 September, allows for more inbound flights, limited public transport; the full opening of malls, souqs, museums and libraries as well as the resumption of excursion boats; 'gatherings and sports' activities such as conferences, cinemas, and mass sports events; cleaning services; return to work for 100% of staff.
  - Notably, any incoming visitors would have to undertake a mandatory two weeks' quarantine until 15 September, so the return of tourists is not likely until this requirement is lifted.

Fiscal

- Food and medical goods are exempt from customs duties for six months (provided that this is reflected in the selling price). With regards to the only 10% corporation tax, payable by foreign companies, the deadlines for filing taxes and audited financial statements have been extended.
- The Qatar Financial Center, a special economic zone, has cut the rate on late tax payments to zero from 5 percent until 01 September 2020.
- Qatar Central Bank (QCB) has put in place mechanisms to encourage banks to postpone loan instalments and obligations of the private sector with a grace period of six months.

Monetary

- Qatar has announced an economic package for the private sector approximately worth 10% of GDP (USD 20 billion) to mitigate the lockdown effect and protect jobs.
  - Almost a USD 1 billion under the economic program is reserved towards The National Guarantee Program paying private sector salaries and rent (see above) for up to 3 months (April-June).
  - The program is managed by QDP, which will fully guarantee all the loans issued by private commercial and Islamic banks upon request from the companies.
  - Loan tenor is up to 3 years, with a 1-year grace period, 1-year interest free with a low interest to be payable by the borrower thereafter
- Interest rates have also been decreased by QCB twice in March to mirror the rate cut by the US Fed, as it has a currency peg.
- The deposit rate has been reduced by 100bps to 1 percent with the lending rate being reduced by 175 bps to 2.5 percent and repo rate - by 100 bps to 1.5 percent.
- The QCB will also provide additional liquidity to banks operating in the country through a special repo window at zero interest rate for postponing loan installments or granting new loans.
- Qatar Islamic Bank is providing interest free loans to private companies under the National Guarantee Program funds.
- Government funds have been directed to increase investments in the stock market by almost USD 3 billion.
- Qatar raised USD 10 billion from issuing a Eurobond.

UNITED ARAB EMIRATES (UAE)

Real Estate

- TENANT PROTECTION: Dubai extends rent relief of three to six months for 1,500 businesses. Rent relief to these tenants of Dubai Development Group will total Dh200 million.
- TENANT PROTECTION: Major market players offer rent relief or defer scheduled rent payments. Local authorities directed developers to reduce property service charge in order to relief more burdens on tenants.
- INVESTOR PROTECTION: Real estate investors can postpone their upcoming instalments.
- BANK STIMULUS PACKAGE: Banks have drawn 75% of AED 50 billion liquidity facility as confirmed by Central Bank of the UAE (CBUAE).

Fiscal

- UAE Federal Tax Authority has extended the deadline for filing the value added tax (VAT) by one month.
- Banks have put together 17 financial initiatives for individuals and SMEs affected by the outbreak of COVID-19.
    - These include loans and payment deferral of a period of 3-6 months, reduction in bank charge by 50% and reduce interest charges on new loans and credit cards for eligible customers.

Monetary

- Ministry of Economy reduces the fees for 94 of its services, the reduction is estimated to be valued at AED 113 million in 2020.
- Jebel Ali Free Zone has slashed the fee for license registration and administration for businesses between 50-70 percent.
- The Ministry of Human Resources has allowed private sector businesses affected by the COVID-19 measures to restructure the contractual relationship with employees. These contractual changes are to be made in mutual agreement through gradual procedures.
- The Ministry of Human Resources Virtual job market to help job seekers finding a temporary job replacement amid COVID-19 outbreak.
- The Dubai and Abu Dhabi governments have announced additional measures to help businesses with rents, utility bills, and capital investment.
- Dubai government employees will return to their offices by the end of May with 50% capacity and it will increase to 100% capacity by mid-June.
- UAE Federal government employees will return to their offices by the end of May with 30% capacity. Capacity to increase gradually based on further instructions.Add three bullets below this one.
- All UAE public sector employees returned to their offices on July 5.
- Abu Dhabi announces new initiative to support SMEs. The initiative aims to enhance the small and medium enterprises' contribution to the emirate’s GDP.
- Jebel Ali Free Zone offers incentives to help companies resume operations. The new measures include short-term rental options and flexible rent payment terms to help companies adjust to a post-pandemic economy.

