



EY Global Labor and Employment Law COVID-19 Tracker

Volume I (Albania - Italy)
17 September 2021



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Important notes

- ▶ This document provides a snapshot of the Labor and Employment Law regulations that operate in jurisdictions around the world.
- ▶ This document is updated on an ongoing basis but should not be relied upon as legal advice. It is designed to support conversations about policies that have been proposed or implemented in key jurisdictions.
- ▶ In addition, not all jurisdictions are reflected in this document.
- ▶ You should consult with your local EY Law team to check for the latest developments.

In challenging times like these, many businesses are encountering questions that need urgent answers, particularly on workforce matters.

Organizations are experiencing the effects of the continuing COVID-19 pandemic around the world and its essential for them to remain agile on strategy as well as accurate on local rules. This particularly applies to multinational companies working across many different jurisdictions, taking into account varying legal regulations.

In this tracker, [across two volumes](#), we provide a comprehensive overview of legal regulations in more than 60 jurisdictions. We have put together guidance on the continuing initiatives on state support for furlough, short-time or part-time work, as well as the key questions regarding workforce transformation.

Staying informed of the latest information will be essential in adapting to the new business landscape we are now facing. Our local labor and employment law [professionals in your jurisdiction](#) are available to discuss your specific queries. We will continue to update this document as further information comes to hand.

With best wishes,



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EY Law teams have developed a Return to Office Tracker, which focuses specifically on matters related to vaccination, social distancing, annual leave and government guidelines for reopening the workplace.

Please find the link to the [Tracker](#).

32 Jurisdictions covered (Volume 1 of 2)

Albania	Bosnia and Herzegovina	Denmark	Germany
Argentina	Brazil	Dominican Republic	Greece
Australia	Bulgaria	El Salvador	Guatemala
Austria	China Mainland	Estonia	Honduras
Azerbaijan	Colombia	Finland	Hong Kong
Belarus	Costa Rica	France	Hungary
Belgium	Cyprus	Gabon	India
Bolivia	Czech Republic	Georgia	Italy

Albania

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Last updated:

16 September 2021

<p>(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?</p>	<p>(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?</p>	<p>(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?</p>	<p>(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?</p>	<p>(5) Does the employer have a duty to alert the government if an employee has been diagnosed?</p>
<p>The employer is responsible for taking all required measures for securing a healthy and safe working environment. In this respect, the Ministry of Health has adopted a guideline that classifies the businesses into Low, Medium and High risk categories.</p> <p>According to the risk that each business presents, it is subject to the requirements included in the respective protocol that the government has adopted (green protocol for low risk businesses, yellow protocol for medium risk businesses and red protocol for the high risk businesses). The employer has an obligation, <i>inter alia</i>, to ensure:</p> <ul style="list-style-type: none"> ► Ventilation and disinfection between three to five times per day (the frequency depends on the risk level) ► Perform temperature checks ► Inform the competent State authorities in case an employee shows clinical signs ► Access to soap and water, sanitizer composed of at least 60% alcohol, disposable paper towels or towels 	<p>Yes. The person appointed by the legal representative of the company should perform a daily self-assessment as well as an assessment of the company's employees with regard to the COVID-19 symptoms according to the approved checklist.</p> <p>In case symptoms are displayed, the respective employee should be asked to go home.</p>	<p>According to the Guideline issued by the Albanian Information and Data Protection Commissioner, the employer is responsible for ensuring a safe and healthy working environment for all of its employees.</p> <p>For this purpose, the employer should keep staff informed of any case of COVID-19 infection. However, the employer should exert utmost efforts to avoid naming individuals and abstain from providing more information than necessary.</p>	<p>Yes.</p> <p>Based on good faith, the employees with a confirmed COVID-19 infection need to disclose this to their employer.</p>	<p>Yes.</p> <p>In case that an employee shows clinical signs, the legal representative or the person responsible for the occupational health issues of the company should immediately notify the Public Health Institute, the Local Healthcare Unit and the Health Inspectorate.</p> <p>Moreover, the aforementioned persons should call emergency services on the toll-free number 127.</p>

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(6) Other remarks	(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?	(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?	(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.
No.	<p>No.</p> <p>In the absence of any specific agreement between the employer and the employee in this respect, the provisions of the Labor Code apply. More specifically, the parent that effectively takes care of the child/children is entitled to paid leave of not more than 12 days per year.</p> <p>They may also be able to take unpaid parental leave for up to 30 days per year. Moreover, upon agreement with the employer, the employee may take advantage of paid annual leave.</p>	Not applicable.	Not applicable.

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
<p>No.</p> <p>To be noted that the start date can be postponed only upon a mutual agreement between the parties.</p>	<p>No.</p>	<p>No.</p>	<p>Not applicable.</p>

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(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?		
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.
<p>In case the employer closes their office(s) due to a <i>force majeure</i> event and subsequently does not provide work for employees, the employer is not entitled to pay the salary. The above does not apply in cases where the employee, upon agreement with the employer, works from home.</p>	<p>If an employee, is subject to a mandatory 14 day self-quarantine, and as a result they do not come to work, the following shall apply:</p> <ul style="list-style-type: none"> ► If the employee is in good health, upon agreement with the employer, they may work remotely during this period where possible. In this case, salary should be paid as normal ► In case working from home is not possible, the employer has no obligation to pay salary 	<p>If an employee is diagnosed with COVID-19, the general rules on remuneration in the event of illness shall apply, as long as the employee provides the employer with a medical report.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
<p>A medical certificate is a pre-requisite for a sick leave application. Therefore, it goes beyond the simple will of the parties to take such leave.</p> <p>With regard to annual leave, it should be noted that the general principle embodied in the Labor Code is that the employer may determine the date of commencement of annual leave, taking into account the employee's wish. This right has been given to employers since they are the responsible persons who are aware of the volume of work being undertaken by the company, and also to determine the priority as to when the work must be executed.</p> <p>In view of this principle, during the period of slowdown caused by the COVID-19 pandemic, where there is discontinuity of work, the employer can determine the date of commencement of an employee's annual leave.</p> <p>Regarding the unpaid leave, the parties should agree that the employee will be taking such leave. An employer's instruction to enforce unpaid leave on their employees will constitute a breach of the Labor Code, and of the employment contract, given that the employer will be failing to pay the employee's salary (in accordance with the terms of the employment contract).</p>

<p>(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?</p>	<p>(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?</p>	<p>(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?</p>	<p>(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.</p>
<p>No.</p>	<p>Until 3 April 2020, according to a Council of Ministers Decision, one of the parents working in the public sector (except for the health personnel) was entitled to a special (paid) leave during the closure of schools and kindergartens due to the COVID-19 pandemic.</p> <p>Through the same decision, private sector employers are encouraged, in the cases where remote work cannot be implemented, to grant special leave to their staff. In this case the provisions of the Labor Code apply. More specifically, the parent that effectively takes care of the child/children, is entitled to paid leave which shall not be more than 12 days per year. They may also take unpaid parental leave for up to 30 days per year. Moreover, upon agreement with the employer, the employee may take advantage of paid annual leave.</p>	<p>No, all governmental support programs have been discontinued.</p>	<p>Not applicable.</p>

<p>(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?</p>	<p>(17) What is the legal framework for collective redundancies?</p>	<p>(18) Does the employer need to have a legal justification to carry out redundancy dismissals?</p>
<p>Not applicable.</p>	<p>Workforce transformation, also known in Albania as collective redundancy, is regulated by Article 148 of the Labor Code.</p> <p>Pursuant to Art. 148 of the Labor Code, a collective dismissal of employees occurs when the employer terminates the employment for reasons that are not related to the employees.</p> <p>It is considered collective employment termination when, during a 90-day period, the employer dismisses:</p> <ul style="list-style-type: none"> ▶ At least 10 employees (for enterprises with up to 100 employees) ▶ At least 15 employees (for enterprises with over 100 and up to 200 employees) ▶ At least 20 employees (for enterprises with over 200 employees) <p>If the above thresholds are met, in addition to the general provisions governing individual termination, specific provisions must be adhered regarding collective redundancy, including the application and trigger of the complex process that involves information and consultation procedures as well as notification to the labor authority.</p>	<p>Pursuant to the Labor Code, the employer must implement workforce transformation only as a consequence of certain situations that require changes in the employment plan.</p> <p>These include:</p> <ul style="list-style-type: none"> ▶ Economic issues ▶ Change(s) in technology ▶ Company reorganization ▶ Closure of business

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

In the event of a contemplated collective redundancy, the employer must notify the trades union organization, in writing, prior to carrying out the termination procedures. In this case, the trades union serves as the employee representative and the point of communication between the employer and the employees.

The notice must, in particular, contain the following:

- ▶ Reasons for collective redundancy
- ▶ Number of impacted employees
- ▶ Number of employees normally employed
- ▶ Planned termination date

The employer holds consultations with the trades union in order to reach an agreement. The agreement stipulates measures to potentially avoid or reduce collective redundancies and mitigate its consequences. Such consultations must take place for a period of not less than 30 days, commencing from the date of notice mentioned herein above, unless the employer agrees to a longer duration.

Consultation requirements with other employee representatives

No consultation is required with other employee representatives except for works council/unions.

Consultation requirements with employees

In the absence of a trades union in place acting as the employee representative, the employer must notify its impacted employees regarding the contemplated collective redundancy by displaying the notice, in a visible manner and area at the workplace, containing the following elements:

- ▶ Reasons for collective redundancy
- ▶ Number of employees to be dismissed
- ▶ Number of employees ordinarily employed
- ▶ Planned termination date

In this case, the employer must allow the impacted employees to participate in the consultations to be held under the same terms and conditions as if there was a trades union in place.

There is no legal barrier to open communication with employees in the case of a collective redundancy.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

In Albania, the collective redundancy process does not require any prior approval of the labor authorities. However, it is obligatory for the employer to keep the concerned Ministry aware of the collective redundancy procedures throughout the process.

Under the Labor Code, pursuant to issuing a notice to the employee representatives or, in its absence, the employees of the intended redundancy, a copy of such notice should be sent to the Ministry of Labor and Social Affairs.

Further, once the consultation process envisaged under the Labor Code is completed, the employer must inform in writing the Ministry of Labor and Social Affairs about the completion of the consultations. A copy of this notice must also be provided to the impacted employee. If the parties have failed to agree, the Ministry of Labor and Social Affairs helps them reach an agreement within 30 days, starting from the date of notice.

The Ministry of Labor and Social Affairs cannot stop the implementation of collective redundancies, but can only assist the parties in reaching an agreement.

<p>(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?</p>	<p>(22) Are there any actions required to limit the negative impact of the redundancy?</p>	<p>(23) What is the estimated timeline for a collective redundancy process?</p>	<p>(24) What are the estimated costs?</p>
<p>The Albanian legislation does not specifically provide any selection criteria for choosing the employees to be made redundant. However, under the labor code, special protection is afforded to certain employees – particularly to employees on sick leave and to women employees on maternity leave.</p>	<p>The Albanian legislation is silent in relation to the obligation of the employer to set up a Social Plan for the employees who are made redundant. However, the employer and the trades union or the employees might come to such arrangements through the agreements made before the implementation of collective redundancy.</p> <p>Internal alternative employment/redeployment</p> <p>The employer should give priority to the reemployment of the employees dismissed from work due to a redundancy.</p> <p>Other measures</p> <p>Employers in Albania are not obligated to implement any other specific measures to limit the negative impact or make any Social Plan.</p>	<p>Based on the provisions of the Labor Code regulating collective redundancy, the estimated timeline is as follows:</p> <ul style="list-style-type: none"> ▶ Phase 1: Notification to the trades union or, in its absence, to the employees, prior to the termination procedure ▶ Phase 2: Consultations with the trades union or, in its absence, with the employees, for a period of not less than 30 days ▶ Phase 3: Potential additional consultations with the ministry for a period of maximum 30 days ▶ Phase 4: Implementation of collective redundancy by following the termination procedure, which may range from one to three months depending on the length of employment of each impacted employee 	<p>Mandatory costs</p> <p>The key components of mandatory HR legal costs are as follows:</p> <ul style="list-style-type: none"> ▶ Payment toward notice period (notice period depends on the number of years of service with the employer) ▶ Termination indemnity for failure to comply with the termination procedure ▶ Payment of unused annual leave ▶ Seniority compensation, if any, calculated as per the Labor Code provisions ▶ Social and health insurance contributions (for the period until the end of notice period) <p>Customary additional costs</p> <p>Any additional HR or financial costs may be provided for in the agreement that the employer and the trades union (or the employees, in the absence of the trades union) will reach before the collective redundancy is implemented. Such costs will depend on the negotiation process between the two parties.</p>

<p>(25) Are there any hiring/re-hiring restrictions post-redundancy?</p>	<p>(26) What are the risks of litigation caused by the redundancy process?</p>	<p>(27) What are the risks of damages or other remedies due to the redundancy process?</p>
<p>The Labor Code does not prohibit the employer from hiring new workforce after the implementation of a collective redundancy. However, it stipulates that where the employer decides to rehire workforce and is looking for employees with similar comparisons, it must give priority to the employees who were made redundant for reasons that were not related to the employee. There is no specific timeframe on the restriction prescribed by law. Failure to do so may invite litigation risks for the employer.</p>	<p>Interested parties</p> <p>Any breach and/or violation of the collective redundancy procedure by the employer constitutes a basis for possible litigation and the impacted employees can address their claims before the competent courts.</p> <p>In the event of a collective agreement, parties to the agreement may bring their claims before the court in the case of any violation of the provisions of the agreement. In this respect, the trades union or the impacted employees, depending on their situation, may bring their claims before the Albanian courts within three years from the date of the violation.</p> <p>Such claims are brought before the Regional First Instance Courts or the Arbitration Court if the agreement provides for arbitration.</p>	<p>Any damage caused by the employer to the employee, if not solved amicably, is addressed via the court system. The court will decide on the relevant remedies, either civil and/or criminal.</p> <p>Damages for unfair dismissal</p> <p>If the employer does not act in compliance with the legal provisions in place stipulating the collective redundancy procedure, it is obligated to provide to the impacted employees, damages that amount to the salary for a period of up to six months, which is added to the salaries to be paid during the notice period and/ or the indemnity to be given to the employees in the case of non-compliance with the notice period.</p> <p>If any one of the parties of the collective agreement is found liable for the damages caused to the other party, the court decides the amount to be paid as a remedy to such damages. In addition, the court also decides on the amount of the fine to be paid by the liable party to the damaged one, where the amount of such fines is not already provided for in the collective agreement.</p> <p>Based on the Labor Code, failure of the employer to comply with the legal requirements regarding collective redundancy may expose it to fines up to 30 times the official minimum salary in Albania (the minimum monthly salary amounts to L30,000, which is approximately €250), at the time of the violation. If the breach is repetitive or to the detriment of more than one employee, the fine may amount up to L7,500,000 (approx. €61,000).</p> <p>Reinstatement</p> <p>The labor laws in Albania do not specifically regulate reinstatement.</p> <p>Criminal sanctions</p> <p>The labor laws in Albania are silent in relation to criminal sanctions against the employer or its representatives arising in the case of violation of the collective redundancy procedure.</p>

Argentina

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- ▶ Providing disinfectants
- ▶ Technical possibilities as an alternative to physical meetings (e.g., video conferencing)

On 11 August 2020, the Argentine Workers' Compensation Insurance Regulatory Agency (SRT) published in the Official Bulletin Ruling No. 16/2020, which established the "Recommendation guide for a responsible gradual return to work". The guide is not aimed at high risk sectors, such as health services.

