

BUSINESS SUPPORT PACKAGES OFFERED BY GOVERNMENTS IN OVERSEAS MARKETS



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- In the event you do have a business presence in a country that is not listed in this document, please contact us [here](#).

Americas

| Country | Government Support Measures for Businesses |
|--------------------------|---|
| United States of America | <p>Paycheck Protection Program (PPP)</p> <p>The PPP enacted under the 27 March 2020 CARES Act authorised up to USD349 billion in forgivable loans to small businesses to pay their employees during the COVID-19 crisis. The loan amounts would be forgiven as long as:</p> <ul style="list-style-type: none">• The loan proceeds are used to cover payroll costs, and most mortgage interest, rent, and utility costs over the 8-week period after the loan is made; and• Employee and compensation levels are maintained.• Payroll costs are capped at USD100,000 on an annualised basis for each employee and loan payments would be deferred for 6 months. <p>The PPP fund was depleted on 13 April 2020 after demand far outstripped supply. On 23 April 2020, the House passed a USD484 billion coronavirus relief package to replenish the PPP with an additional USD310 billion, with the remainder funding hospitals and testing. The Senate approved the bill earlier in the week, and President Trump signed the US government's fourth stimulus bill since the outbreak into law the next day.</p> <p>Companies have to apply through a participating lender. For more information on the PPP, as well as to find a participating lender, companies can refer to https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program.</p> <p>For more information, please contact us here.</p> |

Europe

| Country | Government Support Measures for Businesses |
|---------|---|
| France | <p>The French government has launched a EUR45 billion relief package to maintain employment. Additionally, the government is guaranteeing up to EUR300 billion of corporate borrowing from commercial banks to keep credit flowing in the economy.</p> <p>For maintaining employment, Social Security Contributions Deferment scheme will allow businesses to defer employee and employer contributions in March with no penalty. Additionally, companies having to reduce their activities can tap on the partial unemployment scheme.</p> <p>Under the scheme, the company pays compensation equal to 70% of gross salary. Employees with minimum wage are paid 100% of their salary. The company will be fully reimbursed by the State, for salaries up to EUR6,927 monthly.</p> <p>Businesses may apply to for a loan guaranteed by the State to support their cash flow. Startups can borrow as much as 2years of payroll or 25% of annual revenue (whichever is greater). Companies may choose to amortise the loan over a maximum period of 5 years.</p> <p>A solidarity fund has been set up to help small businesses most affected by the crisis. Aid of up to EUR1,500 and rights to defer payment of rent and utilities. Large business can request for postponement of their next direct tax payments without penalty.</p> <p>Other measures include:</p> <ul style="list-style-type: none">• EUR80 million bridge funding for start-ups, targeting start-ups affected by a contraction in VC activity• Accelerated repayment of corporate tax credits• Business mediation support in the event of a conflict between businesses• Waiver of late penalties for all state and local government contracts• Credit mediation - a mediator will help businesses that encounter difficulties with financial institutes to resolve bottlenecks and propose a solution <p>For more information, visit French Government's website at: https://www.economie.gouv.fr/coronavirus-soutien-entreprises#</p> <p>For more information, please contact us here.</p> |

| Country | Government Support Measures for Businesses |
|---------|---|
| Germany | <p data-bbox="363 264 1417 353">On 27 February 2020, Germany's upper house of Parliament approved a supplementary COVID-19 budget worth EUR750 billion – the largest-ever relief package in Germany's post-war history equivalent to 10% of Germany's GDP.</p> <p data-bbox="363 387 1417 477">On 23 April 2020, the German government announced an additional stimulus package of EUR10.8 billion to support economic reconstruction as the country relaxes restrictions in small steps.</p> <p data-bbox="363 510 807 539">New measures under the budget are:</p> <ul data-bbox="363 573 1417 790" style="list-style-type: none"> <li data-bbox="363 573 1417 790">• EUR50 billion “immediate assistance” (<i>Soforthilfe</i>) for SMEs and self-employed individuals One-time, non-repayable cash grants to cover operating costs of up to 3 months, which can be disbursed with minimal red tape: <ul data-bbox="459 667 1417 790" style="list-style-type: none"> <li data-bbox="459 667 1417 723">• Self-employed persons and businesses with up to 5 employees to receive up to EUR9,000 of cash grants <li data-bbox="459 723 1417 790">• Self-employed persons and businesses with up to 10 employees to receive up to EUR15,000 of cash grants <p data-bbox="459 824 1369 913">More information https://www.bmwi.de/Redaktion/EN/Downloads/key-facts-corona-immediate-assistance.pdf?__blob=publicationFile&v=5</p> <ul data-bbox="363 947 1417 1164" style="list-style-type: none"> <li data-bbox="363 947 1417 1164">• Multi-billion EUR worth of equity, debt and loan guarantees to support larger German companies via a newly-established Economic Stabilization Fund <ul data-bbox="459 1008 1417 1164" style="list-style-type: none"> <li data-bbox="459 1008 1417 1064">• Up to EUR100 billion for direct state investments in corporates to prevent hostile foreign takeovers amid depressed valuations <li data-bbox="459 1064 1417 1097">• Up to EUR400 billion of credit guarantees for corporate loans <li data-bbox="459 1097 1417 1164">• Up to EUR100 billion to refinance existing KfW (German state-owned development bank) special programmes <p data-bbox="459 1198 1345 1288">For more information https://www.kfw.de/KfW-Group/Newsroom/Latest-News/KfW-Corona-Hilfe-Unternehmen.html</p> <ul data-bbox="363 1321 1417 1507" style="list-style-type: none"> <li data-bbox="363 1321 1417 1507">• Tax relief will be provided for SMEs and corporates till end 2020: <ul data-bbox="459 1355 1417 1507" style="list-style-type: none"> <li data-bbox="459 1355 1417 1411">• Tax authorities will grant tax payment deferrals and defer enforcement measures <li data-bbox="459 1411 1417 1444">• Tax prepayments can be readjusted <li data-bbox="459 1444 1417 1507">• Reduced VAT for gastronomy sector from 19% to 7% from 1 July 2020 to 30 June 2021 <p data-bbox="507 1541 1417 1630">For more information https://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Priority-Issues/Corona/2020-03-20-Tax-measures-to-assist-businesses.html</p> <ul data-bbox="363 1664 1417 2033" style="list-style-type: none"> <li data-bbox="363 1664 1417 2033">• EUR10 billion of “short-time work” arrangements (<i>Kurzarbeit</i>) to be offered <ul data-bbox="459 1697 1417 2033" style="list-style-type: none"> <li data-bbox="459 1697 1417 1910">• Under <i>Kurzarbeit</i>, German companies can apply for up to 60% of wages support from the government (defined as flat-rate net wage), or up to 67% for workers with at least one child. Support period is for a maximum of 12 months. Companies facing COVID-19 disruptions affecting 10% or more of their workforce are eligible to apply for <i>Kurzarbeit</i>. The eligibility threshold has been lowered from the previous criteria whereby companies could apply for <i>Kurzarbeit</i> only if 30% or more of their workforce are affected. <li data-bbox="459 1910 1417 2033">• Workers who have had their hours reduced by at least 50% will receive an increased payment of up to 77% of total net income after the fourth month of receiving benefits. The workers who are receiving benefits after 7 months, will receive up to 87%. |

For more information

<https://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Priority-Issues/Corona/2020-03-24-protective-shild-short-time-work.html>

- Social support measures

- Self-employed persons to be given easier access to basic income support for living expenses and rental. Means-testing procedures to be suspended for 6 months.
- Landlords are prevented from evicting their tenants if they could not pay their rent.

- EUR2 billion aid package for German startups

- A EUR2 billion customised support package for startups will be created to expand VC financing so that funding rounds for innovative German startups can continue. Additional public funding for public VC investors (both individual funds and funds of funds e.g. KfW Capital and European Investment Fund) will be used as part of co-investments made jointly with private investors, which can utilise up to 70% of public funds for these financing rounds.
- The plan is to provide the funds of funds KfW Capital and EIF with additional public funding so that they are able to take over the stakes of funds that pull out. More details on co-investment ratio and evaluation criteria will be released soon.

Apart from economic measures, the supplementary budget also calls for increased investments in Germany's healthcare system.

For latest updates

<https://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Priority-Issues/Corona/2020-03-25-combating-the-corona-virus.html>

Source

<https://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Public-Finances/Articles/2020-03-25-combating-the-corona-virus.html;jsessionid=728C778505895E3D2D395B93F2865DD1.delivery1-replication>

For more information, please contact us [here](#).

| Country | Government Support Measures for Businesses |
|-------------|---|
| Netherlands | <p>Measures associated with taxes</p> <ul style="list-style-type: none"> • Firms with lower profits due to the virus can request a revision to their provisional tax bill. • Major tax payments by firms can be postponed for up to 3 months, including energy taxes. Tax payments have been made cheaper since the interest penalty is reduced to 0.01% (from the initial 4% or 8%). Application for postponement will be smoothed, giving businesses more time to provide the required documents. <p>Measures associated with credit guarantee, loan guarantee and export insurance</p> <ul style="list-style-type: none"> • The existing guarantee scheme for SME-credit (BMKB) will temporarily be extended starting from end-March. The coverage share of a credit (with a maximum duration of 1 year) will be increased from 50% to 75%, of which the government guarantees 90%. This applies to bridging loans or overdraft credit. The Dutch government later expanded the scheme to larger loan amounts and larger firms. The scheme is available to companies which have established a business in the Netherlands. • The Business loan guarantee scheme (GO) makes it easier for large and medium-sized companies in the Netherlands to borrow substantial amounts of money. Capital providers receive a 50% guarantee from the government. The maximum term for the GO scheme is 8 years. In view of the business impact caused by COVID-19, eligible companies can now take a bigger loan of up to EUR150 million. The scheme is available to companies with registered offices in the Netherlands and whose commercial activities are conducted primarily in the Netherlands. • The export insurance scheme, which provides for insurance coverage by the Dutch government, has been extended to cover more transactions to ensure that international trade can continue. These include short-term credit guarantees, indirect export transactions, extension of country cover policy and ceilings. The scheme is available to companies with registered offices in the Netherlands. <p>Measures for compensation of labour costs</p> <ul style="list-style-type: none"> • The “temporary emergency bridging measure for sustained employment” allows for compensation of up to 90% of labor costs (includes wages and other costs e.g. pension premiums, employee insurance premiums), conditional on at least 20% fall in turnover and the continuation of employment. The temporary arrangement includes employees on flexible contracts, is valid for 3 months and can be extended for a second 3-month period. <p>Measures associated with day-care compensation</p> <ul style="list-style-type: none"> • On the family level, daycare is also relevant in the context of compensation. Regular child day-care has been closed and is only made available for parents working in crucial occupations. Parents who have foregone child day-care will be compensated for the payments that they will nevertheless have to make to day-care suppliers. <p>Measures associated with specific business segments</p> <ul style="list-style-type: none"> • Businesses in severely hit industries (bars, restaurants, beauty salons and travel) might be compensated for losses with a one-off cash grant of EUR4,000 per firm. <p>Measures to support the self-employed</p> <ul style="list-style-type: none"> • The existing benefit assistance scheme for the self-employed as provided by municipalities will be broadened to become more generous. The requirement for viability of the firm has been dropped and the income and wealth of partners will no longer be considered. The scheme will deliver income support at subsistence level (EUR1,500 a month at maximum) for up to 3 months, and/or a loan for business capital of up to EUR10,157 with delayed payment obligations and lower interest rates. This scheme has been extended to include international entrepreneurs with a startup visa residing in the Netherlands. |

Measures for startups

The Dutch government has published the details of the Corona bridging loan of for startups, scale-ups and innovative SMEs, which will be open for application from 29 April 2020. Companies can apply for a bridging loan of between EUR50,000 – EUR2 million at a subsidised interest rate of 3% for a loan period of 3 years, to be disbursed swiftly within 3 working days for most applications.

For loan quantum of >EUR250,000, 25% of the quantum should be raised from existing shareholders and can be structured in a way such that co-financiers can convert the loan at a subsequent financing round. Companies will need to demonstrate good financial health prior to COVID-19 and a negative impact on forecasted turnover due to COVID-19, and a business plan for the use of the bridging loan. More details at www.rom-nederland.nl/corona-overbruggingslening/

For more details and the latest updates: <https://www.government.nl/topics/coronavirus-covid-19>.