AFRICA

GHANA

Real Estate

- None instituted as yet

Fiscal

- Grant of waiver of penalties on Principal tax liabilities owed by Tax payers who redeem their outstanding liabilities by June 30, 2020. Waiver of Value Added Tax(VAT) on donations of stock and goods for fighting the COVID'19 Pandemic.
- Waiver of taxes on selected withdrawals fron the third tier pension funds. Grant of deduction against income tax for Private sector contributions and donations made towards addressing the COVID'19 Pandemic.
- Grant of waiver of penalties on Principal tax liabilities owed by Tax payers who redeem their outstanding liabilities by June 30, 2020. Waiver of Value Added Tax(VAT) on donations of stock and goods for fighting the COVID'19 Pandemic.

Monetary

- The government has established the Coronavirus Alleviation Programme (CAP) to facilitate economic recovery. It has done the following in addition.
  1. Reduction in the Policy Rate by 150 bases points to 14% from 16% and drop in regulatory reserve requirement from 10% to 8% to increase supply of credit to private sector.
  2. Commercial banks engaged to provide syndicated facility of GHS 3 billion to support key industries.
  3. GHS 600 million stimulus package
  4. Incentive for all frontline Health Workers, with the intention of the government to commence the development of at least 88 District Hospitals to augment the Health Sector.
  5. Government to absorb water bill for the months April to June, 2020 for all, and to pay for water tanker supplies for areas without direct potable water supply. Free electricity for lifeline consumers and 50% reduction for all others for the months of April to June, in addition to free meals distributed to over 400,000 homes during the lockdown period.

KENYA

Real Estate

- No particular legislation enacted, however institutions related to real estate such as Institution of Surveys of Kenya that proposes landlord & tenant negotiations on rent reductions or lease adjustments, government's involvement in issuing breaks on rental income tax to cushion the landlords as well. Shopping Centre association of Kenya also advises its members on rent concession considerations on non-essential line shops.

Fiscal

- 100% tax relief for persons earning gross monthly income of up to KES 28,000 Reduction of Pay-As-You-Earn (PAYE) rate from 30% to 25%.
- A rise in the threshold for turnover tax to between Sh1 million and Sh50 million so as to exclude small-scale traders from the presumptive tax. The new law further lowers the turnover tax rate from 3% to 1%
- The Tax Laws (Amendment) Bill, 2020 has amended Section 38 of the Retirement Benefits Act (1997) to allow access to retirement benefits for purposes of purchase of a residential house
- The law has revised the Corporation Tax to 25% while the Non-Resident Tax on Dividends has been adjusted from 10% to 15%.
- Value Added Tax rate has been reduced from 16% to 14%, a move that is expected to lower the shelf prices of basic commodities
- Suspension of all listing for all persons including companies at Credit Reference Bureau (CRB) Lowering of Central Bank Rate (CBR) to 7.2%
- Central Bank of Kenya to offer flexibility to banks on loans that were active as of March 2020 to maintain liquidity levels.
- Banks are offering debt repayment holidays on case basis for loans before 1st March 2020.

Monetary

- Setting up a fund, Kenya Covid-19 Emergency Response Fund, to which players in the Public and Private Sector are contributing in support of government efforts.
- The World Bank Group Board of Directors approved $50 million (about Sh5 billion) in immediate funding KShs 12 Billion set aside for Inua Jamii Plus 70 for the older people and other vulnerable groups.
- Covid-19 emergency response Bill 2020 proposes prevention of employment termination or coercions to salary reductions, but permit the employee to take leave of absence in the period of the pandemic.

MAURITIUS

Real Estate

- Government agencies strive to support those affected by the crisis and different sectors of the economy by way of a stimulus package to keep them afloat.

Monetary

- The central bank will allow households impacted by Covid-19 a moratorium of six (6) months on capital repayments on ther existing household loans as from the 1st of April 2020. Low income groups will see the Bank of Mauritius bear the interest payable on outstanding household credits with commercial banks up to June 2020.
- Workers' rights will not be impacted if they are forced not to work

MOZAMBIQUE

Real Estate

- No measures from Gov implemented or even suggested. Private companies are taking their own decisions and we have assisted several cases of rent reduction/suspension from the LL's either in Retail and Officesin a n effort to maintain the tenants.

Fiscal

- No evidenced measures from government. We know of cases of companies that applied to the Tax authorities and were granted a delay in a case by case. On the other end, the period of debt pardon to companies (interest and some fines) that was in place until March 2020, is extended to the end of the emergency status (declared until the end of April and may be renewed).

Monetary

- No protection in place. Companies advised by the Ministry of labour to use the suspension of contracts, which will lead to termination of contracts with workers in a period of 3 months. This is in the labour law and to be implemented the comapy pays 75% of salary on first month and 50% on second. On the third month, either the contract is reinstated to full obligation or the employment is terminated with compensation. This keeps partial salaries to employees during a period of 3 months, but is in the hands of the private sector, that actually can fire with compensation immediately, too.