Moreover, it is established that the environmental health and safety services of each employer should not be limited to the adoption of the recommendations detailed in this guide, being able in each case to be supplemented with the measures deemed pertinent for attention to the particularities of the processes involved in the tasks carried out in each establishment.

As per Official Bulletin Ruling No. 30/2021, the SRT updated the recommendations and preventive measures for work environments.

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace. In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee should be put on garden leave with full benefits.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic.

Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people.

Health data can be processed in accordance with the relevant domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

The employer could be obliged (for safe public health purposes) to inform the authorities if an employee has been diagnosed with COVID-19.

(6) Other remarks

The employee's Mandatory Health Plan provider (*Obra Social*) is obliged to cover the medical expenses related to the treatment of COVID-19.

Considering the impact of the COVID-19 pandemic and its transmission, geographical, socioeconomic and demographic impact, Decree 494/2021 establishes the public health approach until 1 October 2021, taking into account the circumstances for each local area.

Administrative Decision 792/2021

Via Administrative Decision 792/2021, published on 7 August 2021, the government extended the guidelines established in previous rules until 1 October 2021:

- ▶ The National Civil Aviation Administration will have a weekly quota of seats on passenger flights for entry into Argentina of Argentine citizens and residents, foreign persons and non-residents with exceptional authorization to enter:
 - ▶ 11,900 seats until 5 September 2021 (inclusive)
 - ▶ 16,100 seats from 6 September 2021 until 1 October 2021 (inclusive)
- ▶ The Health Ministry will determine the entry points to the country, routes and places that meet the best basic capacities to respond to the COVID-19 pandemic, which will be notified to the competent authorities for the purposes of their implementation
- ▶ All persons entering the country must:
 - ▶ Complete an Electronic Affidavit
 - ▶ Submit a negative PCR test result 72 hours prior to boarding

- ▶ Undergo a further test upon arrival
- ▶ Complete a mandatory quarantine period in the designated location established by the provincial and Buenos Aires city authorities

They must undergo another PCR test seven days after arrival. Passengers must bear the costs of quarantine stay and all tests.

- ▶ The President of the Argentine Republic announced new measures that were added to those already established in the Official Bulletin disposition No. 1644/2020 of the Immigration Office, which establishes the following:
 - ▶ Quarantine for 14 days in the following cases:
 - ▶ “Suspected cases”: Defined as those in which the individual has fever and respiratory symptoms (such as cough, sore throat or respiratory difficulty), has a history of having recently traveled to affected areas, or has been in contact with confirmed or probable COVID-19 cases
 - ▶ Those who have a medical diagnosis of COVID-19
 - ▶ The ‘close contacts’ of the people mentioned above
 - ▶ Those arriving from affected areas, who must provide itinerary information and undergo medical examination in order to determine the potential infection risk and preventive measures to be taken
 - ▶ Argentina’s border remains closed to travelers from Great Britain and Northern Ireland, Brazil, Chile, Mexico and India

Non-resident foreigners who do not comply with the regulations on compulsory isolation may not enter or remain in the national territory, except the cases that the health or immigration authority consider.

Anyone who has knowledge of those who do not comply with isolation must file a criminal complaint for possible commission of offences established in the Criminal Code, such as Sec. 205 (violating measures for the introduction of a pandemic), Sec. 239 (resisting or disobeying a public officer lending their services for the exercise of their duties by virtue of a legal obligation), or related sections.

<p>(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?</p>	<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>Yes.</p> <p>The Telework Law No. 27,555 published on July 2020 and in force since 1 April 2021, establishes the minimum legal considerations that shall be considered for such modes of working.</p> <p>Workers considered "high-risk" (i.e., people over 60 years of age, pregnant women or others defined by the Health Ministry) are exempt from the duty to attend the workplace. However, employers may call for the return to the workplace of those who have obtained the vaccine, except for patients with oncological issues, immune deficiencies and who are post-transplant.</p>	<p>The Telework Law establishes that employees working remotely will have the right not to be contacted, and to disconnect from digital devices and/or information and communication technologies, outside of their working hours and during leave periods.</p> <p>As per Sec. 6 of the above law, employees who are working remotely, and prove that they are responsible (either solely or jointly), for the care of people under 13 years of age, people with disabilities or older adults who live with the employee and who require specific assistance, have the right to schedule work in compatibility with their other responsibilities.</p>	<p>Not applicable.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
			<p>Yes.</p>	<p>Yes.</p>	<p>Yes.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>No.</p>	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>Not applicable.</p>	<p>Not applicable.</p>	<p>Not applicable.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

No.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

No.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Since the beginning of the 2021 school year, employee leave is justified for a parent/guardian responsible for the care of the child or adolescent in the following situations:

- ▶ The days on which the students do not attend face-to-face classes in the respective educational establishments
- ▶ The days on which the students attended face-to-face classes but the educational establishment concluded the day early

The concerned individual must notify such circumstance to the employer. To obtain appropriate authorization, an affidavit must be sworn outlining the following information:

- ▶ Information about the child or adolescent
- ▶ Degree or year of study and information about educational establishment
- ▶ The face-to-face regime that has been established in that institution
- ▶ The declaration by the employee that their presence at home is essential for the care of the child or adolescent in the above circumstances

Only one parent or person responsible for care, per household, may benefit from this justification.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

In order to protect public health, the Argentinean President established the "preventive and compulsory social isolation" throughout Argentina, initially from 20 March 2020 to 12 April 2020, inclusive.

The preventive and compulsory social isolation has been extended through several Decrees. Currently, considering the different impact of the COVID-19 pandemic and its transmission, geographical, socioeconomic and demographic impact, Decree 494/2021 establishes the public health approach until 1 October 2021, taking into account the circumstances for each local area.

As per Sec. 3 of the Presidential Decree No. 235/2021 and modifications, in force since 9 April 2021, establishes that in order to protect public health and considering the preventive and compulsory social distance, remote working method would be encouraged in all those cases where employees can perform their labor activities through such modality.

In addition, the above mentioned Decree establishes that workers in the private sector who were exempted from the duty to attend the workplace, will receive a non-remunerative compensation equivalent to their usual remuneration, net of contributions including the contributions to the System of Social Security. Employees as well as employers, must continue making personal contributions and employer contributions corresponding to health care and the National Institute of Social Services for Retired and Pensioners - INSSJP- (Laws Nos. 19,032, 23,660 and 23,661).

Moreover, the Presidential Necessity and Urgency Decree No. 332/2020 was published on 2 April 2020, in the Official Bulletin, whereby an "Employment and Production Emergency Assistance Program" is adopted for emergency health service employers and workers. This Decree underwent several modifications as the 'Preventive and compulsory social isolation' prevails. This program was in force until December 2020, established the following:

Benefits: This program offered one or more of the following benefits:

- ▶ Postponement or reduction of up to 95% of the payment of employer contributions to the SIPA (Argentine integrated social security system)
- ▶ Compensatory Salary: An amount paid by the National government for all or part of the employees in the private sector
- ▶ Zero Rate Credit: This will be granted to people who qualify for the Simplified Regime for Small

Taxpayers and self-employed workers who comply with the requirements that the competent authorities will define, granting 100% of the total financial cost

- ▶ On 13 November 2020, it was published in the Official Bulletin, Ruling No. 938/2020 which creates the "Repro II Program" that an individual and fixed monetary sum to be paid to the workers, on account of the payment of the salaries in charge of the employers who adhere to the Program. It has the following characteristics:
 - ▶ Benefit amount: Monthly sum of \$9,000 for each active employment relationship of the subject employer reached by the program for no critical sector, \$22,000 for critical sector and \$22,000 for health sector. In the event that the net remuneration received by the worker is less than the said value, the subsidy will be equal to the net remuneration (to be determined by applying 83% to the total remuneration declared on Form F-931 of the AFIP)
 - ▶ Duration: The benefit will be extended for two months. Employers may re-enroll in the Program, during the last month of the benefit. Every month new parameters for the beneficiary are published
 - ▶ Scope: The number of employers to be covered by the "Repro II Program" will be determined considering the number of applicant employers, their economic, patrimonial and financial situation, the prevailing conditions of the national economy and the budget assigned to the Program
 - ▶ The "Repro II Program" is incompatible with the following benefits:
 - ▶ Complementary Salary of the ATP
 - ▶ ATP Subsidized Rate Credit
 - ▶ Productive Recovery Program (Repro) established by Resolution (Sec. Gobierno de Trabajo y Empleo) 25/2018
 - ▶ Labor Insertion Program (PIL) created by Resolution (MTESS) 45/2006. The incompatibility with respect to this Program only affects the beneficiaries and not the companies

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period? *(continued)*

- ▶ Comprehensive unemployment benefit system: The workers that meet the requirements included in Laws No. 24,013 and No. 25,371 will be entitled to unemployment compensation
- ▶ Convertible Credits with subsidized rates for companies whose activities are not classified as critical. Beneficiaries which in the next 12 months maintain jobs or create new ones can receive a refund that will partially or totally cover the value of this loan. The corresponding refund will be made after the payment of the last instalment of the credit through a Non-Refundable Contribution (ANR). The reimbursement amount and the employment goals that each company must meet depend on the number of employees it has, on average, during the fourth quarter of 2020
- ▶ The current liquidity indicator (current assets/liabilities) for the month of April 2021 must present a maximum value that will be defined by the Evaluation and Monitoring Committee of the Repro II Program

The regulation states that the employers entitled to these benefits should evidence with the AFIP (Federal Public Revenue Agency) the payroll and activities subject to this benefit. The Ministry of Labor, Employment and Social Security shall:

- ▶ Consider the information and documentation submitted by the company
- ▶ Reveal other information to understand and/or verify the data provided and request any further documentation deemed necessary
- ▶ Arrange assessment visits to the site to ratify and/or revise its conclusions

Employers

The following transitory provisions are established for employers in critical sectors that access the Repro II Program for wages earned from May 2021:

- ▶ The maximum benefit amount for employees in critical sectors is \$22,000. If the net remuneration received by the worker is lower, the subsidy will be equal to the net remuneration (to be determined by applying 83% of the total remuneration declared in F931, where employers must confirm all benefits accruing to the employee)
- ▶ Revenue for the period from 1 May to 24 May 2021 compared with the same period in 2019 must present a reduction greater than 20% in real terms (expression modified by Resolution No. 211/2021). The Evaluation and Monitoring Committee of the Repro II Program will express, in nominal terms, the real variation defined in this section

Social security taxes

Decree No. 323/2021 published in the Official Bulletin on 10 May 2021 establishes the 100% reduction of current employer contributions to SIPA (Argentine integrated pension system that accrue between May and December 2021, both inclusive, for private sector employers who access the benefit granted by the Repro II Program, and whose main activity is declared to be in the critical sectors.

Emergency Assistance Program for the Independent Gastronomic Sector

The national government created, via Resolution No. 201/2021, the Emergency Assistance Program for the Gastronomic sector. It consists of payment of a maximum sum of \$22,000 to independent workers in this sector. The support is open to employers which:

- ▶ Have up to five employees
- ▶ Have made at least three payments in the last six months of the corresponding tax
- ▶ Present a turnover variation of less than 20% in real terms for the period from 1 May 2021 to 24 May 2021

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Resolution No. 938/2020 has, as mentioned, established the Repro II Program which grants a complementary salary paid by the national government for most, if not all, of the employees in the private sector. Several resolutions have updated the requirements to receive the benefit. Under Ministry of Labor, Employment and Social Security Resolution No. 311/2021, the Committee recommends that the benefit should be granted to employers who fulfill the following requirements:

- ▶ The maximum benefit amount for employees in critical sectors is \$22,000. If the net remuneration received by the worker is lower, the subsidy will be equal to the net remuneration (to be determined by applying 83% of the total remuneration declared in F931, where employers must confirm all benefits accruing to the employee)
- ▶ Revenue for the period from 1 May to 24 May 2021 compared with the same period in 2019 must present a reduction greater than 20% in real terms (expression modified by Resolution No. 211/2021). The Evaluation and Monitoring Committee of the Repro II Program will express, in nominal terms, the real variation defined in this section
- ▶ The current liquidity indicator (current assets/liabilities) for the month of April 2021 must present a maximum value that will be defined by the Evaluation and Monitoring Committee of the Repro II Program
- ▶ Employers shall join the Repro II Program between 26 May and 1 June 2021 for salaries accrued for May 2021

Regarding the general provisions for the benefit for the period accrued for May 2021, the following considerations applied for the benefit amount:

- ▶ Non-critical sectors: Monthly sum of \$9,000 for each active employment relationship of the qualifying employer as defined by the program
- ▶ Critical sector: Monthly sum of \$22,000 for each active employment relationship of the qualifying employer as defined by the program
- ▶ Health Sector: Monthly sum of \$22,000 for each active employment relationship of the qualifying employer as defined by the program

In the event that the net remuneration received by the worker is less than said value, the subsidy will be

equal to the net remuneration (to be determined by applying 83% of the total remuneration declared in F931).