For more information, please contact us [here](#).

| Country | Government Support Measures for Businesses |
|---------|---|
| Russia | <p>Based on estimates from various sources internally and internationally, the GDP contraction is estimated at about 5% with a similar percentage in unemployment (from about 70 million employment base).</p> <p>Various fiscal measures are being introduced to prop up the economy. To date, RUB1.3 trillion (US\$17 billion) in support packages have been proposed. These are broadly in support of the key persons affected like lower income & medical service staff as well as propping businesses through measures such as credit & tax payment holidays.</p> <p>In late March, the authorities announced quarantine measures in Moscow requiring non-essential businesses to close and people to remain indoors. This is expected to be extended till 11 May 2020. According to Russia's Minister of Economic Development, Maxim Reshetnikov since the shut down as at 28 March 2020, economic losses are estimated at around RUB2.7 trillion (US\$36 billion) or about 3.3% of 2019 GDP.</p> <p>The most recent assistance rendered was on 24 April 2020, when President Putin met with the automobile industry. The proposed assistance is estimated at about RUB15 billion (about US\$200 million). This will come in the form of cheap credits for car buyers, on top of the government's existing program. These will go to support buyers of cars produced in Russia, whether by Russian or foreign companies. In addition, the government plans to accelerate its planned purchases of cars this year, which should add about another RUB 10 billion (US\$135 million) of assistance. This is a major employer of about 300,000 workers in total, and more than that in associated sectors. The auto sector had a sharp 95% fall in sales in the month of April.</p> <p>The COVID-19 shock is compounded by the collapse in oil prices which will put a further strain on the fiscal and monetary measures.</p> <p>Key Policy Responses as of 22 April 2020</p> <p>Fiscal Key measures include:</p> <ul style="list-style-type: none"> ● Increased compensation for medical staff as well as health and safety inspectors ● Individuals under quarantine to receive sick leave benefits and sick leave pay to equal at least the minimum wage until the end of 2020; ● Unemployment benefits to equal at least the minimum wage for 3 months, including for self-employed workers ● All children up to 3 years of age in families eligible for maternity capital to receive an additional lump sum benefit for 3 months, starting in April, and all families with children to get an additional lump sum benefit for each child for 3 months if parents lose jobs ● Interest rate subsidies for SMEs and systemically important enterprises ● Tax deferrals for most affected companies on most taxes ● Deferrals on social contributions for SMEs in affected sectors for 6 months ● Social contributions by SMEs on wages in excess of the minimum wage permanently reduced from 30 to 15% ● Deferrals on rent payments to all levels of government until the end of the year plus zero rent to the federal government for 3 months for SMEs in affected sectors ● Budget grants for SMEs in affected industries to cover salaries at the rate of one minimum salary per employee for 2 months plus zero-interest loans for all enterprises in affected industries to pay minimum wages for 6 months ● Zero import duties for pharmaceuticals and medical supplies and equipment ● Guaranteed loans to SMEs and affected industries <p>The total cost of the fiscal package is currently estimated at 2.1% of GDP.</p> |

Monetary and Macro-financial

On 24 April 2020, the Central Bank of Russia cut the policy rate by 50 bps to 5.5%. The Central Bank of Russia (CBR) started selling FX reserves from the National Welfare Fund on 10 March 2020, reflecting the fall in oil prices below the reference price under the fiscal rule and later for the purchase of Sberbank by the government. It also increased the limit on its FX swap operations.

CBR has introduced temporary regulatory easing for banks intended to help corporate borrowers, and more favourable treatment for FX loans issued to certain sectors. Forbearance as regards provisioning for restructured corporate and SME loans will apply to all sectors, not only affected by COVID. The CBR has introduced a new RUB 500bn facility for SME lending.

Banks have been allowed to value securities at their price from 1 March 2020. FX operations can also be valued at the exchange rate of March 1, except for those on open forex positions. The Deposit Insurance Fund contribution will be reduced from 0.15% to 0.1% through end-2020.

Also, the CBR approved measures to ease liquidity regulations for systemically important credit institutions. A set of measures was taken to protect retail borrowers suffering from the pandemic.

Parliament approved a law that guarantees the possibility for affected citizens and SMEs to receive deferrals of loan payments for up to 6 months. Banks are allowed not to classify such loans as restructured for loss provisioning purposes until 30 September 2020. Measures for households include the cancellation of add-ons to risk weights for mortgage loans issued before 1 April 2020.

Other support measures to financial sector included measures to ensure the availability of services of non-bank financial institutions and to promote remote customer services.

Exchange rate and balance of payments

No measures beyond FX sales mentioned above.

Source for fiscal & monetary measures: imf/policy response to covid-19

For more information, please contact us [here](#).

| Country | Government Support Measures for Businesses |
|---------|---|
| Turkey | <p>Key Policy Responses as of 17 April 2020</p> <p>A TRY100 billion package was announced. This consists of TRY75 billion (\$\$15.1 billion or 1.5% of GDP) in fiscal measures, as well as TRY 25 billion (\$\$5 billion or 0.5% of GDP) for the doubling the credit guarantee fund.</p> <p>The CBRT lowered the policy rate by 100bps to 9.75%, and a package of financial measures was introduced. Specifically, liquidity facilities were augmented, including with longer-term instruments and at discounted rates. The reserve requirements on foreign currency deposits were reduced by 500 bps for banks meeting lending growth targets.</p> <p>Credit support measures through Financial Institutions</p> <ul style="list-style-type: none"> • 90 days default period for loans to be deemed non-performing has been extended to 180 days • To facilitate goods and services exporting firms' access to finance and support sustainability of employment, Turkish lira-denominated rediscount credits for export and foreign exchange earning services will be extended <ul style="list-style-type: none"> ▪ A total limit of TRY 60 billion has been defined for the credits. TRY 20 billion has been allocated for credit utilization via Türk Eximbank, TRY 30 billion for credit utilisation via public banks, and TRY 10 billion for credit utilisation via other banks of which TRY 25 million for SMEs and TRY 50 million for other firms. Firms that can obtain FX rediscount credits, overseas contracting companies, and firms participating in international fairs will be able to benefit from this credit facility. The interest rate for these credits will be 150 basis points lower than the 1-week repo rate (CBRT's policy rate) ▪ The maturities for repayments of rediscount credits, which will be due from 18 March 2020 to 30 June 2020, can be extended by up to 90 days. Accordingly, firms can apply to intermediary banks and exchange their current bills for a bill with an up-to-90-day longer maturity, without making any repayment. In addition, pay-off periods will be extended to 36 months from 24 months for credits whose export commitment has not been fulfilled yet and rediscount credits expiring between 18 March and 30 June 2020. The maximum maturities for rediscount credits have been extended to 240 days from 120 days for short-term credit utilisation, and to 720 days for longer-term credit utilization • Three state banks Ziraat Bank, Vakif Bank and Halk Bank announced customer support programs mostly in terms of postponement of instalments, capital and interest payments and loan restructuring. This includes a 3-month moratorium on bank loan repayments (principal and interest) • The loan to valuation limit on mortgages was raised from 80 to 90% <p>Direct Government measures affecting businesses</p> <ul style="list-style-type: none"> • State payment of two-thirds of workers' salaries in affected firms • Extension of personal and corporate income tax filing deadlines • Possibility of restructuring of debts to TEDAŞ (Turkish Electricity Distribution Company) arising from the retrospective electricity consumption • Reduced/postponed taxes for affected industries (eg. tourism) • Debt relief for local governments' earmarked revenues • Increased employment protection by loosening short-term work allowance rules • Ban on layoffs, initially, for 3 months, with a state subsidy for affected staff • Cash wage support for the workers who have taken unpaid leave and whose employment contract has been terminated after 15/3/2020: these workers will receive TL 39.24 per day (1,177.20 per month) from the Unemployment Fund • Firms' dividend payments limited to 25% of 2019 profits • Turkey Wealth Fund (TWF) given new rights to buy stakes in distressed firms • Direct support to Turkish Airlines and other affected entities |

Government social support measures

- Raising minimum pension and cash assistance to families in need
- Cash wage support for the workers who have taken unpaid leave and whose employment contract has been terminated after 15/3/2020: these workers will receive TL 39.24 per day (1,177.20 per month) from the Unemployment Fund
- Debt enforcement and bankruptcy proceedings (except in alimony cases) have been suspended
- The minimum payment for individual credit cards was reduced to 20%, and banks postponed repayments on credit card loans for housing, consumer and vehicle purchases
- Easing of households' utility payments to local governments
- Prohibition of exorbitant price increase in the sales price of a good or service by the manufacturers, suppliers and retail business entities

Sources

<https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19>

<http://www.pekin-pekin.com/new/covid-19-legal-update>

www.lexmundi.com ; 'COVID-19 Government Support Measures' Report)

For more information, please contact us [here](#).

| Country | Government Support Measures for Businesses |
|----------------|---|
| United Kingdom | <ul style="list-style-type: none"> • On 23 March 2020, UK's Chancellor Rishi Sunak announced a GBP330 billion package of loans and guarantees to help firms continue operating, equivalent to 15% of UK's GDP. The Coronavirus Job Retention Scheme is a temporary scheme open to all UK employers for at least 3 months starting from 1 March 2020. Employers can claim for 80% of furloughed employees' monthly wage, up to GBP2,500 month plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. • The Coronavirus Business Interruption Loan Scheme will help any viable business with a turnover of up to GBP45 million to access government-backed finance of up to GBP5 million through the British Business Bank. Interest payments and any lender-levied fees for businesses will be covered by the Government for an initial period of up to 12 months. The Government will provide lenders with a guarantee of 80% on each facility to boost confidence in lending. The scheme is available through more than 40 accredited lenders listed on the British Bank website. https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/ • For medium and larger-sized businesses, the Coronavirus Large Business Interruption Loan Scheme provides loans of up to GBP25 million, for companies with turnover between GBP45 million and GBP250 million. Companies with a turnover of more than GBP250 million, the loan extended will be to GBP50 million. <p>Companies that make a material contribution to the UK economy can participate in the Covid Corporate Financing Facility programme which provides a quick and cost-effective way for companies to raise working capital through the purchase of commercial paper. The scheme is applicable to firms that can demonstrate that they were in sound financial health prior to the impact of COVID-19. For application details and FAQs, visit the Bank of England website at https://www.bankofengland.co.uk/news/2020/march/the-covid-corporatefinancing-facility</p> <p>On 27 April 2020, the UK government unveiled additional loan support under the bounce-back loan scheme for UK small businesses to borrow up to GBP50,000, fully underwritten by the government. In addition, companies will not have to pay fees or interest for the first 12 months. The application will be launched on 4 May 2020. For details, visit https://www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan</p> <p>For VC-backed startups, the UK announced plans of the Future Fund Programme to assist innovative companies through investing alongside other private investors in the form of convertible loan notes. Further details will be released at the government website: https://www.gov.uk/guidance/future-fund</p> <p>Other measures include:</p> <ul style="list-style-type: none"> • VAT payments due from businesses between 20 March 2020 to 30 June 2020 could be deferred until 31 March 2021. • Self-employed to claim a taxable grant worth 80% of trading profits up to GBP2,500/month • Allow SMEs to reclaim Statutory Sick Pay paid for sickness due to COVID-19 • Commercial tenants who cannot pay their rent because of COVID-19 will be protected from eviction <p>For more information, visit UK Government's website at: https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses For more information, please contact us here.</p> |