SOUTH AFRICA

Real Estate

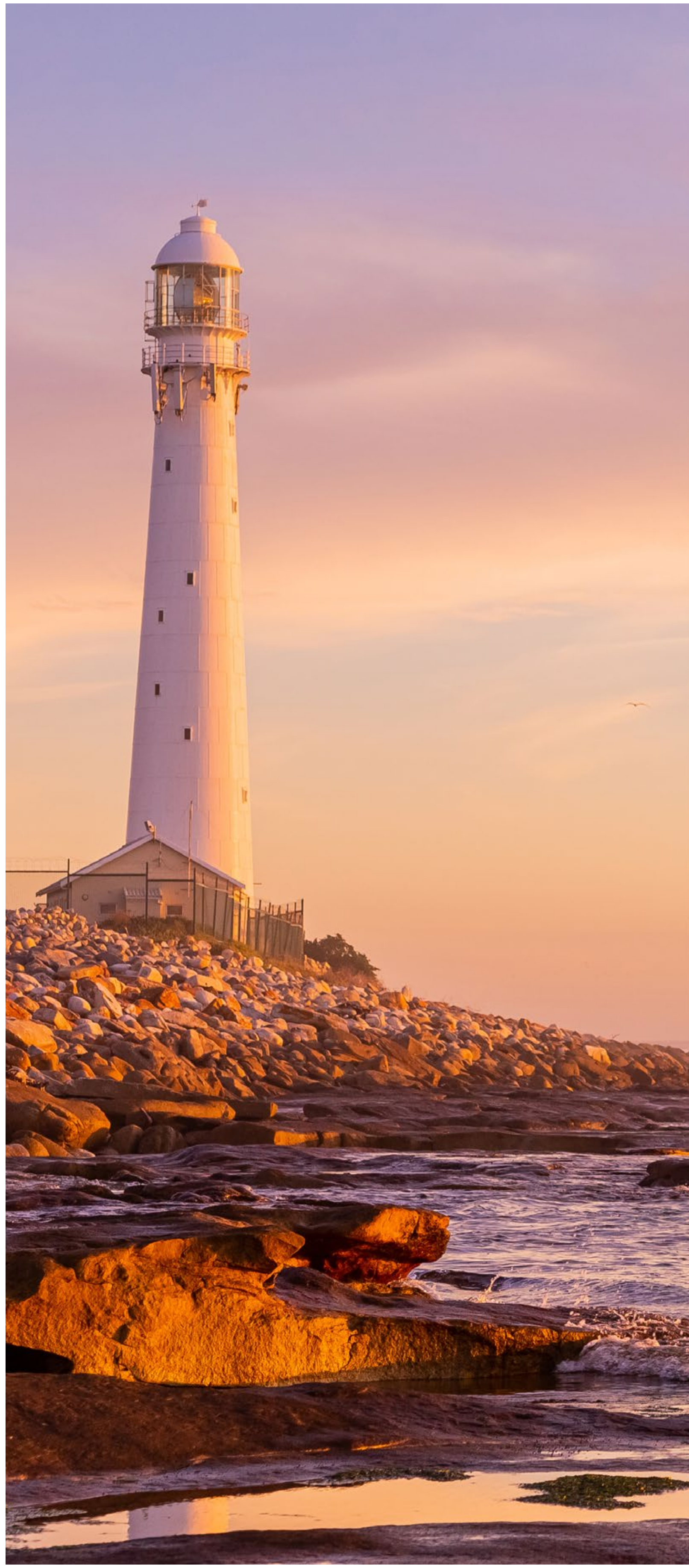
- Retail sector reliefs:
  - » Payment holidays and/or rental discounts for tenants.
  - » Limitations on the eviction of tenants.
  - » The suspension or adjustment to lease agreement clauses that restrict retail tenants from undertaking reasonable measures required to protect viability during the national disaster.
- Rent relief for all other sectors determined on a case-to-case basis.