Employers that apply for this benefit must remember that during the months they are receiving the benefit and for the subsequent 12 months:

- ▶ They will not be able to distribute profits
- ▶ They may not repurchase their shares directly or indirectly
- ▶ They may not acquire securities in pesos for their subsequent and immediate sale in foreign currency or their custody transfer abroad
- ▶ They may not make distributions of any kind to subjects directly or indirectly related to a beneficiary whose residence, location or domicile is in a non-cooperative jurisdiction or with low or no taxation
- ▶ Likewise, employers that have carried out dismissals prohibited under Decree 329/2020 (as amended) will not be able to access the benefit granted by the Repro II Program, despite complying with all the conditions established by the program

SIPA Contribution

Decree No. 323/2021 published in the Official Bulletin on 10 May 2021 establishes the 100% reduction of current employer contributions to SIPA that accrue between May and December 2021, both inclusive, for private sector employers who access the benefit granted by the Repro II Program, and whose main activity is declared to be in the critical sectors.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

In order to register and request the benefits of the Emergency Assistance Program for Work and Production (ATP Program), employers must access the web site of AFIP (Local Tax Authority) and input their tax code in the service called ATP.

To access the aforementioned system, it will be a requirement to have an Electronic Tax Address.

(17) What is the legal framework for collective redundancies?

Workforce transformation, also referred to as the 'Crisis Prevention Procedure', is governed by Art. 98-105 of the National Employment Law (Law No. 24,013) and Decree No. 265/02.

The Crisis Prevention Procedure is required when an employer contemplates the redundancy (or suspension of the employment contracts) of a number of employees as given below, for reasons of *force majeure*, economic or technological reasons:

- ▶ More than 15% of employees, in companies with less than 400 employees
- ▶ More than 10% of employees, in companies with 400-1,000 employees
- ▶ More than 5% of employees, in companies with more than 1,000 employees

Below these thresholds, the Employment Contract Law No. 20,744 in Argentina does not distinguish between a single or collective lay-off. In this case, if the termination indemnity is fully paid, in general, then no special procedure is required.

In order to control the spread of the COVID-19 pandemic while safeguarding the collective right to public health and the essential subjective rights to life and physical integrity, the government established the 'social, preventive and compulsory isolation' of the population.

This framework was issued as part of Presidential Decree No. 329/2020 in which dismissals without cause because of a lack or reduction of work or *force majeure*, were prohibited for a 60 day period from 31 March 2020. It also prohibited suspensions related to the abovementioned reasons for a similar period of time.

The only exception to the prohibition were suspensions based on a lack or decrease of work, not attributable to the employer, or *force majeure*, that has been duly verified, agreed individually or collectively and approved by the labor authority.

The Decree establishes that dismissals and suspensions that are provided in violation of its provisions shall not have any effect, maintaining the *status quo* regarding labor relations and current employee condition

The measure applies for employees hired prior to 13 December 2019. Through a number of subsequent Decrees, these measures have been extended and are currently in force until 31 December 2021.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

The Crisis Prevention Procedure must be justified on the following grounds:

- ▶ Economic or financial difficulties
- ▶ Change(s) in technology that would render certain job position(s) obsolete
- ▶ Company reorganization or closure of business for reasons of *force majeure*

The procedure must be supported with legal evidence, most notably regarding the financial situation of the company.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

The employer, as well as labor unions, could initiate a Crisis Prevention Procedure. The administrative authority may also initiate it *ex officio* when the crisis involves potential dismissals in violation of the rules governing crisis prevention proceedings.

At the outset, the employer must file an initial presentation of the restructuring project with the Labor Ministry (MTEySS).

For companies with more than 50 employees (below 50 employees, employers are still required to file a presentation but for which the content is not legally stipulated), this initial presentation must include, as a minimum, an explanation of the measures that the company proposes to overcome the crisis or mitigate its effects.

These measures are based on nine points set out in the Decree No. 2074/94 and must include, when the employer's proposal to overcome the crisis contains reductions in staffing, the following:

- ▶ Number and category of workers proposed to dismiss
- ▶ Quantification of the indemnification offer addressed to each of the impacted workers

MTEySS, within 48 hours, must convene the employer and the unions for an administrative hearing to negotiate an agreement on the proposed restructuring to overcome the crisis, its HR impact and the related mitigation measures. The negotiation period lasts 15 days unless the parties agree to extend it.

During the negotiation process, the employer cannot implement any measures such as redundancy or suspension of the employment contracts contemplated. Failure to reach an agreement during the negotiation period does not alter the timing of the collective redundancy process.

Consultation requirements with other employee representatives

There is no obligation to consult with other employee representatives.

Consultation requirements with employees

There is no obligation to consult the employees themselves before or during the Crisis Prevention Procedure.

<p>(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?</p>	<p>(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?</p>	<p>(22) Are there any actions required to limit the negative impact of the redundancy?</p>	<p>(23) What is the estimated timeline for a collective redundancy process?</p>
<p>Upon completion of the negotiation process of the Crisis Prevention Procedure between the union and the employer, if an agreement is reached, MTEySS has 10 days to approve the same. If MTEySS fails to respond within this timeframe, the approval is deemed to be granted.</p> <p>During the approval process, the employer cannot implement any measures (e.g., redundancy or suspension of the employment contracts contemplated).</p> <p>In the absence of approval, or if no agreement is reached during the negotiation process, the Crisis Prevention Procedure is closed. The employer can execute on the collective redundancies or suspension of employment contracts.</p>	<p>The employer must follow the objective selection criteria stipulated by law. Employment Contract Law No. 20,744 establishes that if a dismissal is due to <i>force majeure</i>, lack or reduction of workload, the employer must terminate more junior employees if there are multiple employees in the same category.</p> <p>Labor union representatives and female employees on maternity leave are excluded from the selection criteria. These categories of employees would be the last to be dismissed by the employer.</p>	<p>The employer must do everything possible to limit the negative impact of the collective redundancy on the employees. All such measures must be included in a proposal provided by the employer to union or labor authority at the outset of the negotiation process or upon filing with the labor authorities.</p> <p>Internal alternative employment/redeployment</p> <p>There is no legal obligation for the employer to seek alternative positions or redeploy the impacted employees. However, this is generally one of the items negotiated with the union during the negotiation process. For more information, please refer to comments in Q19.</p> <p>Other measures</p> <p>Companies employing 50 or more employees must propose a compensation plan. However, the content of such compensation plan is not fixed and employers are at a liberty to propose various options to limit the negative impact of the collective redundancy on the employees. Proposing a severance indemnity is a leading practice (although not mandatory).</p>	<p>The crisis prevention procedure usually lasts around four weeks from the employer's initial filing at the Labor Ministry initiating the procedure.</p>

(24) What are the estimated costs?	(25) Are there any hiring/re-hiring restrictions post-redundancy?	(26) What are the risks of litigation caused by the redundancy process?	(27) What are the risks of damages or other remedies due to the redundancy process?
<p>Mandatory costs</p> <p>The key components of mandatory HR legal costs are as follows:</p> <ul style="list-style-type: none"> ▶ Notice or an indemnity in lieu of notice: Applies if the employee is released from working during the notice period (one to two months depending on the employee's years of service) ▶ Termination indemnity: Amounting to half a month's salary per year of service. Where the Crisis Prevention Procedure was not successful (i.e., no agreement was reached between the employer and the representative unions or such agreement was not approved by the Labor Ministry - please refer to comments in Q19 and Q20. Such amount can be increased either voluntarily by the employer or as a result of a claim by the impacted employee ▶ Compensation plan measures, for companies with more than 50 employees <p>Customary additional costs</p> <p>The measures of the compensation plan are not legally driven and depend on the size of the company, the number of impacted employees and negotiation with the unions.</p>	<p>There are no hiring restrictions post-redundancy.</p>	<p>Interested parties</p> <p>Once the Labor Ministry process concludes, the following interested parties can bring lawsuits related to the redundancy process:</p> <ul style="list-style-type: none"> ▶ Works council/unions/ employees, who may file labor lawsuits for unfair dismissal within two years from the date of the end of the labor relationship ▶ Impacted employees, who may file labor lawsuits for unfair dismissal within two years from the date of the end of the labor relationship <p>Litigation cannot stop or slow down the collective redundancy process.</p>	<p>Damages for unfair dismissal</p> <p>If the labor court deemed a redundancy as without cause, the impacted employee is not entitled to damages <i>per se</i>. However, they are entitled to the difference between the statutory severance paid and the statutory severance for termination without cause (one month's salary per year of service).</p> <p>Reinstatement</p> <p>Employees can be entitled to reinstatement by the company – and the employer cannot refuse the reinstatement (save for exceptional cases) in limited situations when:</p> <ul style="list-style-type: none"> ▶ The specific process to terminate a union representative or a worker on union leave was not compliant with Argentinian rules ▶ Under certain conditions (such as pregnancy, maternity, disease, union activism), where the termination of a worker is deemed to be on discriminatory grounds <p>Criminal sanctions</p> <p>No criminal sanctions apply.</p> <p>However, failure to comply with the crisis prevention procedure where the conditions are met can trigger a fine from the Labor Ministry.</p>

Australia

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has a duty under workplace health and safety (WHS) law to ensure, far as reasonably practicable, the health and safety of workers and others (e.g., clients) at the workplace. Australia has nine WHS law jurisdictions, so the requirements vary depending upon location.

The COVID-19 pandemic is an obvious risk in many businesses. Employers are expected to proactively take steps based on guidance material such as at <https://www.safeworkaustralia.gov.au/COVID-19-information-workplaces>

Some of the key issues are:

- ▶ Premises may be required to create and comply with COVID-19 safety plans (e.g., NSW and Victoria,) with an example being: <https://www.nsw.gov.au/COVID-19/covid-safe-businesses#industries>
- ▶ Employers must be flexible to respond when “snap lockdowns” or stricter measures that impact the workplace are introduced by the authorities. Public health orders can be changed daily in response to fluctuations in COVID-19 cases, and may require employers to allow employees who are capable of working remotely to do so (e.g., in June 2021, employees in Victoria working in metropolitan areas were ordered to work remotely if they could, and offices could only resume work with 50% capacity or 20 people, whichever was greater)
- ▶ Face mask requirements differ between Australian states and territories. For example, in Victoria, the current requirement is that face masks are required to be worn at all times when in workplaces and must be worn when outside where employees cannot maintain one-and-a-half meter distance from one another. Face masks must always be carried when leaving home, except with a lawful excuse. Face masks are mandatory on public transport

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person's access to the workplace. In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee should be put on garden leave with full benefits.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard that other individuals are not infected at the workplace. Employees' privacy in respect of COVID-19 should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with COVID-19 infections.

The Privacy Act 1988 (Commonwealth) continues to apply but will not stop critical information sharing. For private sector employers, the employee records exemption will apply in many instances to permit the handling of employee health information. See further details at <https://www.oaic.gov.au/assets/privacy/guidance-and-advice/coronavirus-COVID-19-understanding-your-privacy-obligations-to-your-staff.pdf>

Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger crowd than necessary. However, if there is a valid reason, i.e., it needs to be examined if more individuals who have been in contact with the diagnosed individual, then this can be communicated to such larger group of people.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

Yes, in general.

This is applicable if the employee has either contracted COVID-19 while carrying out work activities or has attended the workplace while diagnosed with COVID-19.

The obligation arises under work health and safety legislation which varies between States, Territories and the Commonwealth. Safe Work Australia has compiled a fact sheet on this topic: [COVID-19 Incident Reporting Fact Sheet \(6 August 2020\)](#).

(6) Other remarks

The information must only be shared on a need-to-know basis to safeguard privacy.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes.

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?

There are a range of measures available to employers to lawfully secure business continuity during the current economic climate, particularly from a flexible working perspective, including:

- ▶ If employees cannot be usefully employed due to a decision of government outside the control of the employer, standing down employees and directing them to go on leave without pay
- ▶ Directing employees to work remotely, or perform alternate duties, or work at alternate locations
- ▶ Entering into flexible work arrangements with employees to work reduced hours, take temporary salary reductions (above the minimum wage for the employee's classification), and take accrued personal, annual and/or long service leave. These flexible options require employee consent

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

Entry into flexible work arrangements (the third option in Q7(ii)) will likely require collective consultation with employees. The employer must consult employees about a change to their regular roster or ordinary hours of work. This may include consultation with trade union if there are certain changes, such as major changes to production (please refer to the comments in Q19).