Middle East & Africa

| Country | Government Support Measures for Businesses |
|---------|---|
| Ghana | <p>The government committed US\$100 million to support preparedness and response, and about US\$210 million under its Coronavirus Alleviation Programme to the promotion of selected industries (e.g. pharmaceutical sector supplying COVID-19 drugs and equipment), the support of SMEs and employment, and the creation of guarantees and first-loss instruments.</p> <p>Some of the support measures to companies include extension of the tax filing date from April to June and a 2% reduction of interest rates by banks effective 1 April 2020. The airline and hospitality industries are to receive a 6-month moratorium on principal loan repayments.</p> <p>The government will draw US\$218 million from the stabilization fund to reduce financing needs.</p> <ul style="list-style-type: none"> • The Monetary Policy Committee (MPC) announced several measures to mitigate the impact of the pandemic shock, including revising provisioning and classification rules for specific loan categories, and steps to facilitate and lower the cost of mobile payments. • The Bank of Ghana has decided to decrease the cost of fund transfers through mobile money in order to avoid a low in transactions. Mobile money transactions below GH 100 (USD 18) will not be charged by service suppliers the next 3 months (from 20 March 2020). • For more details https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#G <p>For more information, please contact us here.</p> |

| Country | Government Support Measures for Businesses |
|---------|--|
| Nigeria | <p>The government is reviewing its 2020 budget and, given the expected large fall in oil revenues, announced plans to cut/delay non-essential capital spending by NGN1.5 trillion (close to 1% of GDP).</p> <p>A fiscal stimulus package in the form of a COVID-19 intervention fund of NGN500 billion (US\$1.28 billion), has been approved to support healthcare facilities, provide relief for taxpayers, and incentivise employers to retain and recruit staff during the downturn. Import duty waivers for pharmaceutical firms will be introduced. Regulated fuel prices have been reduced, and an automatic fuel price formula introduced to ensure fuel subsidies are eliminated.</p> <p>Tax Measures by Federal Inland Revenue Service (FIRS):</p> <ul style="list-style-type: none"> • Extension of timeline for filing of value added tax and withholding tax from the 21st day to the last working day of the month, following the month of deduction • Extension of the due date for filing of companies' income tax (CIT) returns by 1 month • Use of electronic platforms for payment of taxes and processing of tax clearance certificates • Filing of tax returns by taxpayers without audited financial statements which must be submitted within 2 months of the revised due date of filing <p>Economic Measures by Central Bank of Nigeria (CBN):</p> <ul style="list-style-type: none"> • Additional moratorium of 1 year on CBN intervention facilities • Interest rate reduction on intervention facilities from 9% to 5% • Creation of NGN50 billion target credit facility for affected households and small and medium enterprises • Granting regulatory forbearance to banks to restructure terms of facilities in affected sectors • Improving FX supply to the CBN by directing oil companies and oil servicing companies to sell FX to the CBN rather than the Nigerian National Petroleum Corporation • Additional NGN100 billion intervention fund in healthcare loans to pharmaceutical companies and healthcare practitioners intending to expand/build capacity • Identification of few key local pharmaceutical companies that will be granted funding facilities to support the procurement of raw materials and equipment required to boost local drug production • NGN1 trillion in loans to boost local manufacturing and production across critical sectors. <p>For more details https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#N https://assets.kpmg/content/dam/kpmg/ng/pdf/tax/nigeria-introduces-tax-economic-measures-in-response-to-COVID-19-pandemic.pdf</p> <p>For more information, please contact us here.</p> |

| Country | Government Support Measures for Businesses |
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| Qatar | <p>The Supreme Committee for Crisis Management has announced the following economic measures:</p> <ul style="list-style-type: none"> • QAR 75bn package comprising financial and economic incentives • QAR 10bn investment into the Qatar Stock Exchange by Qatari Funds • Exemption from having to pay for water and electricity for several industries, including hospitality, tourism, retail, small and medium industries, commercial complexes and logistical areas • The Qatar Development Bank will postpone instalments due by all borrowers for 6 months • The Qatar Central Bank will put in place measures to allow the private sector to postpone loan instalments to banks for a period of 6 months <p>For more details on the Supreme Committee for Crisis Management economic measures, visit https://portal.www.gov.qa/wps/portal/media-center/news/news-details/hhtheamirdirectsthestartofimplementingapackageofdecisionsandmeasurescombatthespreadofcoronavirus</p> <p>As of 2 April 2020: The Government of Qatar has announced a Private Sector Stabilization Program to support certain eligible private sector companies with their critical payments due in April, May and June 2020, covering:</p> <ul style="list-style-type: none"> • Staff payroll as per the Wage Protection System (WPS) registry • Rental payments (factory, business outlet, warehouse and labor accommodation rent) <p>A business is eligible for the program if it is:</p> <ul style="list-style-type: none"> • Incorporated under Qatar regulations; • 100% privately owned; • Has a valid commercial registration and license or other certification to prove incorporation and operation; and • Has been impacted negatively by COVID-19. • The above does not apply to companies operating in real estate, construction or contracting. • The program will be limited to one loan per Qatar ID and per commercial registration. Each Qatari obligator is eligible to apply for only one company where their shareholding is 10% or more. <p>For more details on the Private Sector Stabilization Program, visit http://www.cbq.qa/EN/Wholesale/Pages/National-Guarantee-Program-(response-to-COVID-19).aspx</p> <p>Qatar Chamber and the “Takatuf” Initiative – 23 March 2020</p> <p>In view of its national duty, its social responsibility and its role in serving the Qatari private sector, Qatar Chamber called on its members, public and private joint-stock companies and businessmen to support the country’s efforts to curb the spread of COVID-19 by reducing the impacts of the precautionary measures and supporting companies affected by these measures.</p> <p>“Takatuf” (which means “Solidarity” in Arabic) is an initiative by Qatar Chamber to curb the spread of COVID-19 by reducing the impacts of the precautionary measures and supporting companies affected by these measures. The initiative was announced on 23 March 2020 during a meeting of the Qatar Chamber’s Emergency Committee to review mechanisms of implementing the initiative.</p> |

According to this initiative, the Chamber is a mediator and link between the supporting companies and beneficiaries. The in-kind support will be directed to contributing to the governmental needs imposed by measures of facing the spread of the COVID-19. The initiative also intended to enhance the inter-private sector support, whereas large companies and entrepreneurs are encouraged to provide support for small businesses and companies, whose owners face many challenges, such as rental costs and other challenges.

For more information on Qatar Chamber's Takatuf initiative
<https://qatarchamber.com/takatuf-initiative/>

For more information, please contact us [here](#).

| Country | Government Support Measures for Businesses |
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| Saudi Arabia | <p>The Saudi Ministry of Finance (MoF) and General Authority for Zakat & Tax (GAZT) have announced various measures in respect of COVID-19 to support the local economy, including a range of corporate income tax, Zakat, VAT, excise tax and customs duties related measures.</p> <p>Corporate income tax measures</p> <ul style="list-style-type: none"> • 3-month extension for the payment and filing of corporate income tax, Zakat and mixed returns due between 19 March and 30 June 2020 • Corporate income tax and Zakat certificates will be issued without restriction for the fiscal year 2019 to allow companies to renew visas, licenses and receive payment in respect of government contracts • Approval of installment payment requests for Zakat and corporate income tax purposes by GAZT, where no advance payment was made • 3 month extension for the payment and filing of withholding tax returns relating to the period March, April and May 2020 <p>Indirect tax measures - VAT and Customs</p> <ul style="list-style-type: none"> • 3-month extension for the payment and filing of monthly VAT returns relating to the period March, April and May 2020 • 3-month extension for the payment and filing of quarterly VAT return relating to Quarter 1 of 2020 • 3-month extension for the payment and filing of excise tax returns due for the period March/April 2020 • GAZT will temporarily suspend the application/enforcement of certain administrative penalties and fines • GAZT has also announced its commitment to expedite the payment of taxpayers' refund claims • A 30-day deferral for the collection of customs duties due on imports from March 2020 to June 2020, provided a bank guarantee is submitted <p>Employee fees and wage support measures</p> <ul style="list-style-type: none"> • No expat levy for Iqamas (expatriate residence permits) that expire between 20th March and 30th June 2020. Such Iqamas shall be extended for a period of 3 months for free • Employers will be entitled to a refund of fees paid to obtain work visas for employees that are ultimately not used, due to the entry/exit restrictions in the Kingdom • Employers will be allowed to extend exit and re-entry work visas that were not used, due to the entry/exit restrictions in the Kingdom • As of 5 April 2020: The General Organisation for Social Insurance (GOSI) announced significant measures with respect to support for Saudi workers in private sector enterprises affected by the COVID-19 outbreak • Private sector employers will have the right to apply to GOSI for a monthly compensation payment for up to 60% of the wages (as registered in the Social Insurance system) of up to 70% of their Saudi National workforce (or 100% of the workforce for employers with 5 or less Saudi national workers) for an initial 3 month period from May 2020 to July 2020 • If claimed, the employer cannot compel the worker to continue working during the compensation period • In order to benefit from such a claim, the employer must: <ul style="list-style-type: none"> • Have been subscribed with the unemployment insurance branch before 1 January 2020, and have continued to participate in this insurance; • Resume salary payments after the 3 month period for the employees covered; • Continue to pay the wages of the remaining non-covered Saudi national and non-Saudi national employees; and • Have met all their wage payment obligations for employees during the first quarter of 2020. |

- The relief will not be available to those industries not deemed to be significantly affected by the outbreak, namely:
 - The financial sector (including those licensed by the Monetary Agency, banks, finance and insurance companies, insurance brokers, and licensees from the Capital Market Authority)
 - Telecommunications operators
 - Food and supply supermarkets
- GOSI has clarified that it will review and evaluate the performance of this initiative, and submit a recommendation before the end of June 2020 with respect to any extension to the period of cover, or changes to those employers who will be able to make a claim. Employers should continue to make deductions from employees for their share of the payments, as this will need to be paid over once the grace period has come to an end
- GOSI have also announced that all establishments will be exempted from any fines for late payment/filing of February and March 2020 contributions (due to be paid in March and April 2020 respectively). Penalties for late filing/payment are likely to be calculated from May onwards, unless further relaxation is provided
- As of 16 April 2020, GOSI has announced on their official twitter account a deadline to register in the "SANED" system for the compensation of furloughed Saudi workers as previously advised above. In order for the subscriber to be entitled to the compensation on the 1 May 2020, the employer is required to apply for the support by 26 April 2020 and the "subscriber/employee" must also submit a request for compensation by 30 April. Any delay to these dates will mean that the entitlement will not begin in May (but from 1 June 2020 if completed thereafter)

Other fees

- Saudi MoF has announced the deferral of certain Government fees and municipal levies

Economic support measures

The Saudi MoF has announced that it will support the private sector, focusing on SMEs and the economic activities most affected by COVID-19 through various exemptions, the deferral of government liabilities and the provision of liquidity. In this regard, the Saudi Arabian Monetary Authority has announced a SAR 50B stimulus package for the banking sector, financial institutions and SMEs.