Fiscal

- Government will provide a tax subsidy of up to R500 per month for next 4 months to private sector employees earning below R6,500 under the Employment Tax Incentive Act.
- The South African Revenue Service will work towards accelerating the payment of employment tax incentive reimbursements from twice a year to monthly to get cash into the hands of compliant employers.
- Tax compliant businesses with a turnover of less than R50 million will be allowed to delay 20% of their employees' tax liabilities over the next four months and a portion of their provisional corporate income tax payments without penalties or interest over the next six months.
- Government is also exploring the temporary reduction of employer and employee contributions to the Unemployment Insurance Fund and employer contributions to the Skills Development Fund. A law addressing these proposals to be published shortly.
- Companies allowed to keep 20% of monthly employees' tax (PAYE). Small- to medium-sized businesses with an annual turnover of less than ZAR50 million will be able to defer payment of 20% of their PAYE liabilities due and payable for the period 1 April 2020 to 31 July 2020, without penalties and interest.
  - » The relief will be available to tax-compliant businesses.
  - » The 20% deferral will be payable in equal instalments over six months from 01 August 2020; the first instalment must be paid by 07 September 2020.
- Only customers considered to be in good standing and with a good track record of paying their debts on time will qualify. Remedies offered by the banks for those in financial distress may include:
  - » Instalment reductions for an appropriate period
  - » Payment break or 'payment holiday'
  - » Customers, small, medium and micro-enterprises who are already in debt review can, through their debt counsellor, apply for a new repayment proposal.
- Government also implemented a Debt Relieve Finance Scheme for SMRS, which are negatively affected, directly or indirectly, by the pandemic. This scheme will provide relief on existing debts and repayments.
- Small Enterprise Finance Agency (Sefa)-Debt Restructuring Facility: Small businesses funded by Sefa will be given a payment holiday for the next six months, with certain conditions applicable.

Monetary

- Social relief and economic support package of R500 billion, which amounts to around 10% of GDP. Four areas to be addressed:
  1. An extraordinary health budget to respond to coronavirus
  2. The relief of hunger and social distress
  3. Support for companies and workers
  4. The phased re-opening of the economy
- COVID-19 Temporary Relief Benefit: To stem the financial distress of due to the pandemic for up to 3 months. The benefit is de-linked from the Unemployment Insurance Fund's normal benefits and will only pay for the cost of salary for the employees during the temporary closure of the business operations.
- South African Future Trust (SAFT) allows SMMEs to apply for an interest free loan, aiding them to keep their employees during this time of cash flow crunch. Terms can be reached to repay the loan, once the crisis is over.



UGANDA

Real Estate

- Landlords for Retail, Commercial and Residential sectors have been requested to be patient with their tenants on rent payment.
- For residential landlords, they should not throw out their tenants due to non-payment. Uganda Revenue Authority won't give landlords penalties for not paying taxes during this period.

Fiscal

- Debt payment plans have been adjusted for this period of Lockdown. The government has encouraged URA not to collect taxes for now during this lockdown from businesses and private companies.
- Companies allowed to apply for amnesty from National Social Security Fund (NSSF) such that they get a grace period beginning from April until end of June 2020.
- Only customers considered to be in good standing if and a good track record of paying their debts on time will qualify. Remedies offered by the banks for those in financial distress may include:
- Instalment reductions for an appropriate period.
- Payment break or 'payment holiday'.
- Customers, small, medium and micro-enterprises who are already in debt review can apply for a new repayment proposal especially from Stanbic Bank, & Centenary Banks.
- The government implemented a Debt Relieve Fund in Uganda Development Bank for SMRS which are negatively affected, directly of indirectly, by the pandemic. This fund will provide relief on existing debts and repayments for traders.
- The government is negotiating on behalf of Small businesses funded with Banks to get loan payment holiday for the next 4 months, with certain conditions applicable. This is still at the early stages as of 23/04/2020. This was mentioned by the Cabinet Minister of Trade of Uganda

Monetary

- Social relief and economic support package of UGSH 5 billion, Individuals and Several entities.
- Four areas to be addressed:
  1. An extraordinary health budget to respond to coronavirus;
  2. The relief of hunger and social distress;
  3. Support for companies and workers; and
  4. Donation of food stuff and other tangible commodities to help the taskforce across the country.
- COVID-19 Temporary Relief Benefit – to stem the financial distress of due to the pandemic for up to 3 months. The benefit is de-linked from the Unemployment Insurance Fund's normal benefits and will only pay for the cost of salary for the employees during the temporary closure of the business operations.
- National Social Security Fund (NSSF) has allowed SMEs in different affected sectors of Real Estate, Construction,etc to apply for amnesty for their employees contribution for the next 3 months – aiding them to keep their employees during this time of cash flow crunch. Terms can be revised later once the crisis is over.

ZAMBIA

Real Estate

- On the retail front:
  - Closure of cinemas
  - All restaurants to operate on a take away basis.
  - All malls to have sanitizer points
  - All patrons coming to the mall to wear face masks
  - On the office:
  - Reducing number of people in one location at time.
  - Encouraging people to work from home.

Fiscal

- Waiver of all penalties and liabilities on overdue accounts.
- Zero rating of hand sanitizers and other chemicals used to manufacture face masks and hand sanitizers.

Monetary

- Release of ZMW10 billion (about $530M) to used for loans to the private sector during this time.
- Issued a directive for all employees being placed on forced leave to be paid in full in line with labor laws.

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