Aside from consultation requirements that may be triggered under any applicable industrial instrument (please refer to the comments in Q19), there is no set consultation process required by law, however the Fair Work Ombudsman recommends a step by step approach for best practice consultation, as found in the following link: [Consultation and cooperation in the workplace - Best practice guides - Fair Work Ombudsman](#)

(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
<p>No, the obligation to pay the employee would commence although the employer can immediately ask the employee to work remotely, take a form of paid leave (e.g., annual leave), unpaid leave or stand down (if available). Please refer to the comments in Q7.</p>	<p>Yes, (for the quarantine period) if:</p> <ul style="list-style-type: none"> ▶ The employee has failed to observe government-recommended safety measures creating risk to the workplace https://www.homeaffairs.gov.au/news-media/current-alerts/novel-coronavirus ▶ The employer's HR Policy contains this, on the basis that the employment contract would be frustrated by the employee for the quarantine period <p>No, if:</p> <ul style="list-style-type: none"> ▶ The employee observed government-recommended safety measures https://www.homeaffairs.gov.au/news-media/current-alerts/novel-coronavirus ▶ The employer does not have this included in its HR Policy 	<p>Yes, (for the quarantine period) if:</p> <ul style="list-style-type: none"> ▶ The employee has failed to observe government-recommended safety measures creating risk to the workplace https://www.homeaffairs.gov.au/news-media/current-alerts/novel-coronavirus ▶ The employer's HR Policy contains this, on the basis that the employment contract would be frustrated by the employee for the quarantine period <p>No, if:</p> <ul style="list-style-type: none"> ▶ The employee observed government-recommended safety measures https://www.homeaffairs.gov.au/news-media/current-alerts/novel-coronavirus ▶ The employer does not have this included in its HR Policy <p>In this case, the obligation to pay the employee would commence although the employer can immediately ask the employee to work remotely, take a form of leave or stand them down for the quarantine period. Employers should also check for any requirement to provide paid pandemic leave under any applicable industrial award or enterprise agreement.</p>	<p>Yes, there are a number of employment obligations including maintaining health and safety of employees. Consider whether the employee can be accommodated (e.g., remote working).</p> <p>Alert current employees and employees who have accepted employment and not yet reached their start date.</p> <p>Please refer to the comments in Q8.</p>

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?	(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.		
<p>The obligation to pay the employee would apply unless stand-down becomes available.</p>	<p>The obligation to pay the employee would apply unless:</p> <ul style="list-style-type: none"> ▶ Stand-down becomes available ▶ The employee has failed to observe government-recommended safety measures, creating risk to the workplace ▶ On the basis that the employment contract would be frustrated by the employee for the quarantine period 	<p>The obligation to pay the employee would apply unless:</p> <ul style="list-style-type: none"> ▶ Stand-down becomes available ▶ The employee has failed to observe government-recommended safety measures, creating risk to the workplace ▶ On the basis that the employment contract would be frustrated by the employee for the quarantine period 	<p>Generally it is a matter for the employee to decide whether to apply to use any accrued but untaken personal/carer's leave, annual leave, long service leave or (if available) paid pandemic leave, but the employer may, after following relevant requirements under statute, contract and industrial instruments, direct employees to take some of their annual leave or long service leave.</p>	<p>The federal government may provide emergency payments to workers who are unable to work due to government-ordered lockdowns or business closures.</p>

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Employees who cannot come to work because they need to care for a child whose school/kindergarten has closed will ordinarily need to use paid leave entitlements to receive income during their absence.

Paid carer's leave is available to full-time or part-time employees where the employee needs to look after a family member or a member of their household who requires care or support because of a personal illness or unexpected emergency affecting the member. Whether schools/kindergartens closing amount to an employee needing to provide care or support due to an 'unexpected emergency' will depend on the particular facts. Only the first date of emergency will qualify for personal/carer's leave.

Casual employees are entitled to two days of unpaid carer's leave per occasion. Full-time and part-time employees are also entitled to take two days of unpaid carer's leave per occasion if they have no paid sick or carer's leave entitlements remaining.

Other arrangements that may be available include:

- ▶ Working from home or other flexible working arrangements
- ▶ Taking annual leave
- ▶ Taking any other leave (such as long service leave or any other leave available under an award, enterprise agreement or employment contract)
- ▶ Taking any other paid or unpaid leave by agreement between the employee and the employer

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

The government announced on 20 March 2020 a A\$130 bn wage subsidy - 'Job-Keeper Payments' - to encourage businesses affected by the COVID-19 pandemic to keep paying salaries to their employees. The scheme ended in April 2021.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

The Job Keeper scheme is no longer applicable.

However, the federal government has funded emergency payments to certain Australian residents affected by recent lockdowns: [COVID-19 Disaster Payment for people affected by public health order](#).

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

The federal government has announced a new COVID-19 Disaster Payment to help Victorian workers who are unable to earn an income due to lockdown restrictions.

To receive the payment, the following criteria must be met:

- ▶ The person must live or work in a Commonwealth-declared hotspot
- ▶ The person must be unable to work and earn an income as a result of a state lockdown of seven or more days
- ▶ The person must have liquid assets of A\$10,000 or less
- ▶ The person may receive up to A\$500 for each period of lockdown if they have lost 20 hours or more of work
- ▶ The person must have used up other pandemic-related, state-based entitlements and all paid leave entitlements except annual leave

Application and filing requirements can be found at the Services Australia website: [COVID-19 Disaster Payment for people affected by public health order](#). Applications may be filled from 8 June 2021.

(17) What is the legal framework for collective redundancies?

The Fair Work Act 2009 (Cth, henceforth “FWA”) is Australia’s over-arching employment legislation and impacts upon workforce transformation in three significant ways:

- ▶ Firstly, by imposing certain notification and consultation requirements when there are 15 or more employees being made redundant
- ▶ Secondly, by allowing certain employees to bring unfair dismissal claims if a redundancy is not a “genuine redundancy”
- ▶ Thirdly, by providing severance payments for retrenched employees

In addition to the FWA, modern awards, enterprise bargaining agreements (EBAs) and other registered agreements (Industrial instruments) typically have a consultation process for intended changes to a workplace, such as redundancies.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

An employer will be justified in making an employee’s position redundant if the employer no longer requires an employees’ job to be performed by anyone due to changes in the employer’s operational requirements.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

The FWA requires notification to, and consultation with, the unions representing the employees impacted by workforce transformation, and the social security authority, where 15 or more employees are going to be dismissed. The FWC has a broad discretion to make orders where this obligation is not complied with.

In addition, most industrial instruments require that an employer notify the employees and their representatives in writing of any “major change” to the business that is likely to have a significant impact on the employees, once a definite decision has been made to make the change and before the change is implemented. The type of major change that triggers this requirement includes a change in the employer’s production, program, organization, structure or technology. A failure to consult, where required in an industrial instrument, may attract penalties under the FWA.

The employer must then discuss with the employees and their representatives about the effects and the changes that are likely to have on the employees and measures to avert or mitigate the adverse effects. It is an obligation to consult with the employees and their representatives but is not intended as an obligation to reach an agreement with them. For the discussion, the employer must provide, in writing, all relevant information other than confidential information, the disclosure of which would be against the employer’s interest.

Consultation requirements with other employee representatives

Where an employee or employees has/have nominated a particular representative other than a union, there will be an obligation to consult with that representative. The process is similar to that of consultation requirements with the unions.

Consultation requirements with employees

The relevant process is usually set out in the applicable industrial instrument, and the requirements generally include:

- Notifying the employees who may be impacted by the proposed changes, after a decision has been made and before the implementation takes place
- Providing the employees, in writing, with information about the changes and their expected effects
- Discussing the steps taken to avoid and limit negative impact on the employees
- Considering the employees’ ideas or suggestions about the changes

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

An employer must provide written notice, with the name of their company, the registered address, the number of impacted employees and their employment types to Centrelink (The Australian social security agency) if the employer intends to dismiss 15 or more employees. The FWA requires the employer to provide such notice as soon as practicable after making the decision and before dismissing any employees.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

The employee selection criteria will be based on the operational requirements of the business. A person can be made redundant only if their role is genuinely no longer required by the business.

Employers should ensure that the decision is not based on reasons that may breach State or Federal anti-discrimination laws (e.g., sex, race, disability, age) or the General Protections provisions of the FWA.

For example, employers must not take adverse action (including dismissal) against an employee because the employee has a workplace right (e.g., a right to sick leave or parental leave), or has made an enquiry or complaint about their employment.

(22) Are there any actions required to limit the negative impact of the redundancy?

There are no specific legislative requirements that prescribe what employers must do to limit the negative impact of a restructuring.

Internal alternative employment/redeployment

However, in order to avoid an unfair dismissal claim, employers must consider offering the employees reasonable redeployment opportunities within the employer's business and its associated entities.

Other measures

No other external measures are required.

(23) What is the estimated timeline for a collective redundancy process?

Time required to fully implement a redundancy varies based on the circumstances. Timing will depend on the number of redundancies contemplated, whether unions are involved, whether the relevant individual or EBAs have prescriptive redundancy consultation clauses, whether the restructuring falls around a holiday period, whether the employees are on sick leave or parental leave, and whether the employee feedback includes suggestions that require further investigation or changes to the initial proposal.

The simplest of redundancy processes can be carried out over a relatively short period, but the timeframe will be longer for more complex cases. Employers should also be willing to extend their proposed time frame where the circumstances dictate that it would be wise to do so.

(24) What are the estimated costs?

Mandatory costs

Redundancy pay is also known as “severance pay” in Australia and it may be payable either under a contract, industrial instrument or the FWA. Under the FWA, and on application to the FWC, a redundancy payment may not be required if the employer finds the employee alternative acceptable employment. What constitutes acceptable employment will depend on the circumstances. Various factors will be relevant, such as location, pay rate and type of work. If the employer is not able to pay the redundancy payment, the employer can apply to the FWC for a reduction (although this is rare).

An employee is also not entitled to redundancy pay under the FWA if:

- ▶ The employee resigns
- ▶ The employee is terminated for reasons other than redundancy, such as serious misconduct or insufficient performance
- ▶ The employee has been employed for less than 12 months
- ▶ The employer is a small business with less than 15 employees
- ▶ The period of employment was for a fixed term and that term has ended
- ▶ The employee is a casual employee, or the employment is transferred to a new employer in certain “transfer of business” circumstances
- ▶ Under the FWA, redundancy payments are calculated by reference to the employee’s number of years of “continuous” service as follows:
 - ▶ At least one year but less than two years is equal to four weeks’ pay
 - ▶ At least two years but less than three years is equal to six weeks’ pay

- ▶ At least three years but less than four years is equal to seven weeks’ pay
- ▶ At least four years but less than five years is equal to eight weeks’ pay
- ▶ At least five years but less than six years is equal to 10 weeks’ pay
- ▶ At least six years but less than seven years is equal to 11 weeks’ pay
- ▶ At least seven years but less than eight years is equal to 13 weeks’ pay
- ▶ At least eight years but less than nine years is equal to 14 weeks’ pay
- ▶ At least nine years but less than 10 years is equal to 16 weeks’ pay
- ▶ At least 10 years is equal to 12 weeks’ pay

Some enterprise agreements or employer redundancy policies, particularly in highly unionized industries, may contain more beneficial redundancy pay entitlements.

Customary additional costs

An employee who is subject to redundancy will also be entitled to notice, or payment in lieu, in addition to any redundancy payments. Employees will also be entitled to any accrued and taken annual leave and long service leave.

Employers may also provide an outplacement allowance or outplacement assistance.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

Generally, an employee cannot be hired into a redundant role for a reasonable period to avoid the risk of unfair dismissal claims (and, depending on the circumstances, possibly other types of claims, such as discrimination claims) and the redundancy not being considered genuine. What constitutes a reasonable period in this context will depend on the circumstances of the particular case. There may also be taxation law implications, including the potential for penalties.

(26) What are the risks of litigation caused by the redundancy process?

Generally, if the procedures set out above are followed, there will be only low litigation risk. However, if litigation does occur, it is possible that steps such as injunctions may delay the process.

Interested parties

However, employees, unions and other representatives can bring claims relating to the redundancy process and completed redundancies. Limitation periods may apply, depending on the nature of the claim.

(27) What are the risks of damages or other remedies due to the redundancy process?

Unfair dismissal claims or claims seeking orders for appropriate consultation are the most likely claims arising from workforce transformation. Depending on the circumstances, other types of claims, such as those relating to discrimination and/or workplace rights, may also occur.

Damages for unfair dismissal

The most common type of claim on dismissal is an unfair dismissal claim under the FWA. If an employee is successful in an unfair dismissal claim, and is not reinstated, the damages that can be awarded are capped at the lesser of six months of the employee's remuneration or A\$76,800.

Damages for other types of employee claims (e.g., breach of contract, discrimination claims or "general protections" claims) are usually uncapped.

Reinstatement

If the FWC finds that an employer has failed to notify and consult with the relevant trades union when making 15 or more employees redundant, the FWC can make orders it considers appropriate to put the employees and unions in a position they otherwise would have been in if they were notified and consulted. However, if a claim is made in relation to a failure to meet the consultation obligations, the FWC cannot order reinstatement.

If an individual brings an unfair dismissal claim in relation to a redundancy situation, the FWC can order reinstatement, with or without back-pay, if it considers the claim to be appropriate.

Criminal sanctions

Typically, there are no criminal sanctions that arise from workforce transformation. However, a breach of civil penalty provisions of the FWA (e.g., not paying statutory entitlements, contravening industrial instruments or breach of "general protections" provisions) may lead to civil penalties of up to A\$63,000 (company) or A\$12,600 (individual e.g., director) per offence, rising to A\$630,000 or A\$126,000 respectively for a "serious contravention" of the FWA.

Employers also face criminal sanctions for operating in breach of public health orders and WHS legislation. For example, during a recent weekend inspectors from SafeWork NSW and two other State regulatory agencies visited 410 premises and issued \$50,000 worth of COVID-19 related infringement notices to 10 businesses. Please refer to the WHS penalties comments in Q1 and Q5.

Austria

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- Providing disinfectants
- Technical possibilities as an alternative to physical meetings (e.g., video conferencing)

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace.

In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee should be put on garden leave with full benefits.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic. For example, in countries for which GDPR applies, personal health data should be processed, stored, secured, accessed and destroyed in accordance with that legislation.