The stimulus package for SMEs includes:

- SAR 30 billion for banks and financing companies to delay dues payments from SMEs for a period of 6 months
- SAR 13.2 billion of concessional finance for banks and financing companies to support SME business continuity, sector economic growth and maintaining employment levels
- SAR 6 billion for banks and insurance companies to relieve SMEs from the finance costs of the KAFALA Program
- The following additional measures have also been introduced:
 - More than SAR 800 million to support the fees of POS and e-commerce platforms for a period of 3 months
 - SAMA has announced that it is coordinating with banks and finance companies to facilitate finance repayments due from affected institutions by COVID-19 in Makkah and Medina

Sources

<https://gazt.gov.sa/ar/RulesRegulations/UnderConsultations/Documents/GAZT%20-%20Initiatives%20EN.pdf>

https://www.mof.gov.sa/en/MediaCenter/news/Pages/News_20032020.aspx)

For more information, please contact us [here](#).

| Country | Government Support Measures for Businesses |
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| South Africa | <p>Tax measures</p> <ul style="list-style-type: none"> • Deferral of provisional tax by qualifying taxpayers, which includes companies that has a gross income of R50million or less during the year of assessment ending on or after 1 April 2020 but before 1 April 2021 & its gross income of the year of assessment does not include more than 10% derived from interest, dividends and foreign dividends • The Draft Disaster Management Tax Relief provides <ul style="list-style-type: none"> ▪ For 1st provision tax payment due between 1 April 2020 and ending on 30 September 2020, to be reduced to 15% (normally 50%) of estimated total tax liability ▪ For 2nd provision tax payment due between 1 April 2020 and 31 March 2021, to be based on 65% (normally 80% or 90%) of estimated total tax liability. No interest or penalties will be levied as a result of reduced payment ▪ The balance (being 35%) would need to be paid in full when making the 3rd provisional tax payment <p>Employment-related measures</p> <ul style="list-style-type: none"> • Employment Tax Incentive (ETI): Policy aimed at incentivising employers to employ young persons (between 18-29 years of age) through a cost-sharing arrangement with the government, by allowing the employer to reduce the amount of Pay-As-You-Earn (PAYE) it is required to pay to the revenue authority (SARS) (i.e. tax subsidy). The reimbursement must be claimed with SARS at the end of each month • Through the Disaster Management Tax Relief Administration Bill, employees between 30 to 65 years old are also covered with the benefits of ETI. (Note: To qualify, employees have to earn less than R6500) • The South African government is exploring the temporary reduction of employer and employee contributions to the Unemployment Insurance Fund (UIF) and employer contributions to the Skill Development Levy Fund and to the Commissioner for Compensation for Occupational Injuries and Disease Fund <p>Customs measures</p> <ul style="list-style-type: none"> • Expedited procedure for temporary registration to use ethyl alcohol to manufacture disinfectant • Export controls on certain products, including face masks, hand sanitisers, certain chemical compounds and certain medicaments • Rebate of customs duty and exemption of import VAT on essential goods <p>Economic stimulus measures</p> <ul style="list-style-type: none"> • South Africa's Reserve Bank cut the repo rate (the benchmark interest at which the Reserve Bank lends money to other banks) from 6.25% to 5.25% on 19 March, and it was further reduced to 4.25% on 14 April 2020 • Introduction of R200 billion loan guarantee scheme in partnership with major banks, the National Treasury and South African Reserve Bank. This will assist enterprises with operational costs, such as salaries, rent and the payment of suppliers (Note: For the initial phase, only companies with a turnover of less than R300million a year will be eligible) <p>Others</p> <ul style="list-style-type: none"> • Taxpayers who donate to the Solidarity Fund will be able to claim up to an additional 10% as a deduction from their taxable income |

Sources

<https://www.gov.za/speeches/president-cyril-ramaphosa-additional-coronavirus-covid-19-economic-and-social-relief>

<https://www.sars.gov.za/Media/Pages/CoronaVirus.aspx>

<https://www.sars.gov.za/ClientSegments/Customs-Excise/Pages/default.aspx>)

For more information, please contact us [here](#).

| Country | Government Support Measures for Businesses |
|----------------------|---|
| United Arab Emirates | <p>Measures applicable to Abu Dhabi businesses</p> <p>On 16 March 2020, Abu Dhabi Executive Council launched the Abu Dhabi's Economic Stimulus Package under "Ghadan 21".</p> <p>These measures aim to mitigate the impact on the Emirates' economy, businesses and individuals of the global COVID-19. The stimulus package measures as below:</p> <p>Tax measures</p> <ul style="list-style-type: none"> ● Suspension of annual registration fees for commercial vehicles until the end of 2020 ● Suspension of individual or commercial real estate registration fees until the end of 2020 ● Suspension of Tawtheeq fees for commercial and industrial activities until the end of 2020 ● Tourism and municipality fees for the tourism and entertainment sectors suspended for 2020 ● Reduction by 25% of industrial and leasing fees for new contracts and waiving of industrial and commercial penalties <p>For more information https://www.ghadan.abudhabi/en/economic-stimulus-package/</p> <p><u>Employment measures</u></p> <p>The Ministry of Human Resources and Emiratisation (MOHRE) published a new Ministerial Resolution No. 279 of 2020 effective 26 March 2020 applicable to non-Emirati employees. Under the Resolution, employees registered with the MOHRE may gradually apply the following measures:</p> <ul style="list-style-type: none"> ● Implementation of remote working; ● Granting of paid leave ● Granting of unpaid leave ● Temporary reduction of wages for the period of precautionary measures. Temporary reduction must be documented in an addendum to the employee's employment contract and executed by both employer and employee ● Permanent reduction of wages. Permanent reduction is subject to prior approval of the MOHRE to amend the employee's employment contract, with the employee's agreement <p>For more details, visit MOHRE website https://u.ae/en/information-and-services/justice-safety-and-the-law/handling-the-covid-19-outbreak/supporting-the-labour-market-in-the-private-sector-in-times-of-covid19/regulating-employer-employee-relationship-in-the-private-sector</p> <p>Banking relief</p> <p>On 25 March 2020, Abu Dhabi banks, including First Abu Dhabi Bank (FAB), Abu Dhabi Islamic Bank (ADIB) and Abu Dhabi Commercial Bank (ABCB), have announced the following measures to support their business customers affected by the COVID-19 outbreak:</p> <ul style="list-style-type: none"> ● Installment deferred on existing borrowings for 3 months for eligible customers until 30 June 2020 with no additional bank charges ● Reduction by 50% of Bank merchant service fees (credit card transactions) for SMEs with below AED 5 million usage per annum until 30 June 2020 ● Reduction of up to 50% on all banking fees and charges for Zero Balance accounts for eligible customers |

- Reduction of up to AED 10,000 per month of the Minimum Average Balance requirements on all SME account categories for eligible customers to provide them with more liquidity
- Installment deferment on new borrowings for up to 3 months along with a 50% reduction in any associated bank charges until 30 June 2020
- Reduction of interest charges on new borrowings based on new prevailing rates
- 50% reduction in bank charges for early settlements on their existing borrowings until 30 June 2020

For more details on the various schemes, visit the websites below:

FAB

<https://www.bankfab.com/en-ae/about-fab/group/in-the-media/fab-implements-support-measures-for-its-stakeholders-in-response-to-covid-19>

ADIB

https://www.adib.ae/en/m/Pages/News_Details.aspx?id=253

ADCB

<https://www.adcb.com/en/personal/general/covid19-adcp-and-adce.aspx>

SMEs and startups measures

As part of the “Ghadan 21” initiatives, the following measures have been introduced to support SMEs and startups:

- A credit guarantee programme of AED 3 billion managed by Abu Dhabi Investment Office introduced for SMEs
- Waiver of performance guarantees for projects up to AED 50 million start-ups

Tourism industry measures

As part of the “Ghadan 21” initiatives, the following measures have been introduced to support the tourism and entertainment sectors:

- Suspension of tourism and municipality fees for tourism and entertainment sectors for the year 2020
- Up to 20% rebate on rental values for the restaurants and tourism and entertainment sectors

For more details on the Rental Rebate Initiative, visit

<https://idb.added.gov.ae/rental-rebate>

Measures to support suppliers to government

On 26 March 2020, the Federal Cabinet has announced the following measures:

- Payment of all approved government invoices within 15 working days
- Suspension of fines for suppliers affected by the Covid-19 crisis for delays in regards to the execution of federal government contracts for a renewable 3 months
- Suspension of bid bonds
- 90% award of federal government purchases for small and medium suppliers

Capital market measures

As part of the “Ghadan 21” initiatives, an AED 1 billion market funds has been established to enhance liquidity and sustain balance between supply and demand for stocks.

Water and Electricity measures

On 25 March 2020, the UAE Cabinet has approved the following measures that benefit shopping malls, commercial shops, hotels, hotel apartments and plants:

- Reduction by 20% of water and electricity bill for a period of 3 months starting from 1 April 2020

- 6 months deferral payment of water and electricity connection's instalments for the above commercial and industrial facilities
- 3 months freeze of service reconnection fines
- 20% electricity connection's administrative fees for the period of 3 months effective from 1 April 2020

Abu Dhabi Global Market (ADGM) specific measures

On 1 April 2020, ADGM has launched the following measures to support the registered entities operating in its financial free zone:

- Full waiver on commercial license renewal fees (with exemption of SPVs and foundations licenses) until 25 March 2021
- Full waiver on business activity renewal fees until 25 March 2021
- Full waiver on data protection renewal fees until 25 March 2021
- Full waiver on new Temporary Work Permits issuance, renewal and late application fees until 25 March 2021
- Full waiver on annual Funds fees until 31 December 2020
- Full refund of annual Fund fees already paid by entities regulated by the Financial Services Regulatory Authority (FSRA) for 2020
- 50% refund of Supervision fees already paid by FSRA regulated entities for 2020
- 50% waiver on any new FSRA Supervision fees to be collected until 31 December 2020
- Deferment of rental payments and service charges for office tenants at ADGM Square on Al Maryah Island for 2020

For more details on the ADGM measures, visit <https://www.adgm.com/adgm-support-measures>

MEASURES APPLICABLE TO DUBAI BUSINESSES

Tax measures

On 13 March 2020, the Dubai government has unveiled AED 1.5 billion economic stimulus package for the next 3 months to support companies and the business sector including the following:

- Government fees related measures introduced
 - Suspension of the 2.5% Market fees
 - 50% reduction of Municipality fee on hotel sales
 - Suspension of classification fees for tourism and sport activities
 - Suspension of ticket, permit issuance and government fees on recreational and business activities
- Customs related measures introduced:
 - Refund of 1% of the customs duty imposed on imported products sold within the UAE markets which are subject to custom duty rate of 5% and have been processed under import declaration from 15 March 2020 to 30 June 2020
 - 90% reduction of the fees imposed on submitting customs documents
 - Traditional wooden commercial vessels registered in the UAE exempted from berthing service fees for arrival and departure as well as direct and indirect loading fees at Dubai Creek and Hamriyah Port from 15 March 2020 to 30 June 2020
 - AED 50,000 guarantee required to undertake customs clearance activities revoked. The guarantee already deposited by existing customs brokers and clearing companies will be refunded

For more details on the Dubai stimulus package, visit <https://gulfnews.com/amp/uae/government/dubai-announces-dh15b-economic-stimulus-package-to-reduce-cost-of-doing-business-living-1.1584040217677>

Employment measures

The employment measures detailed above for Abu Dhabi businesses are also applicable to Dubai businesses as introduced at the Federal level.

Banking relief

On 21 March 2020, Dubai banks, including Emirates NBD, Dubai Islamic Bank, Emirates Islamic, Mashreq and Commercial Bank of Dubai, have announced the following measures to support their business customers affected by the Covid-19 outbreaks:

- Measures implemented by commercial banks (Emirates NBD, Mashreq and Commercial Bank of Dubai) with effect from 1 April to 30 June 2020
 - For small business customers repayment holiday of 3 months with 0% interest and fees for their business related loans
 - Reduction of the monthly minimum balance required for basic business banking account to AED 10,000
 - For Business Banking customers with working capital facilities optimal financial solution can be proposed
 - For Wholesale Banking Clients, refinancing, repayment deferrals or lower repayments relief measures available
 - For trade finance customers, reduced bank charges for digital trade transactions
 - Enhanced credit and trade lines to manage ongoing operational costs
 - For trading clients in the UAE bourses suitable instalment payment plans against additional collateral to help them regularise their margin trading positions

- Measures implemented by Islamic banks (Dubai Islamic Bank and Emirates Islamic) with effect from 1 April to 30 June 2020
 - Waiver of minimum balance fee for maintaining a minimum balance requirement of AED 10,000 until 30 June 2020
 - Deferment of 3 months instalment upon request for clients with a Business Finance facility
 - For Wholesale Banking customers with working capital facilities financial solution can be proposed
 - Relief measures for key sectors with need-based refinancing, repayment deferrals or lower repayments options
 - For all trade finance customers, reduced charges for digital trade transactions for all trade finance customers

For more details on the reliefs provided by the commercial banks and the Islamic banks, please refer to website

<https://mediaoffice.ae/news/2020/March/21-03/Dubai-banks-announce-business-relief-package-for-customers-as-part-of-support-for-UAE-economy>

Water and Electricity measures

The Water and Electricity measures detailed above for Abu Dhabi businesses are also applicable to Dubai businesses as introduced at the Federal level.

Dubai International Financial Centre Free Zone (DIFC) specific measures

On 31 March 2020, the DIFC has implemented five initiatives to support businesses based in the DIFC free zone:

- Waiving of annual license fees for new companies' registration applicable until 30 June 2020

- 10% discount on renewal fees for existing DIFC licenses applicable until 30 June 2020
- Postponing of payment plans for all commercial properties owned by DIFC Investments Ltd applicable for a period of up to 6 months from 1 April 2020
- Reduction on property transfer fees in the DIFC from 5% to 4% for any property sale that occurs between 1 April 2020 until 30 June 2020 provided that the property transfer (or any part thereof) is registered with the DIFC Registrar of Real Properties within 30 days after the end of the 3-month period
- Free movement of labour in and out of the DIFC centre between other free zones, provided employers have the necessary secondment arrangements in place and employees are recorded with registry services to secure a secondment card in order to access buildings and offices within the DIFC

For more details on DIFC Business Stimulus Initiative support measures, visit:
<https://www.difc.ae/business-stimulus-initiatives/>

Dubai Multi Commodities Centre (DMCC) specific measures

On 26 March 2020, the DMCC has announced a comprehensive package to support businesses based in the DMCC free zone (applicable from 1 April 2020 until 30 June 2020, unless stated otherwise):

- Measures applicable to existing DMCC companies
 - Full waiver of late license renewal penalties
 - Full waiver for all Flexi Desk and DMCC Business Centre penalties until the end of 2020
 - Full waiver of the Office Sharing Permit fee
 - Full waiver of the Company Reinstatement fees
 - 30% discount on license renewal
 - Waiver of outdoor area rents for JLT retailer with existing contracts, where DMCC is the building owner/landlord
 - Waiver of rent for 2 months for commercial establishments impacted by the latest Dubai Economy directive requiring a temporary closure, where DMCC is the building owner/landlord
 - A 3-month suspension of rent for Flexi Desk and DMCC Business Centre tenants renewals or monthly/quarterly instalment with no discount
- Measures applicable to new registration or already in the process of registering in DMCC:
 - 80% reduction on the total company set up fee if shareholders are residents of JLT
 - Up to 50% reduction on the total company set up fee, along with a Flexi Desk for 1 year
 - Flexible payment options for new DMCC Business Centre tenants; and
 - Complete digital process for business set up from the comfort of your home

For more details on the DMCC Support Package, visit:
<https://www.dmcc.ae/news/dmcc-announces-support-package-business-boost-uaes-economic-resilience>

Reduction in fees across 94 services

UAE Ministry of Economy recently announced reduction in fees for 94 of its services (as of 12 April 2020).

Please visit [link](#) for the list of services with reduction in fees.
(Source: Ministry of Economy official website)

For more information, please contact us [here](#).

North Asia

| Country | Government Support Measures for Businesses |
|---------|---|
| China | <p>A wide range of policy measures have been announced for SMEs, including foreign-invested enterprises (FIEs), in China.</p> <p>With reference to Dezan Shira & Associates' "China's Support Policies for Businesses Under COVID-19: A Comprehensive List April 20, 2020", key support measures are as follows:</p> <p>Direct financial support measures</p> <ul style="list-style-type: none"> • [15 April 2020, Ministry of Finance (MOF)] Small and micro firms, with more than 15% of newly hired employees, can apply for guaranteed startup loans; and for those with a workforce of more than 100 persons, the criteria of newly hired employees can be lowered to 8%. Eligible individual borrowers can raise up to RMB 200,000 of guaranteed start-up loans. (Link to circular) • [7 April 2020, State Taxation Administration (STA) and China Banking and Insurance Regulatory Commission (CBIRC)] In a bid to help small businesses ease their capital problems and resume operations as soon as possible, banks have been encouraged to develop and provide innovative credit products suitable for small and micro firms, optimise loan approval procedures, speed up response to customers' loan demand, increase credit loan quota and extend repayment period. (Link to circular) • [24 March 2020, Ministry of Commerce (MOFCOM), National Development and Reform Commission (NDRC): Services Industry] Restaurants, hospitality, and domestic service companies, which have been unable to resume normal operations, can negotiate and share their labour resources with retail and express delivery firms to address labour shortages in the short term. (Link to circular) • [13 March 2020, Transport Services] Government departments have been asked to implement fiscal, tax, and financial policies to help transport companies overcome difficulties. Transport authorities should provide assistance for freight firms, taxi companies as well as their employees to get loans from financial institutions. Lease finance companies are encouraged to defer rent collections from corporate and individual customers if their business conditions or risk tolerance permits. (Link to circular) <p>Broad-based financial support measures</p> <ul style="list-style-type: none"> • [1 March 2020, CBIRC] Epidemic-hit SMEs and micro firms, including small business owners and individual household businesses, can apply through banks to defer repayment of principal and interest expenses payable from January 25 to June 30, 2020. Overdue loan repayments in the period will not be subject to penalties. (Link to circular) • [28 February 2020, MOFCOM] Small household business owners with employees can also enjoy the policy of reducing and postponing social security contributions that was intended to benefit corporate employees. (Link to circular) • [18 February 2020, State Council] SMEs can enjoy reduction/be exempted from corporate social insurance premiums such as pension, unemployment, and work injury insurance and defer payments made to the housing provident fund. (Link to circular) |

General support /Others

- [26 March 2020, MOFCOM] China has encouraged national-level economic development zones to take swift and effective actions to deal with the epidemic and address companies' problems in investment, production, and business operations. **These zones have been asked to step up efforts to make sure Chinese and foreign companies can get equal access to Chinese government's preferential policies and help stabilise important industry chains and supply chains.** ([Link](#) to Circular)

- [9 March 2020, NDRC] NDRC has encouraged the resumption of activities by foreign companies and asked **the relevant local authorities to make regular visits to foreign companies and monitor their projects in order to assess their situation in terms of activities, production and investments.** ([Link](#) to circular)

[NDRC and MOFCOM] The *Catalogue of Industries Encouraging Foreign Investment* will be revised. Tariff on self-use equipment imported for foreign investment projects encouraged by the Catalogue will continue to be waived within the investment quota. For projects beyond the investment quota, project companies can make applications with the provincial development and reform commission to enjoy tariff exemptions.

- [24 February 2020, NDRC/State Council] NDRC published notice on **phased reduction of electricity costs and non-residential gas costs** to support the work resumption of enterprises. State Council announced the next day that electricity charges for industrial and commercial companies not from high energy-consuming industries will **be reduced by 5%**. ([Link](#) to NDRC notice of phased reduction of electricity costs and [link](#) pertaining to non-residential gas costs, as well as [link](#) to State Council briefing)

For more information, please contact us [here](#).

| Country | Government Support Measures for Businesses |
|---------|---|
| Japan | <p>Employment related support</p> <ul style="list-style-type: none"> ● Increase cap for Employment Adjustment Subsidy to protect employment (SMEs, increase from 2-3 to 4-5; large companies from 1-2 to 2-3) ● Subsidy for employees to take leave due to closure of schools (up to JPY 8,330 per day) <p>Business related support</p> <ul style="list-style-type: none"> ● Subsidies of up to JPY2 million to be provided, if revenues drop by at least 50% ● In Tokyo, companies with a single shop are eligible for JPY 500,000 subsidy and those with multiple shops are eligible for JPY 1 million subsidy if they close/adjust opening hours according to the Tokyo government's request ● Up to JPY 560 million in unsecured loans by private financial institutions if sales has dropped by at least 5%. Reduction/waiver of guarantee charge and interest also possible ● Up to JPY720 million yen in loan support from public financial institutions with the possibility of zero-interest rate/interest subsidy ● Postponement of tax payment by 1 year without collateral or fees if sales has dropped by at least 20% starting from February 2020 <p>For more details, please refer to the Ministry of Economy, Trade and Industry's website at http://www.meti.go.jp/covid-19/index.html (Japanese) or http://www.meti.go.jp/english/covid-19/index.html (English)</p> <p>For more information, please contact us here.</p> |

| Country | Government Support Measures for Businesses |
|---------|--|
| Korea | <p>Tax Relief</p> <ul style="list-style-type: none"> • Income and corporate tax reductions for SMEs in “special disaster areas” (Daegu, Gyeongsan, Bongwha and Cheongdo) - 60% for SMEs and 30% for medium-sized enterprises with subject to a ceiling of KRW200million in total tax reduction • VAT reduction for small self-employed business-VAT for small self-employed businesses with annual sales of KRW80mil or less will be reduced to the level of “simplified taxpayers” • Property tax cuts for hotel owners • Early tax returns and grade period up to one year for underpayments • Grace Period for foreclosure and disposition for arrears for SMEs and with arrears below KRW5million <p>Loans and Other Financial Support</p> <ul style="list-style-type: none"> • KRW4.1 trillion to be spent on SMEs loans, government loans up to 30mil with preferred interest rate of 1.5%. (the interest may be lower depending on the region of application) • Special guarantees on SMEs, KRW5.5 trillion worth of guarantees to be provided through Korea Technology Finance Corporation, Korea Credit Guarantee Fund and local credit guarantee foundations • Grace Period and reduction of payment of 4 mandatory insurance payment (Health, Pension, Industry Disaster & Unemployment Insurance) - Automatic payment reduction up to 50% will be provided based on company size. Grace period up to 6 months can be provided based on application. A company will need to apply through a relevant national insurance agency • Rental, labour and telecommunication cost support caused by business closure for disinfection work • Support for exporting companies (this support is more for bigger SMES, second tier conglomerates) <ul style="list-style-type: none"> ▪ KRW2trillion Operation Fund Support for importer and exporter- loan with preferred interest of .5% reduction for SMEs and .3% reduction for tier 2 conglomerates ▪ KRW2trillion Emergency Management Fund Support for companies with no export/import contract or with loan limit exhaustion- loan based on average annual sales. Preferred interest of 0.5% reduction for SMEs and 0.3% reduction for tier 2 conglomerates ▪ KRW200billion General Export Support for new industries with preferred interest deduction of 0.9% ▪ KRW2.5trillion Guarantee for export/import and globalization of companies. Preferred guaranteed rate of 0.25% for SMEs and .15% for second tier conglomerates • Seoul Metropolitan Government will give KRW1.4million in cash subsidy to 410,000 small businesses in the city. About 72% of the city’s business owners are estimated to benefit from this scheme <p>For Employees</p> <ul style="list-style-type: none"> • Increase of the employee retention subsidy to maximum 90% for 3 months, from April to June. (Employment retention subsidy is government support for businesses under a temporary setback to help them with labour costs. The government on normal circumstance will subsidise 50% of a company’s pay checks if the business keeps its employees on a paid leave or leave of absence • Wage Substitute Payment/ Wage Bond Act- If a company closes and fails to utilise the employment retention support system, employees with industrial disaster/unemployment insurance for more than 6 months can receive a monthly salary of about 6 months. Employees will needs to prove the closure of the company and delay of salary payment to the Ministry of Employment and Labour |

- Childcare subsidy – employees are allowed to utilise childcare leave (unpaid) up to 10 days. If the company is insured by national unemployment insurance, the insurance agency will subsidise KRW50, 000 per one day. Maximum support of KRW1million per household

Rental

- Rental reduction to one-third for the state owned properties until the end of the year

For landlords

- Tax cut on income and corporate taxes on 50% of the deducted rent, regardless of a landlord's income or rent amount
- Replacement of worn out parts of the building such as electric facilities and sprinklers for commercial districts with 20% or higher participation from the landlords

For more information, please contact us [here](#).