Health data qualifies as special category of data under the GDPR which means that its processing involves particularly strict prerequisites that need to be observed. National legislation or the vital interests of individuals permit the usage of COVID-19 related data in order to protect people in line with the GDPR requirements.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

No.

(6) Other remarks	(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?	(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?
<p>If an employee is placed under officially ordered quarantine, the employee is entitled to continued remuneration from the employer, even though they may not be able to continue working. The employer is however entitled to compensation from the federal government for the amount of remuneration paid to the employee. This also applies if the entire business of the employer is ordered to quarantine or if there was damage caused by such official measure provided that these measures are based on the Act on Epidemic (<i>Epidemiegesetz</i>).</p>	<p>Yes.</p>	<ul style="list-style-type: none"> ▶ Agreement on reduction of normal working hours ▶ Agreement regarding consumption of time credits or outstanding holiday entitlements ▶ Agreement of (unpaid) vacation/leave (<i>Karenz</i>) ▶ Agreement on educational leave ▶ Short-time work (<i>Kurzarbeit</i>), under certain conditions, is financially supported by the federal government

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

Short-time work is the temporary, non-seasonal reduction in working hours and pay due to economic difficulties in order to reduce personnel costs. Austria has introduced a numbers of measures to reduce the burden on employers due to the COVID-19 pandemic. The most recent phase (Phase 4) ran until the end of June 2021, however there have been no substantive changes since phase 3 (October 2020 - March 2021).

In principle, the net replacement rate remains at 80% to 90% and working hours may usually be reduced by up to 30%. From July 2021, the following program applies:

Transitional model

- ▶ The program will run from 1 July 2021 to 30 June 2022, with a minimum working hours of 50% (with possible reductions on a case-by-case basis)
- ▶ There would be a deduction of 15% from the previous subsidy level (during "Corona short-time work")
- ▶ There should be compulsory use of vacation of one week per two months (or part thereof) of short-time work
- ▶ For new companies (if they have not previously taken up short-time work Phase 4), there is a three week consultation period by Public Employment Service Austria (AMS) and the social partners
- ▶ Companies may take up short-time work for a maximum period of 24 months (exceptions possible in individual cases). An application for extension is necessary after six months

Corona short-time work model for particularly hard-hit companies:

- ▶ The program will run until the end of 2021
- ▶ Continuation of the previously applicable framework conditions ("Corona short-time work Phase 4")
- ▶ There will be no reduction in the amount of employer contribution for social aid
- ▶ To qualify companies must show a sales reduction of at least 50% in third quarter 2020 compared to third quarter 2019

The employer has to bear the wage costs of the actual hours worked by the employee. The reduced hours

will be compensated by the AMS by means of a short-time work allowance (net replacement rate, with a maximum amount to be compensated).

Conditions for short-time work:

- ▶ Short-time work must be agreed between the employer and the employee. If a works council exists, this is done by means of a company agreement, otherwise by individual agreement with the concerned employees
- ▶ The agreement must be submitted directly to the AMS when applying for short-time work allowance via an e-AMS account
- ▶ In phase, short-time work is subject to an economic justification (if more than five employees are covered by short-time work, the economic justification must be signed by a tax advisor or an accountant)
- ▶ If there are no issues, AMS approves the application. Otherwise the company receives an improvement order

<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed. <i>(continued)</i></p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>			<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>
<p>For employees who are covered by short-time work, a payroll list must be submitted by the 28th of the following month. After the partial payroll has been submitted and checked, the short-time work allowance is paid retrospectively for each calendar month.</p> <p>Certain special rules further apply due to the second lockdown for directly affected companies but also for companies in general (e.g., regarding a retrospective application for short-time work or economic justification).</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>	<p>If a trial period was agreed, the employer can terminate the employment relationship before it commences. Consequently, the employer could also offer to postpone the employee's start date. The employer should inform the employee of such a decision as soon as possible, or else the employee may be able to claim damages from the employer.</p>
	<p>If a trial period was agreed, the employer can terminate the employment relationship before it commences. Consequently, the employer could also offer to postpone the employee's start date.</p> <p>If no trial period was agreed, the law provides additional possibilities to terminate the employment relationship even before it commences, e.g., the employer may withdraw from the contract before the start of the service if the start of the service is delayed by more than 14 days due to an unavoidable obstacle (such as illness of the employee).</p> <p>Further, the employer may withdraw from the contract if the performance of work would be completely useless to the employer at a later date (especially if the performance is of limited time and/or cannot be postponed).</p>	<p>Please refer to the comments in Q8(i).</p>	<p>Please refer to the comments in Q8(i).</p>	

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.	
<p>If a company has been placed into quarantine and the employees cannot work for this reason, the employer is entitled to compensation from the state for the damage they have suffered due to the employees' right to continued remuneration provided that the official measure is based on the <i>Epidemiegesetz</i>.</p> <p>There is no legal regulation as to whether the above rules regarding state compensation apply if an employee has not even started to work at the time of the quarantine measure. It is generally assumed that these rules would most likely also apply.</p> <p>Generally, if business operations are closed on the basis of the COVID-19 Measure Act (<i>COVID-19-Maßnahmengesetz</i>) and employees cannot work for this reason, the employer is obliged to pay continued remuneration to the employees.</p>	<p>The employer can release the employee from their service (<i>Dienstfreistellung</i>) under payment of continued remuneration. If the employee has visited a high risk city/area after an official travel warning has been issued by the Austrian authorities, they are not entitled to continued remuneration by the employer.</p>	<p>Generally, an infection with COVID-19 qualifies for sick leave and entitles the employee to continued remuneration. If the employee tests positive for COVID-19 and has not yet started their service, the employer is not obliged to pay continued remuneration.</p>	<p>The employer cannot force the employees to use sick leave if the office is closed or if the employee visited a quarantined city/area.</p> <p>The employer can ask the concerned employees to use holiday entitlement. This must however, in general, be agreed upon between employer and employee (please note that holiday entitlement in general only arises <i>pro rata</i> during the first six months of employment. The employer has the discretion, however, to grant further holiday during the first six months of employment.) If business operations are closed due to measures based on the COVID-19 Measure Act (<i>COVID-19-Maßnahmengesetz</i>), the employer can unilaterally request the employees to take vacation or time credits, although certain limitations exist in this regard.</p> <p>In general, if an employee tests positive for COVID-19, the rules regarding sick leave and continued remuneration apply. These do not apply if the employee has not yet started their service (please refer comments in Q10(iii)).</p>

<p>(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?</p>	<p>(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?</p>	<p>(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?</p>
<p>Please refer to the comments in Q14.</p>	<p>Amendments regarding the special care time (<i>Sonderbetreuungszeit</i>) were announced. The current draft provides that the provisions in this regard shall apply until 9 July 2021. If schools or childcare facilities are partially or completely closed due to official measures or if a child is put under official quarantine, a legal right to special care time exists. Special care time can be taken up to four weeks (also half-day or hourly). The required condition is the necessary care of children up to the age of 14. The employer is entitled to full reimbursement of the salary paid to the employee during the period of special care time, even if this is granted voluntarily. Employees have the right to be paid for the special leave of absence of approximately one week (maximum), based on important personal grounds. Additionally, employees are entitled to a paid leave of absence for one (or a maximum two) weeks if their children are ill.</p>	<p>If the business operation is closed on the basis of the Act on Epidemics (<i>Epidemiegesetz</i>), the employer is entitled to compensation from the State of Austria for the remuneration paid to the employees.</p> <p>In the course of the second lockdown, a so-called Revenue Substitute (<i>Umsatzersatz</i>) has been introduced. The application deadline for Lockdown Revenue Substitute I (<i>Lockdown Umsatzersatz I</i>) for directly-affected companies expired on 20 January 2021. However, until 31 December 2021, there is a possibility for directly affected companies to apply for "loss compensation" (<i>Verlustersatz</i>) due to the COVID-19 pandemic.</p> <p>As of 16 February 2021, the granting of a Lockdown Revenue Substitute II (<i>Lockdown Umsatzersatz II</i>) for indirectly-affected companies commenced. Companies are indirectly affected if they generate at least 50% of their turnover or sales revenue from companies that were directly affected by the regulatory closures between November 2020 and December 2020.</p> <p>Regarding short-time allowance, please refer to the comments in Q7.</p> <p>For companies that are not directly affected by the newly-introduced measures but which have suffered significant sales losses due to COVID-19, the federal government introduced a Fixed Costs Allowance II (<i>Fixkostenzuschuss</i>). Revenue Substitute II shall only be granted for periods in which the applicant does not claim a Fixed Cost Substitute II or Loss Compensation.</p>

<p>(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.</p>	<p>(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?</p>	<p>(17) What is the legal framework for collective redundancies?</p>	<p>(18) Does the employer need to have a legal justification to carry out redundancy dismissals?</p>
<p>Please refer to the comments in Q7 and Q14.</p>	<p>Please refer to the comments in Q7 and Q14.</p> <p>A compensation claim based on the Act on Epidemics must be filed at the district administrative authority in which the measures were taken, within three months of the day on which the official measures were lifted.</p> <p>Applications for the revenue substitute can be made via the <i>FinanzOnline</i> platform.</p> <p>The claim for reimbursement regarding special care time must be filed at the accounting agency (<i>Buchhaltungsagentur</i>) within six weeks of the end of special care time.</p>	<p>Workforce transformation, also referred to as collective redundancies, is governed by Labor Market Promotion Act (<i>Arbeitsmarktförderungsgesetz</i> or AMFG).</p> <p>Specifically, Art. 45a of the AMFG applies, in the case of collective redundancy, for businesses that employ more than 20 employees and intend to give notice of termination within a period of 30 days to the following number of employees, based on the following specific thresholds:</p> <ul style="list-style-type: none"> ▶ At least five employees in companies with 21-99 employees ▶ At least 5% of the employees in companies with 100-600 employees ▶ At least 30 employees in companies with more than 600 employees ▶ At least five employees who are more than 50 years of age (irrespective of the company size) 	<p>In general, an employer is not obliged to provide legal justification for collective redundancy.</p>

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

Without undue delay, but at least one week prior to an intended notice of termination, the following information has to be provided to the works council:

- ▶ A copy of the notification sent to the Public Employment Service (*Arbeitsmarktservice*)
- ▶ Reasons for the contemplated collective redundancy
- ▶ Number and position of all employees
- ▶ Number and position of the impacted employees (including their qualification and duration of employment)
- ▶ Selection criteria process
- ▶ Social plan measures to limit the negative impact of the redundancy
- ▶ Proposed time of implementation

Further, the employer must engage in timely consultation with the works council on the envisaged measures (such as selection criteria and Social Plan), pursuant to Sec. 109 Abs 1 of the Austrian Labor Constitutional Act (*Arbeitsverfassungsgesetz* or *ArbVG*). There is no prescribed timeline, but the consultation must take place prior to the implementation of the intended measures. If no works council is established in the company, no consultation requirements apply.

A formal notification to the trade union is not required.

Consultation requirements with other employee representatives

There are no specific requirements to consult with other employee representatives on collective redundancy.

Consultation requirements with employees

There are no specific requirements to consult with employees on collective redundancy. However, if there is no works council, a copy of the notification of the collective redundancy must be sent to the employees concerned.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

Approval of the labor authorities is not required for the execution of the collective redundancy process.

The Public Employment Service (*Arbeitsmarktservice*) has to be informed at least 30 days prior to the issuance of first notice of termination in the case of collective redundancy. Austrian law stipulates the minimum information to be included into the notification (e.g., number, qualification, age and duration of the employment of the impacted employees). A breach in the notification requirement renders the termination void.

After the termination of the employment relationship, the employer has to inform the social security authority about the terminations (de-registration).

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

Generally, an employer can freely choose the employees to be terminated. However, in companies with at least five permanent employees, the affected employees are entitled to contest the termination before the labor courts for being socially unfair (*Sozialwidrigkeit*). In such cases, the court examines whether substantial interests of the employees are infringed, what economic and social consequences the employee has to bear after termination, and whether the employer can put forward economic or personal reasons for justification of the termination (i.e., dissolution of the company).

Further, certain categories of employees, such as members of the works council, pregnant employees, employees on maternity/paternity leave, apprentices and employees with disabilities, enjoy special protection against termination. Protected employees can be terminated for specific reasons stipulated by law but require the prior approval of the labor court or another competent administrative authority.

(22) Are there any actions required to limit the negative impact of the redundancy?

Internal alternative employment/redeployment

It is not a mandatory obligation. However, it is a leading practice that the employer offers comparable job positions to older employees (50 years of age and above) to limit the litigation risk, as otherwise the older employees could fight the termination for being socially unfair.

Other measures

In companies with more than 20 employees, the works council, if it exists, may usually demand a Social Plan to help the affected employees and prevent hardships. A Social Plan is enforceable if a significant number of the employees are affected by the contemplated collective redundancy.

The measures of a Social Plan may vary depending on the size of the company, the means of the company and its group, previous Social Plans and the employer's potential to provide measures to limit the negative impact of the redundancies including redeployment.

(23) What is the estimated timeline for a collective redundancy process?

Preparation of specific documentation required for the information and consultation processes may take up to six weeks, depending on the number of employment contracts to be terminated and on whether a works council exists.

The actual time required to fully implement a large-scale redundancy may vary from two to nine months, depending on the number of redundancies contemplated and the existence of a works council.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- Severance payment (statutory, if the employment contract was entered into before 1 January 2003)
- Compensation for untaken holidays
- Overtime compensation (if any)
- Pro rata Christmas and vacation remuneration (13th and 14th salary)
- Costs resulting out of the Social Plan (if applicable)

Customary additional costs

The measures of the Social Plan may vary depending on the size of the company, the means of the company and its group, the previous Social Plan and the employer's potential to provide measures to limit the negative impact of the redundancies, including redeployment, which is one of the main customary additional HR costs.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

Generally, there are no legal barriers of hiring restrictions after a collective redundancy.