Oceania

| Country | Government Support Measures for Businesses |
|-----------|--|
| Australia | <p>Employment related support:</p> <ul style="list-style-type: none"> • Jobkeeper subsidy: Businesses with turnover < A\$1 billion whose turnover is expected to be 30% less than in a comparable period a year ago will be able to access a subsidy to continue paying their employees. Eligible employers will be able to claim a payment of A\$1,500 per fortnight per eligible employee from 30 March 2020 until 27 Sept 2020 (6 months) • Support to retain apprentices and trainees: Small businesses (i.e. those that employ fewer than 20 full-time employees) can apply for a wage subsidy of 50 per cent of the wages of the apprentice or trainee <p>Business related support:</p> <ul style="list-style-type: none"> • Enhanced Instant asset write-off: Business with an aggregated turnover of less than A\$500 million can claim the instant asset write-off on assets costing less than A\$150,000 • Temporary 15-month accelerated depreciation incentive for businesses: Business with an aggregated turnover of less than A\$500 million can claim accelerated depreciation on new plant and equipment and other depreciating assets • Cash flow boost for businesses: ATO to make two cash flow boost payments – totalling maximum A\$100,000 and minimum A\$20,000 – to businesses or not-for-profit entities that have employees and have an aggregated turnover of less than A\$50 million <p>For more details, visit https://business.gov.au/Risk-management/Emergency-management/Coronavirus-information-and-support-for-business</p> <p>For more information, please contact us here.</p> |

| Country | Government Support Measures for Businesses |
|-------------|--|
| New Zealand | <ul style="list-style-type: none"> • A wage subsidy of NZ\$585 a week per full-time employee and NZ\$350 a week per part-time employee for up to 12 weeks with a cap of NZ\$150,000 per employer • Leave and self-isolation support at the same rate as the wage subsidy for up to eight weeks, for employees with COVID-19, or caring for people with COVID-19, or in self-isolation. • Increase in the provisional tax threshold from NZ \$2,500 to NZ\$5,000 from 1 April 2020. • Temporarily increase of low value asset write-off from NZ\$500 to NZ\$5,000 for a one-year period and then permanently increasing it to NZ\$1,000 thereafter. • Waiving interest of late tax payment • Tax relief for SMEs to offset loss against previous year profit. <p>For more information, please contact us here.</p> |

South Asia

| Country | Government Support Measures for Businesses |
|------------|---|
| Bangladesh | <p data-bbox="400 353 1225 387">Working Capital Loan for MSMEs and Export Oriented Industries</p> <p data-bbox="400 421 1318 577">On 5 April 2020, Prime Minister Sheikh Hasina announced a US\$8.5 billion economic stimulus package. Working capital will be provided to affected industries, service sector organisations & SMEs (including cottage industries) as low-interest loans (government will pay half of the interest amounts to banks as subsidies).</p> <p data-bbox="400 611 1331 768">From the stimulus package, US\$590 million has been set aside under the Export Development Fund of Bangladesh Bank to allow access to interest free loan for export-oriented garment industries. Any manufacturer exporting at least 80% of manufactured goods would be eligible for this scheme, to be used for the payment of employee salaries and allowances.</p> <p data-bbox="400 801 544 835">Agriculture</p> <p data-bbox="400 835 1305 992">On 12 April 2020, Prime Minister Sheikh Hasina announced a US\$1.7 billion package for Bangladesh's agriculture industry. This relief package consisted of US\$590 million in cheap farm loans and US\$1.1 billion in fertiliser subsidies. The relief package is targeted at small and medium farmers, and covers fresh produce, fish and poultry.</p> <p data-bbox="400 1025 1238 1093">The regulations have not drawn a distinction between local and foreign companies.</p> <p data-bbox="400 1126 501 1160">Sources</p> <ul data-bbox="400 1160 719 1261" style="list-style-type: none"><li data-bbox="400 1160 719 1193">The Daily Star Bangladesh<li data-bbox="400 1193 719 1227">The Hindu Business Line<li data-bbox="400 1227 719 1261">Channel News Asia <p data-bbox="400 1283 943 1317">For more information, please contact us here.</p> |

| Country | Government Support Measures for Businesses |
|---------|---|
| India | <p>Employment related</p> <ul style="list-style-type: none"> • State governments have been directed to use the welfare fund for building and construction workers. The District Mineral Fund, worth about INR 310 billion, will be used to help those facing economic disruption during this period • Central Government has announced medical insurance coverage of INR 5 million per healthcare worker. An estimated 2 million health services and ancillary workers will benefit from the scheme • Employees Provident Fund Organization (EPFO) has announced that employees who contribute to EPF can withdraw up to 75% of the account balance or 3 months' basic salary and dearness allowance • For establishments which employ up to 100 employees, if 90% of its staff earn less than INR 15,000 per month, the government will pay the employee provident fund contribution both of the employer and the employee (12% each) from April to June 2020. EPFO have also extended the due date for payment of contribution for wage month of March 2020 from 15 April 2020 to 15 May 2020 (30 days grace period) <p>Insolvency and Bankruptcy Code (IBC)</p> <ul style="list-style-type: none"> • Threshold of default under section 4 of the IBC has been increased from Rs100,000 to Rs10,000,000 to prevent triggering of insolvency proceedings against MSMEs • If the current situation continues beyond 30 April 2020, Section 7, 9 and 10 of IBC to be suspended for 6 months in an effort to stop companies at large from being forced into insolvency proceedings in such force majeure causes of default <p>Regulatory Measures</p> <ul style="list-style-type: none"> • All lending institutions are permitted to allow a moratorium of 3 months on repayment of instalments for term loans outstanding as of 1 March 2020 • Lending institutions permitted to allow deferment of up to 3 months on payment of interest with respect to all such working capital facilities as of 1 March 2020 • Deferring payments will not result in asset classification downgrade <p>The above support measures have not drawn a distinction between local and foreign companies. In the coming days, India is set to announce a US\$13 billion stimulus package focusing on micro, small and medium enterprises to help weather the COVID-19 outbreak.</p> <p>Sources https://home.kpmg/xx/en/home/insights/2020/04/india-government-and-institution-measures-in-response-to-covid.html https://m.economictimes.com/news/economy/policy/to-help-small-firms-india-seen-unveiling-second-coronavirus-stimulus-worth-13-billion/articleshow/75053716.cms</p> <p>For more information, please contact us here.</p> |

| Country | Government Support Measures for Businesses |
|----------|---|
| Pakistan | <p data-bbox="400 264 1337 360">On 27 April 2020, the Economic Coordination Committee (ECC) approved Rs 50.69 billion package to provide indirect cash flow support to small and medium size enterprises through pre-paid electricity.</p> <p data-bbox="400 394 1337 490">Under the scheme, commercial consumers would be given support up to Rs 100,000 and industrial consumers up to Rs 450,000 for 3 months. The regulations have not drawn a distinction between local and foreign companies.</p> <p data-bbox="400 524 751 584">Source Associated Press of Pakistan</p> <p data-bbox="400 618 943 651">For more information, please contact us here.</p> |

| Country | Government Support Measures for Businesses |
|-----------|---|
| Sri Lanka | <p>The Central Bank of Sri Lanka (“CBSL”) has established an LKR 50 Billion (approximately USD 250 Million) ‘re-financing facility’ to support business and the economy.</p> <p>The facility includes debt moratoriums (up to 6 months) and working capital facilities for certain eligible businesses and individuals affected by COVID–19. Penal interest on certain non-performing loans have also been waived off and the relevant financial institutions have been requested to provide new loans (for working capital or investment purposes, subject to certain caps) in an attempt to encourage investment and revive affected businesses. The eligible sectors are:</p> <ul style="list-style-type: none"> • SME’s engaged in specific business sectors • Tourism and direct and indirect export-related businesses • Self-employed individuals and individuals who have lost their jobs or income • Foreign currency earners who have outstanding loans in foreign currency <p>Under said package, the regulations have not drawn a distinction between local and foreign companies. For more information: https://www.cbsl.gov.lk/en/node/7667</p> <p>New Facility for the Business Adversely Affected by the COVID-19 Outbreak, under the Saubagya (Prosperity) Loan Scheme (‘Saubagya Covid-19 Renaissance Facility’)</p> <p>CBSL has introduced a new refinance facility for the businesses adversely affected by the COVID-19 outbreak, under the Saubagya (Prosperity) Loan Scheme (‘Saubagya Covid-19 Renaissance Facility’)</p> <p>Main Features of ‘Saubagya Covid - 19 Renaissance Facility’</p> <p>Implementation Agency: Regional Development Department of the Central Bank of Sri Lanka</p> <p>Areas of Operation: All island</p> <p>Participating Financial Institutions (PFIs): Licensed Banks</p> <p>Maximum Loan Limit: 2 months working capital requirement</p> <p>Eligible Sub-borrowers:</p> <ul style="list-style-type: none"> • Any Income Generating Activity/Economic Activity conducted/carried prior to the COVID-19 outbreak, as stated in the Section 2 of the Monetary Board Circular No. 05 of 2020 • Sub-loans will be granted to facilitate working capital requirements of the eligible sub-borrowers for their existing Income Generating/Economic Activity <p>Interest Rate payable to the PFI by the Sub-Borrower: 4% per annum</p> <p>Grace Period:</p> <ul style="list-style-type: none"> • Maximum duration of 6 months depending on the nature of the activity • Sub-borrowers are not required to pay both capital and interest during the grace period <p>Repayment Period: Maximum duration of twenty-four (24) months including the grace period</p> |

Collateral: The viability of the economic activity should be given priority. However, PFIs may obtain suitable collateral to mitigate the credit risk relating to credit facilities.

For the above package, the regulations have not drawn a distinction between local and foreign companies.

For more information

<https://www.cbsl.gov.lk/saubagya-covid-19-renaissance-facility>

For more information, please contact us [here](#).

South East Asia

| Country | Government Measures to Support Businesses |
|---------|---|
| Brunei | <p>Brunei rolled out 3 sets of measures for businesses as follows, over March to April, totalling BND 450 million.</p> <p>Measures relevant to Singapore SMEs in Brunei are:</p> <p>Deferment in repayment of selected financial obligations, including:</p> <ul style="list-style-type: none"> • Deferment on repayment for loans or financing for all business sectors • Restructuring and deferment of repayments for personal loans and hire purchase facilities including car loans for up to ten years for businesses and working individuals, including the self-employed • Delaying repayment of property/real estate loans for businesses and working individuals, including the self-employed • Restructuring outstanding credit card debt into loans not longer than 3 years for private sector employees and the self-employed <p>For more information on loan deferment, businesses can contact their banks or AMBD at info@ambd.gov.bn</p> <p>A 6-month deferment on Employees Trust Fund (TAP) and Supplementary Contributory Pension (SCP) for micro, small and medium enterprises (MSMEs, <100 employees) with employees earning less than \$1,500. The government will continue monthly contributions to ensure that the annual dividend payments to employees are not affected. MSMEs need to apply for the deferment and are to repay the contributions within a year after the final month of deferment. The government will provide the full SCP contribution for the self-employed.</p> <p>25% salary subsidy for MSME employees for 3 months for their Bruneian employees with salaries less than BND1,500. MSMEs need to apply for the subsidy by downloading the form from the TAP website starting 1 April and submit to payments@tap.com.bn.</p> <p>The i-Ready scheme (a paid apprenticeship scheme for degree holders receiving monthly allowance from the government), has been expanded to include Diploma holders and TVET trainees. Up to 6 months' extension for i-Ready apprentices for trainees whose contracts are ending before September 2020. Organisations looking to participate in this scheme can visit www.jobcentrebrunei.gov.bn</p> <p>For the sectors of tourism, hospitality (including hotels and registered lodging houses), food and beverage, air and water transport: 30% discount on rental rates for government buildings for MSMEs, 50% discount on corporate tax for companies for 2020 and 15% discount on water and electric bills.</p> <p>Business matching by Darussalam Enterprise (DARe) for MSMEs to onboard e-commerce platforms to help market their services/products online more effectively to mitigate challenges in offline retail. DARe will be prioritising its existing co-matching grant of up to BND20,000 for businesses looking to start or expand into e-Commerce and logistics. DARe will also be matching businesses with local e-commerce platforms with delivery solutions, including via Brunei's first local online e-commerce directory, eKadaiBrunei.</p> |

In particular, with the support of DARE, a few online platforms have been launched / strengthened, such as:

- **Weelago**, e-commerce platform for Brunei distributors and manufacturers for providing integrated end-to-end solutions from online payment to marketing
- Brunei's first online marketplace for local farmers to sell directly customers, **Agromemarket.com**
- **Community for Ramadhan** launched by Bank Islam Nrunei Darussalam (BIDB), which will act as an online Gerai Ramadhan, onboarding food and beverage MSMEs starting 20 April.

Upskilling of the private sector. MPEC (Manpower Planning and Employment Council) is encouraging companies to send their Bruneian staff for upskilling and reskilling. MPEC is providing online and hands-on courses in IT, including programming and data analytics, as well as in food and beverage. Some of these could be government-sponsored.

For latest updates on Brunei's measures, visit:

<https://www.bizbrunei.com/2020/04/covid-19-brunei-business-updates/>

For more information, please contact us [here](#).

| Country | Government Measures to Support Businesses | | | | | | | | | |
|--------------------------|--|---|--|---|-------------|-----|-----|--------------|-----|-----|
| Indonesia | <p>Indonesia's central government and Ministry of Finance (Kemenkeu) has announced a string of emergency measures aimed at supporting the health system and economy during COVID-19. Most notably to businesses are the regulations announced on 31 March 2020 (PERPPU-1) and 1 April (PMK-23) which allows for reductions in corporate tax rate and provides tax incentives for businesses which have been impacted by COVID-19.</p> <p>Tax provisions regulated under Government Regulation in Lieu of Law of the Republic of Indonesia No.1 Year 2020 (PERPPU-1):</p> <p>Reduction of Corporate Tax rate from fiscal year 2020. Companies listed on the Indonesian Stock Exchange will enjoy an additional 3% in reduction.</p> <table border="1" data-bbox="355 660 1340 786"> <thead> <tr> <th data-bbox="355 660 683 723">Starting for Fiscal Year</th> <th data-bbox="683 660 1010 723">Tax Rate for General Corporate Taxpayers</th> <th data-bbox="1010 660 1340 723">Tax Rate for IDX Listed Corporate Taxpayers</th> </tr> </thead> <tbody> <tr> <td data-bbox="355 723 683 757">2020 – 2021</td> <td data-bbox="683 723 1010 757">22%</td> <td data-bbox="1010 723 1340 757">19%</td> </tr> <tr> <td data-bbox="355 757 683 786">2022 onwards</td> <td data-bbox="683 757 1010 786">20%</td> <td data-bbox="1010 757 1340 786">17%</td> </tr> </tbody> </table> <p>Regulation by The Minister of Finance No.23/PMK.03/2020 (PMK-23) regarding Tax Incentives for Taxpayers Impacted by COVID-19:</p> <p>100% employee income tax (PPh 21) relief. Businesses are to apply on behalf on their employees that meet the following criteria:</p> <ul data-bbox="451 974 1329 1153" style="list-style-type: none"> • Receive income from an Employer listed under Appendix A of Regulation 23/2020 or is granted an Export-Oriented Import Facilities (KITE). • Have a Tax ID number • Employee receives an annual gross income that does not exceed IDR 200 million during a given fiscal year. <p>100% import tax (PPh 22) relief from date of approval to 30 September 2020. Companies that fulfil the criteria stated below may qualify for the relief:</p> <p>30% reduction of monthly Corporate Income Tax (PPh 25) installments. Companies that fulfil the criteria stated below may qualify for the relief:</p> <p>VAT refund facility of up to IDR 5 billion per month for low-risk taxpayers. Companies that fulfil the criteria below will automatically be qualified as low-risk. VAT returns must be submitted before 1 November 2020.</p> | Starting for Fiscal Year | Tax Rate for General Corporate Taxpayers | Tax Rate for IDX Listed Corporate Taxpayers | 2020 – 2021 | 22% | 19% | 2022 onwards | 20% | 17% |
| Starting for Fiscal Year | Tax Rate for General Corporate Taxpayers | Tax Rate for IDX Listed Corporate Taxpayers | | | | | | | | |
| 2020 – 2021 | 22% | 19% | | | | | | | | |
| 2022 onwards | 20% | 17% | | | | | | | | |

Qualifying criteria:

| Type of Tax Incentive | Tax Periods covered | Applicable for tax payers who either | | Application via DJP online website |
|-----------------------|------------------------------|---|-------------------------|------------------------------------|
| | | Has a KLU listed in PMK-23 | Has been granted a KITE | |
| Article 21 (PPH 21) | April through September 2020 | 440 sectors (Refer to www.kemenkeu.go.id/covid19 for more details) | Yes | Yes |
| Article 22 (PPH 22) | Up to 30 September 2020 | 120 sectors (Refer to www.kemenkeu.go.id/covid19 for more details) | Yes | Yes |
| Article 25 (PPH 25) | Up to 30 September 2020 | 120 sectors (Refer to www.kemenkeu.go.id/covid19 for more details) | Yes | Yes |
| VAT | April through September 2020 | 120 sectors (Refer to www.kemenkeu.go.id/covid19 for more details) | Yes | No |

Qualified taxpayers must apply for the above incentives with the Directorate General of Taxation online at: www.pajak.go.id

Indonesia government has also announced measures to reduce restrictions for the import and export of raw materials and essential goods:

Simplification of export regulations for

- Fish and fish products (health certificate) covering 443 HS codes
- Forestry industry products (v-legal document) covering 306 HS codes.
 - (Health certificate and v-legal documents are no longer required for exports)

Simplification of import process and regulations for raw materials, used in

- Steel and alloy steel manufacturing for companies with producer status
- Food manufacturing such as industrial salt, sugar, corn, flour, meat, potatoes etc.

Export-import process to be accelerated for reputable traders recommended by the Directorate General of Customs and Excise and the Ministry of Trade

Relaxation of import provisions for medical devices used for handling of COVID-19. Importer will be exempted from issuing distribution permits or obtaining the Special Access Scheme (SAS)

For more information on the schemes and application process, visit: www.kemenkeu.go.id/covid19

For more info, please contact us [here](#).

| Country | Government Measures to Support Businesses | | | | | | | | | | | | | | | | |
|-------------------------------------|--|--|-------------------------------|------------------|-------------------------|-----------------------|---------------------------------|-------------------------------|-------------------------------|-------------------------------------|----|-----|-----|-------------------------------------|--------------|--|--|
| Malaysia | <p>The Malaysian government has introduced two stimulus packages to mitigate the economic fallout of COVID-19:</p> <ul style="list-style-type: none"> • MYR250bn Prihatin package announced by PM Muhyiddin on 27 March (includes an MYR20bn package earlier introduced by then-interim PM Mahathir in February) • An additional MYR10bn package announced on 6 April, targeted at SMEs <p>Measures relevant to Singapore companies in Malaysia are:</p> <p>Wage subsidy scheme This is a monthly wage subsidy of between MYR600-1,200 introduced by the government to help alleviate staff costs, and which will be paid out for 3 consecutive months between April and December 2020. It is only applicable for Malaysian employees earning MYR4,000 or less. Employers have to retain these employees for 6 months – the 3 months which they received the wage subsidy for and 3 months thereafter.</p> <table border="1" data-bbox="357 792 1361 1234"> <thead> <tr> <th data-bbox="357 792 584 875">Size of company</th> <th data-bbox="584 792 842 875">75 employees or less</th> <th data-bbox="842 792 1102 875">76-200 employees</th> <th data-bbox="1102 792 1361 875">201 employees and above</th> </tr> </thead> <tbody> <tr> <td data-bbox="357 875 584 999">Subsidy amount</td> <td data-bbox="584 875 842 999">MYR1,200 per employee per month</td> <td data-bbox="842 875 1102 999">MYR800 per employee per month</td> <td data-bbox="1102 875 1361 999">MYR600 per employee per month</td> </tr> <tr> <td data-bbox="357 999 584 1122">Number of eligible employees</td> <td data-bbox="584 999 842 1122">75</td> <td data-bbox="842 999 1102 1122">200</td> <td data-bbox="1102 999 1361 1122">200</td> </tr> <tr> <td data-bbox="357 1122 584 1234">Decline in revenue or income</td> <td data-bbox="584 1122 842 1234">No condition</td> <td colspan="2" data-bbox="842 1122 1361 1234">50% or more decline in revenue compared to Jan 2020 or subsequent months</td> </tr> </tbody> </table> <p>Applications can be submitted by the employer via online Perkeso (prihatin.perkeso.gov.my) from 9 April to 15 September 2020. The wage subsidy will be credited to employers' accounts within 7-14 days upon approval of applications.</p> <p>e-CAP programme to assist cash flow Since 23 April 2020, the EPF has launched the e-CAP programme to assist with cash flow. Under this programme, employers with up to 200 workers can differ the monthly commitment for the months of April, May and June, which can be paid thereafter as per agreement between employers and EPF. For companies with more than 200 workers, they can discuss with EPF on a case-by-case basis.</p> <p>Rental waivers This scheme is relevant for companies who are either landlords or who rent premises from state government agencies. Landlords who reduce (at least 30% of the original rental) or waive the rental on business premises rented to SMEs, will receive a tax deduction, equal to the amount of rental waived or reduced for April-June 2020.</p> <p>GLCs like MARA, Petronas, PNB, PLUS and UDA as well as some state government agencies have agreed to waive or reduce rental on their premises, especially for SMEs.</p> | Size of company | 75 employees or less | 76-200 employees | 201 employees and above | Subsidy amount | MYR1,200 per employee per month | MYR800 per employee per month | MYR600 per employee per month | Number of eligible employees | 75 | 200 | 200 | Decline in revenue or income | No condition | 50% or more decline in revenue compared to Jan 2020 or subsequent months | |
| Size of company | 75 employees or less | 76-200 employees | 201 employees and above | | | | | | | | | | | | | | |
| Subsidy amount | MYR1,200 per employee per month | MYR800 per employee per month | MYR600 per employee per month | | | | | | | | | | | | | | |
| Number of eligible employees | 75 | 200 | 200 | | | | | | | | | | | | | | |
| Decline in revenue or income | No condition | 50% or more decline in revenue compared to Jan 2020 or subsequent months | | | | | | | | | | | | | | | |

Foreign work permit levy reduction

A 25% reduction of the levy payable for foreign workers was announced under the Prihatin Plus Stimulus Package by PM Muhyiddin on the 6 April 2020. This levy reduction will be granted to all companies with foreign worker permits expiring between 1 April 2020 to 31 December 2020. This waiver is **not applicable** to the domestic help sector.

The discounted rates are as follows:

| Peninsula Malaysia | | |
|--------------------|---------------------------|---------------------|
| Sector | Original Levy Rates (MYR) | Reduced Rates (MYR) |
| Construction | 1850 | 1387.50 |
| Manufacturing | 1850 | 1387.50 |
| Services | 1850 | 1387.50 |
| Farming | 640 | 480 |
| Agriculture | 640 | 480 |
| Domestic worker | 410-590 | 410-590 |
| Sabah and Sarawak | | |
| Construction | 1010 | 757.5 |
| Manufacturing | 1010 | 757.5 |
| Services | 1490 | 1117.5 |
| Farming | 590 | 442.5 |
| Agriculture | 410 | 307.5 |
| Domestic worker | 410-590 | 410-590 |

Tax deferment

Businesses in the tourism industry such as travel agencies, hoteliers and airlines are given a deferment of their monthly tax instalment payments for 6 months, from 1 April-30 September 2020.

This also applies to all SMEs, but the deferment for them is for 3 months from 1 April.

Affected businesses are also allowed to revise their estimates of tax payable earlier i.e. in the 3rd month of instalment, which would allow most businesses to revise tax estimates downwards

Automatic moratorium on loan repayments for 6 months

In March 2020, BNM announced a 6-month moratorium for all loan/financing repayments from April onwards, applicable for **ringgit-denominated performing loans** that have not been in arrears for more than 90 days as of 1 April 2020. However, interest/profit will continue to accrue on loan/financing repayments that are deferred and borrowers will need to honour the deferred repayments in the future.

Exemption from Human Resource Development Fund (HRDF) Levy

Companies are exempted from paying the HRDF levy for the next 6 months, beginning from 1 April 2020.