However, if an impacted employee challenges the termination for being socially unfair (*sozialwidrig*), the employer may not be in a position to justify the (economic) reasons for termination if new employees were hired immediately after the collective redundancy.

(26) What are the risks of litigation caused by the redundancy process?

Interested parties

The termination can be challenged for being socially unfair (*Sozialwidrig*) or for being based on unlawful grounds (*Verpöntes Motiv*) if the impacted employee was employed for six months, was not an executive and if the company employs at least five employees.

The termination may be challenged either by the works council (if any) within one week of the termination and/or the impacted employee (depending on the reaction of the works council) within two weeks of the termination (if the works council did not comment on the termination) or three weeks as of the termination (if the works council did object the termination but did not challenge it). For example, if the works council approves the termination of an employee, the impacted employee may not challenge the termination for being socially unfair.

For the termination of employees with special protection against such termination, there may be considerable delays in the proceedings before a court/authority to obtain consent to the termination.

(27) What are the risks of damages or other remedies due to the redundancy process?

Challenges could lead to the following remedies:

Damages for unfair dismissal

There are no damages for unfair dismissal or punitive damages in Austria. However, if the employee's claim prevails in court, they have to be reinstated and paid the full remuneration for the period between termination and reinstatement.

Reinstatement

If the impacted employee's claim is successful, they may be reinstated and paid full remuneration for the period between termination and reinstatement.

Criminal sanctions

There are no criminal sanctions applicable.

Azerbaijan

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?	(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?	(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?	(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?	(5) Does the employer have a duty to alert the government if an employee has been diagnosed?
<ul style="list-style-type: none">► Provide healthy conditions in the workplace and apply public health standards► Provide the necessary tools for hygiene and cleanliness and provide treatment and prevention services► Provision of additional days off during the year to the employees who have been engaged in works in public sector bodies and structures► Retention of salaries of employees not engaged in works not in the public sector► Strict recommendations to employers to maintain the salaries of the employees not permitted to attend the office► Where possible, ensuring work remotely in the form of remote work or telework.	<p>Yes.</p> <p>It should be also noted that liability has been introduced to the Code of Administrative Offences and the Criminal Code of the Republic of Azerbaijan for violation of anti-epidemic, sanitary-hygienic and quarantine regimes</p>	<p>Not applicable.</p>	<p>Yes.</p>	<p>Not applicable.</p>

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(6) Other remarks

No.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

As a rule, it is regulated by decrees on additional measures adopted by the Cabinet of Ministers of the Republic of Azerbaijan.

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?

Not applicable.

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

Not applicable.

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
No.	No.	No.	Not applicable.

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(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.	
Salary should be paid for Idle Time that is not the employee's fault.	Salary should be paid for Idle Time that is not the employee's fault.	Employee is provided with sick leave payment as per relevant legislative provisions.	Yes, in the case of a positive result for COVID-19, the employee is obliged to use sick leave to strictly comply with the legislative requirements.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?	(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?	(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?	(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.
No.	As per legislation, the employer is required to pay an employee a standard salary (not less than two-thirds) if the leave of absence is not the employee's fault.	Not applicable.	<p>Payment available, on application, of lump sum amounts of AZN 190 per month to persons registered as unemployed due to the application of a special quarantine regime during the COVID-19 pandemic.</p> <p>There are also several tax relief measures for taxpayers whose activities are affected by the COVID-19 pandemic. The tax relief covers the period from 1 January 2020 to 1 January 2021.</p> <p>The list of enterprises affected by the COVID-19 pandemic is determined by the Tax Code.</p> <p>Please note the previous incentives were also available but have now been removed:</p> <ul style="list-style-type: none"> ► Partial payment of salaries for employees working under employment contracts. The compensation amount was not to exceed the average monthly salary (AZN 712) for employees with an income higher than such average monthly salary. ► Financial support for individual (micro) entrepreneurs when paying taxes and other compulsory state contributions for the 2019 financial year.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Applications for financial support are to be submitted through the electronic information system of the Ministry of Labor and Social Protection of the Republic of Azerbaijan.

Application for tax relief are granted upon submission of the respective declarations and tax reports to the State Tax Service.

(17) What is the legal framework for collective redundancies?

Workforce transformation, also referred to as redundancy, is governed by the Labor Code of the Republic of Azerbaijan (LCA). Pursuant to Art. 70(b) of the LCA, an employer is entitled to terminate employment agreement on the basis of redundancy.

The following workforce transformations are recognized under the LCA:

- Redundancy of a number of employees
- Redundancy of positions
- Mass termination of employment agreements

Collective redundancy is subject to stricter rules and imposes certain additional obligations on the employer. Mass termination of employment agreements is triggered when employment is terminated due to a change in enterprise ownership under the grounds stipulated in Art. 70, 73 and 75 of the LCA - regarding termination at the initiative of the employer, termination upon expiration of the term of the employment agreement and termination of the employment agreement in the cases provided therein - on the same date or at different dates within three months after obtainment of the proprietary rights for the enterprise, and depending on the total number of employees, in the following manner:

- Termination of more than 50% of the employees in an enterprise with 100-500 employees
- Termination of more than 40% of the employees in an enterprise with 500-1,000 employees
- Termination of more than 30% of the employees in an enterprise with more than 1,000 employees

Although respective provisions on collective redundancy relates to a change of enterprise ownership (which was basically intended to cover privatization or similar substantial processes), it is not straightforward in terms of applicability. Due to its ambiguous wording, it can also be interpreted widely to apply to other cases (such as share deals).

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Employers must provide legal justification for the termination of an employment agreement. Pursuant to Art. 68 of the LCA, an employment agreement may be terminated only on the following grounds:

- ▶ Termination of an employment agreement at the initiative of an employee
- ▶ Termination of an employment agreement at the employer's initiative (Art. 70) in the following cases:
 - ▶ The enterprise is entering liquidation
 - ▶ Due to redundancy of employees or positions (note: "Redundancy of positions" is not defined in the legislation. It should be understood as termination of certain positions within the enterprise and, as a result, termination of the employees occupying these positions)
 - ▶ The attestation committee (Competent body) deciding that the employee does not have the professional skills for the job they hold
 - ▶ The employee is failing to perform their duties as defined in the employment agreement and job description, or breaches their labor duties as indicated in Art. 72 of the LCA (cases considered gross violations of duties)
 - ▶ The employee not meeting expectations during the trial period
 - ▶ The employee of an enterprise financed through the state budget reaching retirement age
 - ▶ Expiration of the term of the employment agreement
 - ▶ If an employee does not agree to a change in the terms and conditions of employment and there is no possibility to redeploy the employee, Art. 56 of the LCA, allows termination of the employment agreement. Notification must be sent to the employee one month prior to termination
- ▶ Change in the ownership of an enterprise
- ▶ The new owner or the employer is prohibited from undertaking any mass termination of employment agreements, thereby abusing their right to ownership, without first assessing the employees' professional qualifications, ability to perform their tasks and any incompetence that may cause damage to the owner's business. Such assessment is realized through holding an attestation from the workplace and employees as required under the LCA
- ▶ Cases not dependant on the will of the parties (for e.g., the employee is called for military or alternative service or the court sentences the employee to prison or corrective labor)
- ▶ Cases established by the parties relying on terms in the employment agreement.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

As a rule, a collective agreement (if in place) usually includes a mutual obligation of the parties in relation to consultation and coordination with the trade union if an employment agreement is terminated at the employer's initiative.

An employment agreement concluded with an employee, who is a member of the trade union, can be terminated by an employer on the basis of redundancy by obtaining prior consent of the trade union.

An employer intending to terminate an employment agreement concluded with an employee, who is a member of a trade union, due to redundancy, should apply to the trade union with a substantiated application along with supporting documents. The legislation does not provide the list of these documents. It only requires documents justifying the termination of employment contract. Such supporting documents might include notification to the State Employment Service on redundancy and any other document confirming the necessity for such termination.

The trade union should further provide its substantiated written response to the employer within 10 days from the date of receipt of the application.

In addition, certain consultation requirements with trade unions are envisaged in the "Law On employment." As such, termination of employees due to redundancy, liquidation of enterprise, optimization of production and work process is accompanied by negotiations with

trade union in order to protect the rights of employees. In these cases, the employer is required to provide at least three months' notice to the trade union.

Consultation requirements with other employee representatives

No other consultation requirements with other employee representatives are envisaged by the LCA.

Consultation requirements with employees

There is no legal requirement to consult with employees prior to the redundancy. However, the employer should officially notify the employee prior to termination of an employment agreement due to redundancy, depending on the seniority of the respective employee, in accordance with the employment agreement between the employee and employer, in the following manner:

- Up to one year: At least two calendar weeks prior to termination
- From one year to five years: At least four calendar weeks prior to termination
- From five years to 20 years: At least six calendar weeks prior to termination
- More than 10 years: At least nine calendar weeks prior to termination

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

Approval of labor authorities or other government authorities is not required to implement redundancy. However, the employer is required to officially inform the State Employment Service under the Ministry of Labor and Social Protection of Population and its local authorities prior to termination, adhering to the appropriate notice period set out in the LCA by reference to profession, occupation, specialization and salary of the employees to be dismissed.

<p>(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?</p>	<p>(22) Are there any actions required to limit the negative impact of the redundancy?</p>	<p>(23) What is the estimated timeline for a collective redundancy process?</p>
<p>Prohibition on terminating:</p> <ul style="list-style-type: none"> ► Employees with family members of limited physical abilities aged under 18 years or with disability level 1 ► Employees on vacation, business trips or participating in collective bargaining <p>The above prohibitions are not applicable when the enterprise is liquidated (Art. 70 (a) of the LCA) or if a “fixed term employment agreement” is terminated as per procedures established under Art. 73 of the LCA.</p> <p>Moreover, collective redundancy in workplaces as a result of attestation or in relation to strikes resulting from a collective labor dispute is not permitted.</p> <p>Please see response to criminal sanctions in Q27.</p>	<p>The employer must undertake several actions to reduce the negative impact of redundancy. For instance, during the notice period, the impacted employee should be given at least one day off per week, with pay, to enable them to find alternative work.</p> <p>There are certain limited categories of employees who are entitled to vocational training in another profession for the purpose of further employment in the same, or any other enterprise, in the case of termination based on redundancy. Such categories include employees who are considered orphans or those deprived of parental custody, according to the Law of the Republic of Azerbaijan “On social protection of children having lost their parents or deprived of parental custody,” as well as other employees who meet related criteria. As such, employers, at their own expense, should enrol the said employees dismissed on the basis of redundancy for new vocational training for the purpose of further employment in the same or any other enterprise.</p> <p>Internal alternative employment/redeployment</p> <p>There is no obligation imposed on employers to offer alternative employment or redeployment under the LCA and other relevant legislation.</p> <p>Other measures</p> <p>The impacted employees are entitled to redundancy allowance, salary during the notice period or payments in lieu of notice, as well as compensation for unused vacation. For more information on costs, please refer to Q24.</p>	<p>The time frame for termination of employment agreements due to redundancy can vary depending on:</p> <ul style="list-style-type: none"> ► The seniority of impacted employees in accordance with employment agreement(s) with the employer ► Notice periods set out in the LCA (two to nine calendar weeks) ► Whether the employer opts to avoid notice periods and make payments in lieu of notice ► Whether the impacted employee is a member of a trade union (time spent on fulfilment of consultation requirements with trade union would be 10 days). Once the notice period has concluded, the employer is entitled to terminate the employment agreement on the basis of redundancy. <p>For more information on consultation and notice period, please refer to Q19 and Q20.</p> <p>Nevertheless, considering that the employer has a legal obligation to inform the State Employment Service under the Ministry of Labor and Social Protection of Population and its local authorities prior to redundancy, with an allowance for the appropriate notice period set out in the LCA, the whole process may take up to four months or even more.</p>

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- ▶ Redundancy allowances based on seniority of the employee, i.e.,
 - ▶ Up to one year: In the amount of the average monthly salary
 - ▶ From one to five years: at least in the amount of 1.4 times the average monthly salary
 - ▶ From five to 10 years: At least in the amount of 1.7 times the average monthly salary
 - ▶ More than 10 years: At least twice the average monthly salary)
- ▶ The employer is entitled to pay more than the above minimum threshold set under the legislation to the impacted employee based on mutual agreement with the latter under collective and employment agreements
- ▶ Salary during the notice period or payments in lieu of notice
- ▶ Compensation for unused vacation

Customary additional costs

There are no customary additional costs for employers.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

There are no legally imposed hiring restrictions. However, in practice, it is not recommended to hire new employees to the terminated positions within a reasonable time, which may range from a period of one month to one year depending on the case. If an employer hires new employees following a redundancy, it may face litigation risk as the terminated employees could hold that the redundancy was not justified and claim reinstatement.

(26) What are the risks of litigation caused by the redundancy process?

Employees, employers, labor collectives and trade unions shall have the right to initiate an individual or collective employment dispute in order to protect their rights and legal interests. The methods by, and terms under, which these rights are exercised may be limited under the law.

Impacted employees can file a claim to the court for reinstatement of their rights within one calendar month from the date of termination. If an employer terminates employment relations with an employee in violation of provisions on redundancy or fails to provide the guarantees granted to the employees in the case of redundancy, upon a notice of claim and upon investigating the facts of the case, the authorized court may either:

- ▶ Take a decision on the reinstatement of the said employee and payment of a salary for the period of forced dismissal
- ▶ Issue a statement regarding the parties' reconciliation agreement governing the settlement of the dispute, as agreed by the parties in writing during the trial, that requires the court's confirmation – in its judgment, the court also may stipulate payment by the employer of damages to the employee

If an employee and the employer agree to sign a reconciliation agreement on the basis of mutual consent in the course of their court dispute, the judge issues a statement binding the parties to perform their obligations determined by the said agreement.