Automatic moratorium for SSM documents

The government has implemented an automatic moratorium of 30 days from the date the MCO is lifted, for companies to lodge the required statutory documents to SSM.

| | |
|--|--|
| | <p>Extension for lodging of financial statements</p> <p>The government has provided an option for companies with FYs ending 30 September to 31 December 2020 to submit an application to SSM to extend 3 months from the date the MCO is lifted for the lodging of financial statements.</p> <p>For the latest updates on Malaysia's measures, visit https://www.pmo.gov.my/prihatin-economic-stimulus-package/</p> <p>For more information, please contact us here.</p> |
|--|--|

| Country | Government Measures to Support Businesses |
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| Myanmar | <p>The measures that are relevant to Singapore SMEs with locally-incorporated entities in Myanmar include:</p> <ul style="list-style-type: none"> • Exemption of import license fees for all medicines and medicinal raw materials • Reduction customs duties for businesses operating with the Myanmar Automated Cargo Clearance System and streamline application for preferential tariff treatment for trade within ASEAN • Waiver of the 2% advance income tax on exports until 30 September 2020 <p>In addition to the above measures, the Myanmar Investment Commission (MIC) has also announced measures to boost investments in Myanmar:</p> <ul style="list-style-type: none"> • Accelerated approvals for investments in labour-intensive and infrastructure projects to ensure as many workers find jobs as possible to offset the impact of lay-offs in other sectors such as manufacturing and tourism • 50% discounted application fees for investors who wish to apply for permission to invest in the country • Accelerated approvals for healthcare and medical equipment businesses, including those involved in manufacturing supplies such as face masks. Pharmaceutical enterprises and healthcare service providers will be prioritised <p>*Some aid incentives have specific requirements (eg shareholding and employment demographics). Do check if your company meets these requirements.</p> <p>For more information, please contact us here.</p> |

| Country | Government Measures to Support Businesses |
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| Philippines | <p>The Philippine government has launched a PHP 1.17 trillion stimulus package to address the COVID-19 pandemic.</p> <p>Measures relevant to Singapore SMEs with locally-incorporated entities in the Philippines are:</p> <ul style="list-style-type: none"> <p>● Extension of deadline to file and pay 2019 income tax returns The Bureau of Internal Revenue (BIR) extended the deadline to file and pay income tax returns to 30 May 2020 for Calendar Year ending 31 December 2019. More details on the deadline extension can be found here.</p> <p>● Concessions on residential and commercial rents of MSMEs The Department of Trade and Industry (DTI) granted a minimum of 30-day grace period for residential and commercial rents falling due within the period of enhanced community quarantine (ECQ), without incurring interests, penalties, fees and other charges. The minimum 30-day period is determined to be 30 calendar days following the last due date of the rent which fell due within the ECQ. More details on the concession can be found here.</p> <p>● Small Business Wage Subsidy (SBWS) Programme The Department of Finance (DOF) is providing a wage subsidy for affected employees of small businesses to help mitigate the impact of the ECQ. Under the SBWS measure, the government shall provide a wage subsidy of between PHP 5,000 to PHP 8,000 per month per eligible employee for a period of up to 2 months. Applications will be completed by the employer on behalf of their employees. The small business must meet two eligibility criteria – size of business and impact of the ECQ on the small business' operations. Applications will be accepted from 16 April 2020 to 8 May 2020. More information on the programme can be found at www.dof.gov.ph/small-business-wage-subsidy-program/.</p> <p>● Enterprise Rehabilitation Financing The Small Business Corporation, an agency under the DTI, announced a PHP 1 billion Enterprise Rehabilitation Financing facility to be implemented once the ECQ is lifted. The loan fund is open to micro and small enterprises with at least 1-year continuous operation prior to March 2020, and whose businesses suffered drastic reduction in sales during the ensuring pandemic. The micro-financing programme of the SB Corporation offers loans with a minimal interest rate at 0.5% per month with no collateral requirement.</p> <p>Some features of the programme:</p> <ul style="list-style-type: none"> ● Micro enterprises with asset size of not more than PHP 3 million may borrow PHP 10,000 – 200,000 ● Small enterprises with asset size of not more than PHP 10 million may borrow a higher loan amount capped at PHP 500,000. <p>The facility will be implemented once the Community Quarantine declarations are lifted by the National Government and/or respective Local Government Units.</p> <p>For details on the measures and additional support for local enterprises, visit https://www.dti.gov.ph/covid19/assistance/.</p> <p>For more information, please contact us here.</p> |

| Country | Government Measures to Support Businesses |
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| Thailand | <p>The Thailand government, with the support of His Majesty the King, has rolled out 3 stimulus packages from February to April 2020, totalling THB 2.1 trillion to mitigate the impact of COVID-19 on businesses and individuals.</p> <p>The measures relevant to Singapore SMEs with locally-incorporated entities in Thailand are:</p> <p>Custom duty exemptions https://www.aseanbriefing.com/news/thailand-issues-second-covid-19-stimulus-package/</p> <p>Exemption of customs duties will be given for all products and materials related to the treatment and prevention of COVID-19 before September 2020. Furthermore, there is an import VAT exemption for materials donated to hospitals, government agencies, or charities used to combat COVID-19 between 1 March 2020 to 28 February 2021.</p> <p>Extension on tax filings https://www.aseanbriefing.com/news/thailand-issues-second-covid-19-stimulus-package/</p> <p>For the 2019 fiscal period, the tax filing period for companies that were due to file between 1 April and 30 August 2020 will be extended to 31 August 2020.</p> <p>For the 2020 fiscal period, the tax filing period for companies that were due to file between July 1 2020 and 29 September 2020 has been extended to 30 September 2020.</p> <p>Businesses that were forced to close due to the national lockdown have been granted extensions on the filing of tax returns for 3 months and are now due in May.</p> <p>Filing for excise tax for oil and oil-related products is extended to the 15th of the following month starting from April to June 2020. Operators of bars, nightclubs, pubs, or other entertainment establishments can file their excise tax on 15 June 2020. Moreover, the Board of Investment-promoted companies have been granted an extension until 31 July 2020.</p> <p>Tax relief for debt restructuring https://www.aseanbriefing.com/news/thailand-issues-second-covid-19-stimulus-package/</p> <p>The package provides tax relief for debt restructuring by creditors of non-financial institutions, such as leasing operators and credit card issuers, etc. The tax relief is in the form of exemption of income tax, VAT, and stamp duty.</p> <p>The Bank of Thailand (BoT) will also allow SMEs and general customers who are bank debtors to undergo debt restructuring without any stain on their credit history.</p> <p>Salary compensation for local employees The Cabinet agreed to provide compensation to employees whose businesses were not ordered to shut down but are still affected by the COVID-19 situation. The compensation will be similar to what employees whose businesses were ordered to close are paid, which is 62% of daily wage based on a maximum monthly salary of THB 15,000 for a maximum period of 90 days.</p> <p>Support schemes for tourism sector The filing of personal income tax was extended from March 2020 to the end of June 2020 to support individuals and businesses hit by the COVID-19 outbreak.</p> |

Companies can deduct twice as much as their expenses on local meetings and seminars this year from their taxable income while hoteliers can deduct 1.5 times as much as their spending on renovation this year from their taxable income.

BOI incentives for investment

In addition to the stimulus packages, The Board of Investment of Thailand (BOI) has also approved a series of measures to encourage investments from foreign investors. Singapore companies who wish to expand their businesses abroad to Thailand or expand within Thailand can benefit from these measures:

- **Providing tax and tariff incentives** to accelerate investments in the medical sector through:
 - **Reducing 50 % of corporate income tax for qualified investments in the medical sector for an additional 3 years.** Examples include the production of medical devices and parts, non-woven fabric used as raw materials in the production of medical supplies, diagnostic test kits, drugs, and active pharmaceutical ingredients. This measure covers projects that apply for promotion between 1 January and 30 June 2020 and must start production and generate income by 31 December 2020. Distribution or donation domestically of at least 50% of the output must take place in 2020-2021
 - **Exempting import duties on medical machinery** on the condition the equipment is imported within 2020 and the application for production line adjustment is filed by September 2020
 - **Increasing the benefits granted for the production of raw materials used in the manufacture of medical products** to encourage a more complete value chain in Thailand. The benefits include an **8-year corporate tax income exemption for pharmaceutical grade alcohol production** and a **5-year corporate tax income exemption for the production of non-woven fabric** used as raw materials for the production of medical masks or devices
- **Relaxing deadlines** in cases such as the duty-free importation of machinery and the full operation start-up, as well as **waivers for applications** for temporary cessations of operations for a period of more than 2 months.
- **Broadening the scope of activities eligible for duty-free importation** of materials used in research and development to cover all activities required to conduct R&D.
- **Extending tax benefits for companies** for up to 3 years and equivalent to 120% of the amount they invest in projects supporting the holistic management of water resources which contributes to flood prevention and helps mitigate the impact of the drought affecting parts of the country. The extension covers projects such as connecting water sources to reservoirs, installing plumbing systems, digging wells to store water, and the installation of wastewater recycling plants, using reverse osmosis water treatment technology to be installed in local communities.
- **Simplifying the conditions of investment promotion of smart farming** service while retaining attractive tax incentives.

For more information, please contact us [here](#).

| Country | Government Measures to Support Businesses |
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| Vietnam | <p>The Vietnam Government has announced several incentives in the form of tax breaks, delayed tax payments and land-use feeds for businesses impacted by the COVID-19 outbreak.</p> <p>Measures relevant to Singapore SMEs with locally-incorporated entities in Vietnam are:</p> <ul style="list-style-type: none"> <p>● Extension of deadline for VAT and CIT payments The government issued <i>Decree 41/2020/ND-CP (Decree 41)</i>, under which Value Added Tax (VAT) and Corporate Income Tax (CIT) payments will be extended by 5 months from the end of the deadline for VAT and CIT payments as prescribed by the Law on Tax Administration.</p> <p>This applies to businesses in agroforestry, fishing, food processing, mechanical processing, furniture, construction, transportation, education and training, real estate, labour and employment services, travel agents, tour operators, entertainment activities, movies, supporting industries, SMEs and banking among others. Businesses that want to avail of these benefits must submit a request (in prescribed form as attached to Decree 41) to the local tax authority along with their monthly or quarterly tax returns no later than 30 July 2020.</p> <p>● Extension of deadline for land rent payments Decree 41 also provides for eligible businesses leasing land directly from the State in the form of annual land rent payment can have the payment deadline for the land rent payable in the first period of 2020 extended for 5 months from 31 May 2020.</p> <p>Details of Decree 41 can be found in Vietnamese here.</p> <p>● Wage Support for Employees and Employers The Vietnam Government also passed <i>Resolution No. 42/NQ-CP (Resolution 42)</i> on measures to support those facing hardship due to the COVID-19 pandemic. Under Resolution 42, financial support will be given to employees and employers in difficult circumstances, as follows:</p> <ul style="list-style-type: none"> <p>● VND 1,800,000 per month will be given to employees working under labour contracts who have had to agree with their employers (which, due to the COVID-19 pandemic, do not have sources of income to pay salaries) to suspend their contracts or take unpaid leave for a period of 1 month or more. The period for the support is based on the actual duration of the contract suspension or the amount of unpaid leave taken, calculated from 1 April 2020, but shall not exceed 3 months.</p> <p>● Employers facing financial difficulties that have paid at least 50% of salaries in advance to their employees during their suspension of work for the period from April to June 2020 will be given collateral-free, zero-interest loans by the Vietnam Bank for Social Policies. The loans will be equivalent to a maximum of 50% of the minimum regional wages applicable to each employee based on the actual time of salary payment, but not exceeding 3 months. The maximum term of the loans is 12 months. By law, if an employee is suspended from work due to an epidemic, he/she will be entitled to a wage for work suspension as agreed by the parties, but it must not be lower than the regional minimum wage stipulated by the Government.</p> <p>● VND 1,000,000 per month will be given to employees whose labour contracts are terminated and are not eligible for unemployment insurance, and employees working without a labour contract who lose</p> |

their jobs. The period for support will not exceed 3 months, calculated from April to June 2020.

- If, due to the COVID-19 pandemic, an employer is forced to reduce its workforce by 50% or more (compared to its workforce at the time the pandemic was declared), both the employer and its employees will be permitted to suspend their contributions to the pension and survivor funds of the employees for a maximum of 12 months. A reduced workforce includes employees whose work has been suspended, whose labour contract performance has been postponed or who take unpaid leave.

Details of Resolution 42 can be found in Vietnamese [here](#).

- **Interest and fee exemption or reduction granted according to internal rules and regulations of credit institutions.**

The State Bank of Vietnam issued Circular No. 01/2020/TT-NHNN regulating the rescheduling of debt repayment, interest or fee exemption, reduction or non-classification of debt by credit institutions and foreign bank branches due to adverse impacts of the COVID-19 pandemic. According to the Circular, credit institutions and foreign bank branches may, at their discretion, grant exemption or reduction of interest or fees prescribed in their internal rules and regulations with respect to outstanding debts to the following borrowers:

- Borrowers whose obligations to repay the principals and/or interest arising between 23 January 2020 and the following day after 3 months from the date the Prime Minister announces the end of the COVID-19 pandemic.
- Borrowers who are unable to pay the debts and/or interest in due time because of decreases in revenues and incomes caused by the impact of COVID-19.

For more information, please contact us [here](#).