(27) What are the risks of damages or other remedies due to the redundancy process?

Damages for unfair dismissal

The amount of damage that the employer should pay according to the respective court decision covers the sum of the following amounts:

- ▶ The average salary of an employee during the period they were unemployed as a result of the termination
- ▶ The amount of legal expenses incurred by an employee for the protection of their rights at the court relating to the consideration of the individual labor dispute (the court may order reimbursement of all legal costs by the employer)
- ▶ An amount for 'moral damage', arising from humiliation and defamation of the employee's honor and dignity, insult to their character and spreading false information to disgrace them among the members of the collective or other actions offensive to their morality, ethics, national dignity and faith by the employer or the officials subordinated to them. Such actions are brought by application of the impacted employee and the legislation does not specify any amount for moral damage
- ▶ The total amount of costs incurred by the employee from borrowing money and selling personal items as a result of their unemployment
- ▶ Any other related expenses incurred by the employee

Reinstatement

The impacted employee may be reinstated by the decision of the court. Upon reinstatement, the impacted employee must be paid back-dated salary for the period of forced dismissal. In its judgment, the court also may stipulate payment by the employer of an amount for damage caused to the employee.

Criminal sanctions

The employer may be subject to administrative penalty of US\$882 - US\$1,176 for termination of employment in violation of labor legislation.

In addition, there is a special criminal liability, envisaged for unjustified termination of an employment agreement of a female employee due to pregnancy or caring for a child under the age of three, or for a male employee who is singlehandedly raising a child under the age of three, as envisaged by Art. 164 of the Criminal Code of the Republic of Azerbaijan. As such, in the case of redundancy of the said categories of protected employees, there is a risk that the employer might be held liable under the respective provisions.

Belarus

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

Epidemic prevention measures that employers must take during the COVID-19 pandemic depends on the organization's activity and the measures established by the law.

For example, when it comes to healthcare organizations, pharmacies, industrial enterprises, transport organizations and banks, they shall, inter alia:

- Provide employees with personal respiratory protection if they directly communicate with consumers
- Conduct deep cleaning using disinfectants

At the local level, e.g., in Minsk, employers shall also take a number of measures:

- Ensure holding of meetings, seminars, using video and audio conferencing modes
- When employees go on business trips, the employer shall provide preventive measures, including placing employees in single hotel rooms, observing the principle of social (physical) distancing
- Unauthorized persons shall not be allowed to visit the premises of the company

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

Yes.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

If an employee tests positive for COVID-19, then those who worked with that employee in the same room and had close contact shall be informed by medical specialists to remain in self-isolation for at least 10 days.

Belarusian law does not provide for an employer's obligation to alert other employees about the diagnosed individual.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

The law does not provide for such obligation.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

The law does not provide for such obligation.

The COVID-19 tests are conducted by specialists of the Ministry of Health of the Republic of Belarus, who in any case shall inform the government.

(6) Other remarks	(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?	(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?	(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.
No.	<p>There are no such specific regulations applicable in a situation similar to a virus outbreak such as the COVID-19 pandemic.</p> <p>However, under general labor law regulation an employer may:</p> <ul style="list-style-type: none"> ▶ Agree with an employee to take an annual paid leave ▶ Provide unpaid or partial paid social leave if the company has to stop or reduce its business operations temporarily. Such social leave may be provided only upon employee's consent and may not exceed six months within a calendar year in total ▶ Provide unpaid social leave, based on the employee's application, not exceeding 30 calendar days ▶ Introduce downtime as an exceptional measure. Downtime may last up to six months and must be caused by production or economic external reasons. In this case, the salary payments may not be less than two third of the usual employee's salary 	<p>State aid for the types of leave specified in Q7 is not provided in Belarus.</p> <p>However, if an employee is on sick leave under an official medical certificate, sickness benefits for such employee is payable out of the Social Security Fund at 80% of average pay for working days during the first 12 calendar days of an illness and 100% thereafter.</p>	Not applicable.

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
Not applicable.	The law does not provide for an employer's unilateral decision to postpone an employment start date. However, the new hire shall be self-isolated for 10 calendar days from the day of arrival and inform the employer that they cannot leave their place of accommodation without a justifiable reason (e.g., attending pharmacy, hospital). Thus, the decision to postpone the start date until self-isolation ends is made jointly.	The law does not provide for an employer's unilateral decision to postpone an employment start date. However the new hire shall be self-isolated for 10 calendar days from the day of arrival and inform the employer that they cannot leave their place of accommodation without a justifiable reason (e.g., attending pharmacy, hospital). Thus, the decision to postpone the start date until self-isolation ends is made jointly.	Not applicable.

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.	
Not applicable.	<p>In this case, under the law, an employer does not have any pay/benefit obligations.</p> <p>Under the law, Belarusian citizens and foreigners who have the right to reside in Belarus who temporarily or permanently arrive in Belarus from countries in which the COVID-19 pandemic is registered (even if they are not positive for COVID-19) must stay at home in self-isolation for 10 days, with a few exceptions.</p> <p>In this case, an employee does not have a right to paid sick leave.</p> <p>Parties can agree on unpaid leave from the start date (if the parties signed a labor contract before the start date) or they may agree to postpone the start date until self-isolation ends.</p> <p>For employees who have already been working in the company, the situation might be different, if, for example, an employer and an employee agree on paid annual leave.</p>	<p>If the parties signed a labor contract before the start date, then as a general rule, an employee who has tested positive for COVID-19 has the right to paid sick leave commencing on the start date.</p> <p>Sickness benefits for an employee in the case of illness are payable out of the Social Security Fund at 80% of average pay for working days during the first 12 calendar days of the illness and 100% thereafter.</p>	<p>Yes.</p> <p>The cases when any individual must be self-isolated are established by the law. Please refer to the comments in Q10(ii) and Q10(iii).</p> <p>If an employee violates the self-isolation rules and visits the workplace, the employer can inform the competent authorities (e.g., police) and the employee will be forced to leave the office and return to the place of self-isolation.</p>

<p>(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?</p>	<p>(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?</p>	<p>(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?</p>	<p>(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.</p>
<p>No.</p>	<p>Not applicable.</p>	<p>Not applicable.</p>	<p>There is no state aid and/or extra-ordinary government support provided due to the current situation.</p> <p>However, the President has approved some measures, primarily focused on taxation, aimed at supporting the economy during the COVID-19 pandemic.</p> <p>These measures provide some tax benefits, for example:</p> <ul style="list-style-type: none"> ▶ Tax and charges payments due from 1 April to 31 December 2020 may be deferred without charging penalties. The deferment is optional and applicable only for businesses which suffered significantly due to the COVID-19 pandemic (e.g., immovable property lease, travel agencies' activity, air transport business) ▶ Reduction in property taxes due in the second, third and fourth quarters of 2020 (optional) ▶ From 1 April 2020, taxpayers may treat expenses for certain epidemic prevention measures as non-operating expenses (the list of such measures is determined by the Ministry of Health of the Republic of Belarus) ▶ Other tax benefits

<p>(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?</p>	<p>(17) What is the legal framework for collective redundancies?</p>	<p>(18) Does the employer need to have a legal justification to carry out redundancy dismissals?</p>
<p>Not applicable.</p>	<p>Workforce transformation, also referred to as redundancy, is governed by the Labor Code (Art. 42, 43, 45 and others). The Labor Code differentiates between redundancy and collective redundancy (also referred to as mass redundancy).</p> <p>The legal criteria for a collective redundancy are set out in the Regulation of the Belarussian Ministry of Labor and Social Protection No. 47 (dated 2 April 2009) "On the criteria for the mass redundancy of employees" and should be considered in each specific case.</p> <p>A determination of whether a collective redundancy situation exists depends on the percentage of redundant employees in relation to the total headcount. Further, a collective redundancy is deemed as such when there is a liquidation of a company with a headcount of 25 or more employees.</p>	<p>Formally, there is no requirement to provide justification for collective redundancy.</p>

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

A preliminary notification must be provided to the trade or work union no later than two weeks prior to the implementation of a proposed collective redundancy. However, in the event of the absence of a trade or work union, no notification is required. In the case of collective redundancy due to the employer's liquidation or reorganization, the employer must notify the relevant trade union no later than three months before the collective redundancy and conduct negotiations with them regarding employees' rights.

There is no legally-established template for the notification. In practice, it may be advisable to mention the following in the notification:

- ▶ Grounds for termination of labor agreements
- ▶ Number of positions to be made redundant
- ▶ Occupations, qualifications and salaries
- ▶ Date of termination

In cases governed by collective agreements, covenants for termination of labor agreements are possible only upon a receipt of prior consent from a relevant trade union.

Consultation requirements with other employee representatives

No other consultation is required with other employee representatives except for the requirements mentioned above.

Consultation requirements with employees

The employer must notify, in writing, each impacted employee about the redundancy at least two months prior to its implementation (if longer periods are not provided for in the applicable collective agreement or labor agreement).

The employer has the right, with the consent of the employee, to make a payment in lieu of notification in the amount of up to two months' average salary.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

The employer must notify the government body on labor, employment and social protection about a collective redundancy at least two months prior to the impacted employees' termination date with an indication of:

- ▶ Name
- ▶ Profession
- ▶ Specialization
- ▶ Qualifications
- ▶ Salary of the impacted employees

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

The employer cannot freely choose the employees to be made redundant.

Employees with higher productivity and qualification levels (and certain other categories prescribed by law) have a preferential right to remain employed. In the case of equal productivity and qualification, preference is given to the following categories of employees:

- Participants in the liquidation of the consequences of the Chernobyl disaster
- Employees who are ill and suffered radiation sickness caused by the consequences of the Chernobyl catastrophe or other radiation accidents
- The disabled
- Other categories of employees provided for by legislation, collective agreements and/or labor agreement

(22) Are there any actions required to limit the negative impact of the redundancy?

Internal alternative employment/redeployment

Termination of the employment contract due to redundancy is allowed if it is impossible to transfer an employee, with their consent, to another job.

During the period of notice provided to the employee, they can avail one free day per week without pay by agreement with the employer, with preservation of wages) to search for alternative employment (i.e., on that day, the impacted employee can visit potential employers or attend job interviews).

Other measures

A collective agreement may provide additional measures in comparison to the legislation. For example, it may provide for longer than two months' notification for termination of labor agreements. The agreement may also foresee a higher amount of severance allowance paid to employees upon termination of labor agreements due to liquidation of a company than that established by the legislation (i.e., three months' average monthly salaries).

(23) What is the estimated timeline for a collective redundancy process?

There is no specific timeline.

Usually, if a redundancy process qualifies as a collective redundancy, the process may take four to six months.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- Salary during the notice period or two months' average salary payment in lieu of notice
- Payment of accrued vacation
- Severance pay in the amount of no less than three months' average salary

Customary additional costs

Additional costs may be agreed in a collective agreement. For example, a collective agreement may provide for a higher amount of severance payment than that established by the legislation.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

There are no hiring restrictions.

(26) What are the risks of litigation caused by the redundancy process?

Interested parties

The impacted employees may file a claim for reinstatement in court. Employee representatives cannot file court claims on their own initiative unless it has been requested by an employee or a group of employees.

The statute of limitation is one month from the date of delivery of a copy of the dismissal order or from the date of issue of the work book (a legal document containing all work experience of the impacted employee, including name of previous and current employers, history of hiring and dismissal and job position) to an impacted employee. However, the court may extend the period if the impacted employee can provide a justification for the delay.

Litigation is unlikely to slow down the collective redundancy process.

(27) What are the risks of damages or other remedies due to the redundancy process?

Generally, an impacted employee who successfully challenges their dismissal in court is entitled to:

- Reinstatement
- Compensation of moral damages

Damages for unfair dismissal

No damages for unfair dismissal are applicable. However, an employee may claim for moral damages i.e., physical or mental suffering of a person from actions of others. In practice, moral damages are determined by a court on a case-by-case basis.

Reinstatement

An employee may file a claim for reinstatement at work if they believe that the termination due to redundancy was not justified.

If the court decides in favor of the employee, they may be:

- Reinstated at work
- Awarded their average salary for the time of forced absenteeism
- Awarded compensation of moral damages
- Awarded compensation for legal fees

Criminal sanctions

Knowingly carrying out an illegal redundancy is punishable by deprivation of the right to hold certain positions or engage in certain activities, correctional labor for up to two years or imprisonment for up to three years.

Belgium

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- ▶ Providing disinfectants
- ▶ Technical possibilities as an alternative to physical meetings (e.g., video conferencing)
- ▶ Temporary remote working arrangements should be utilized
- ▶ Most importantly, the employer should establish instructions regarding the measures to be applied in case an employee becomes ill, presumably infected with COVID-19
- ▶ Mandatory temporary remote working arrangements (unless impossible due to the nature of the function or business needs) between 2 November 2020 and 26 June 2021

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

In principle, employees have the right to employment and thus need to be allowed to access the business premises.

The employer cannot refuse the employee's access to the workplace, unless the employee is found to be unfit for work and certified as such by a physician.

Given the employer's obligation to ensure that work is performed under proper conditions regarding the safety and health of the employee and their colleagues, the employer will be able to take certain measures within legal limits. For example, the employer may decide to temporarily organize different work arrangements (e.g., remote working or use of other offices).

However, the employer can refuse access to the employees to the company's premises if they are not respecting quarantine obligations.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

- ▶ Employees should be asked to reduce overtime hours and short-time work can be introduced in the event of supply bottlenecks, if permitted by the collective bargaining agreement (CBA) and/or employment contracts
- ▶ In the event of a closure of the site, execution of the employment agreement is suspended and the employer may apply for temporary unemployment by reason of *force majeure* for their employees. The federal government has announced its intention to maintain a flexible approach with regard to the concept of "*force majeure*" (please refer to comments in Q7(i))
- ▶ A works agreement on the introduction of short-time work should be negotiated, in order to be able to react to further developments as quickly as possible and to mitigate economic consequences

The employer may not disclose the identity of the infected employee to other employees.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

No.

An employee is not required to disclose their travel destinations.

An employer can ask a visibly ill employee to return to their home or agree modified conditions of employment with the employee (e.g., remote working). Moreover, if the employer believes that the employee's health situation unmistakably increases the risk to the workplace, they can ask the Labor physician to order the employee submit to a health examination.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

Not applicable.

<p>(6) Other remarks</p>	<p>(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?</p>	<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>
<p>No.</p>	<p>Yes.</p>	<p>Specifically in the context of the COVID-19 pandemic, the conditions for application of temporary unemployment for <i>force majeure</i> have been relaxed for employers, while affected by the lockdown measure, to only those who suffer a partial closure or are still permitted to offer limited services.</p> <p>These employers can put their affected employees in temporary unemployment for <i>force majeure</i> until 31 August 2020 included (which may be extended) with a reduced administrative burden. As of 1 September 2020, these rules became stricter as, from then on, they only applied to employers belonging to a sector/company particularly affected by the COVID-19 pandemic.</p> <p>The federal government has now announced its intention to maintain a flexible approach with regard to the concept of "<i>force majeure</i>" until 30 September 2021, possibly to be extended.</p> <p>During such period of temporary unemployment for <i>force majeure</i>, the employee is entitled to an allowance equal to 70% (instead of 65%) of their remuneration capped at €2,754.76 gross/month. The employee receives an additional premium equal to €5,63 per day of unemployment.</p>	<p>In principle, the impact of the COVID-19 pandemic and of the lockdown measures imposed by the government on the organization should be the object of information and consultation with the works council. However, the limitation of meetings presented as a preventive measure by the Federal Ministry of Employment will hamper the normal information and consultation with the works council.</p>

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
Yes.	No.	Yes, under the rules applicable to blue-collar workers and white-collar workers, the employee will be entitled to guaranteed salary for the days of incapacity as of their date of entering into service.	Lockdown measures imposed constitute <i>force majeure</i> , which suspends the execution of the employment agreement and automatically postpones the start date until the end of the lockdown.

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.	
<p>Please refer to the comments in Q7(ii).</p>	<p>Belgian law does not allow the employer to request a medical certificate of "health" and cannot preventively unilaterally refuse access to the workplace for an employee who visited a quarantine city/area the last 14 days period. The employer can, however, agree with the employee on modified conditions of employment (e.g., temporary remote working).</p> <p>However, if the general practitioner/physician of the employee delivers a quarantine-certificate stating that the employee is capable of working but is prohibited to go to the workplace, because the concerned employee:</p> <ul style="list-style-type: none"> ▶ Has been in close contact with an infected person ▶ Has themselves tested positive but shows no symptoms ▶ Is in a medical high risk situation <p>Then the employee will be put on temporary unemployment by reason of <i>force majeure</i> for a maximum of 10 days (unless a longer period is indicated on the quarantine certificate) if the employer cannot organize remote working.</p>	<p>If employees testing positive for COVID-19 have received a medical certificate declaring them incapable to work for a period specified in the medical certificate, the employee will be entitled to continued remuneration during the first 30 days of a period of incapacity to work (the so-called 'guaranteed salary'). Thereafter, the employees will be entitled to sickness allowances from the National Sickness and Invalidity Office.</p>	<p>No.</p>

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

From 1 May 2020 until 30 September 2020, employees were allowed to take specific parental leave to care for their children (the so-called Corona Parental Leave).

As the Corona Parental Leave ended on 30 September 2020, employees who are prevented from working due to a closed kindergarten, school or day care center for disabled persons due to a quarantine measure can also be put in temporary unemployment due to *force majeure* from 1 October 2020 until 30 September 2021.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

In this case, employees could either take vacation days (with the agreement of the employer). Alternatively, employees could claim up to 10 days of unremunerated days off for unspecified family reasons. If more than 10 days' absence is required, employees may agree with their employer to take up additional unremunerated time off.

As the Corona Parental Leave ended on 30 September 2020, employees who are prevented from working due to a closed kindergarten, school or day care center for disabled persons due to a quarantine measure can also be put in temporary unemployment due to *force majeure* from 1 October 2020 until 30 September 2021.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

In Belgium, competence for economic matters is distributed between the Federal authorities and the Regional authorities of the Walloon and Flemish Regions. At the time of publication, government announcements are pending to extend the following measures:

Federal Government

The federal government approved a package of socioeconomic support measures that were extended until 30 June 2021, including:

- ▶ Individual deferral of payment of taxes
- ▶ VAT Reduction (6%) on hand gels and face masks
- ▶ Deferral or exemption from payment of social security contributions for self-employed persons
- ▶ Replacement income for self-employed i.e., "Corona bridging right"

Flemish Government

The Flemish Government has launched the "Flemish Protection Mechanism", available for companies experiencing a substantial decline in revenues until 30 September 2021. Other support measures provided by the Flemish Government include:

- ▶ Commercial rental loan (until 30 June 2021)
- ▶ A restart loan (until 1 August 2021)

- ▶ A "Corona loan" (until 15 October 2021)
- ▶ COVID-19 guarantee (until 15 October 2021)

Walloon Government

Since the beginning of the COVID-19 pandemic, the Walloon Government has released several waves of compensation for companies. Each wave of compensation has been aimed at specific groups of beneficiaries, with precise criteria, for example:

- ▶ Compensation for closed or highly impacted sectors (until 11 June 2021)
- ▶ Compensation for specific sectors (until 26 June 2021)
- ▶ Compensation for coach operators (until 7 July 2021)
- ▶ Compensation for B2B companies (until 15 July 2021)

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Federal Government:

The company needs to demonstrate the existence of payment difficulties originating from the COVID-19 pandemic (e.g., turnover decrease, significant decrease of sales, chain reactions such as supply problems or others).

These measures cannot be granted to companies suffering from structural payment problems. The debt must not originate from a fraud.

Flemish Government:

All enterprises with a physical location (e.g. shop or office) in the Flemish Region that are obliged to (partially) close down directly due to the government measures could apply for the COVID-19 Obstruction Premium.

For the Flemish Protection Mechanism, it is required that the company proves a decrease in sales of 60% or more.

Walloon Government:

The conditions vary depending on the compensation. In some cases a mandatory closure of the company as part of the sanitary measures is required, in others, the other prerequisite mainly concerns evidence of a decrease in sales of 50% or more compared to the corresponding quarter in 2019.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Federal Government:

Delayed payment of employer's social contributions - specific application form through the website of the National Office of Social Security:

https://www.socialsecurity.be/site_fr/employer/applications/paymentplan/index.htm#

Applicants must include the desired number of monthly instalments (up to 12), the reasons and justification of the payment difficulty.

Flemish Government:

Applications for the Flemish Protection Mechanism can be made via the website of *Vlaams Agentschap Innoveren & Ondernemen*:

<https://www.vlaio.be/nl/subsidies-financiering/vlaams-beschermingsmechanisme>

Walloon Government:

Applications for the additional (compensatory) premium will be possible via the website of the Walloon Region:

<https://indemnitecovid.wallonie.be/#/>

(17) What is the legal framework for collective redundancies?

Workforce transformation, also referred to as collective redundancies, is governed by:

- ▶ CBA No. 10 of 8 May 1973 (payment of a special indemnity)
- ▶ CBA No. 24 of 2 October 1975
- ▶ The Royal Decree of 24 May 1976
- ▶ The Law of 13 February 1998
- ▶ The Royal Decree of 30 March 1998
- ▶ The law of 23 December 2005
- ▶ The Royal Decree of 9 March 2006

The legal definition of a collective redundancy is not harmonized, hence the application of each set of rules will also be triggered by a different definition.

There are specific rules regarding the information and consultation obligations of the employer, and also rules dealing with the obligation to set up a redeployment unit (for more information, please refer to Q22).

The application of the rules governing the collective redundancy process depends on the number of employees impacted, the total number of employees of the company and also the existence of employee representatives.

Collective redundancy provisions regarding information and consultation are triggered when a certain number of employees are made redundant, for economic or technical reasons, within a period of 60 days as follows:

- ▶ At least 10 employees, in companies with more than 20 and less than 100 employees
- ▶ At least 10% of the employees, in companies with at least 100 and less than 300 employees
- ▶ At least 30 employees, in companies with 300 or more employees

The number of redundancies is assessed at the technical unit or division level (often a lower level than the legal entity). Further, it is important to verify whether other rules apply at the enterprise, sector or industry level (e.g., CBA or other legal sources) depending on the organization's activity (Commission Paritaire or JC).

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Grounds for a large-scale redundancy are not specifically limited or provided by the Belgian law but must be linked to technical or economic reasons. For example, economic difficulties, technological changes, closure of a business and safeguarding competitiveness. However, the reason(s) invoked must be unrelated to the employees' performance and/or behaviour for personal reasons.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

If the conditions are met to determine whether an information and consultation phase is required, the following rules apply:

- Before taking any (factual or legal) decision on the dismissal, the employer must inform and consult the employees' representatives (i.e., the works council, in the absence thereof, the union delegation or, in the absence thereof, the employees directly) as from the date on which the employer has the intention to dismiss. In the absence of a works council or a union delegation, the Health and Safety Committee must also be informed and consulted
- Subsequently, the employer must hold several consultation meetings in order to address any questions and comments on the contemplated measure, and discuss the options to avoid or limit HR impact and mitigate its consequences. It is crucial to keep a written record of all meetings being held to evidence that the procedure has been followed

The information and consultation is required on:

- The reasons for the dismissal
- Number and categories of employees normally employed
- HR impacts (number and categories of employees to be made redundant)
- Contemplated selection criteria
- Timing (period during which redundancies are to be carried out)
- Methods of calculation of additional redundancy payments on top of mandatory payment (optional).

It is important that the employee representatives collectively acknowledge (formally sign-off) that they have been duly informed and consulted on completion of the consultation phase. This sign-off effectively prevents individual employees from challenging their dismissal on grounds linked to non-compliance with mandatory consultation procedures.

Often the external unions will be involved as well because only a secretary of an external union can sign a CBA at the company level that will be needed to have a Social Plan and to be registered with the Federal Ministry of Employment.

Consultation requirements with other employee representatives

There is no obligation to simultaneously inform and consult all employee representative bodies, if several are set up at the employer. It is only in the absence of a works council or union delegation that the employer must inform and consult with the Health and Safety Committee (if any) and with employees or with the employee representatives elected for this purpose.

Consultation requirements with employees

Information and consultation directly with the employees (or any employee representatives elected for this purpose) is required only if there is no works council or union delegation. However, the employer can always decide to communicate certain information directly to the employees, as long as the timing and forum of information and consultation is in compliance with requirements.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

First notification

A copy of the initial written information provided internally is also to be sent to the local unemployment office and the Federal Ministry of Employment. In some sectors, a notification to the Chairman of the Joint Committee is needed as well.

Second notification

At the end of the information and consultation process, the employer must inform in writing the local unemployment office about the actual or formal decision to implement a collective redundancy. This notification must include certain mandatory information. The employer must also provide a copy of the second notification to the employees' representatives, the Federal Ministry of Employment as well as the employees who have already been dismissed (before the employer communicated the intention to start a collective dismissal). A copy of the notification must be posted in the workplace. Further, the employer must confirm and prove that it has fulfilled its obligation to inform and consult.

With this notification, a "cooling-off period" of 30 days (which can be limited or extended to up to 60 days by the local unemployment office) starts, during which the employer cannot dismiss any impacted employees. This period is typically used to negotiate the Social Plan. After this cooling-off period, the employer can implement the necessary measures.

During this 30 days' period, the employee representatives may challenge the information and consultation process before the employer unless they had already formally agreed (by way of collective sign-off) that the procedure was fully complied with by the employer. If not done during this period, the process itself can, in principle, no longer be challenged by the employee representatives or the impacted employees.

If the collective dismissal also qualified as a closure of an operation, an additional procedure must be combined with the collective dismissal procedure. In addition, specific rules apply to bankruptcy situations.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

The works council technically has the authority to determine the criteria for selecting the employees to be dismissed in a collective redundancy.

It is, however, only in very exceptional cases that the works council effectively determines the selection criteria. Selection criteria can also be determined within the JC (i.e., at the level of the sector or industry to which the employer belongs on the basis of their activity, known as Commission Paritaire or JC). In all cases, selection cannot be discriminatory.

(22) Are there any actions required to limit the negative impact of the redundancy?

During the information and consultation period and during the negotiation of the Social Plan, discussions and negotiations should be held in order to avoid or limit the HR impact and mitigate the consequences. Examples include implementation of part-time regimes, training for new skills and salary reductions).

Internal alternative employment/redeployment

Without this legally being imposed, employers often take the initiative or are requested by the employee representatives to find alternative employment within the company or the group - either in Belgium or abroad.

Employers must mandatorily set up or participate in a redeployment cell or unit offering outplacement through an outplacement agency set up by the local unemployment office. In such cases, additional complex formalities and rules apply. The period during which the employees participate in the redeployment cell is covered by a part of the severance. During this period, the employees must stop working for the employer as the purpose is to receive outplacement assistance.

Other measures

The employee representatives can ask for a Social Plan in which some additional measures can be implemented. If the employee representatives claim additional financial incentives, this should usually only be negotiated and formally agreed in a CBA after the consultation period is closed.

(23) What is the estimated timeline for a collective redundancy process?

The overall length of a collective redundancy is approximately between three and six months, including cooling-off period and excluding any notice period or payment of severance or specific unemployment scheme (Outplacement) post cooling-off period.

Timeline for the information and consultation process often depends on whether there is an employee representative body or not. It may take two to three months, on average, including discussions on Social Plan with measures to limit the number of dismissals (First phase).

The negotiation process of the Social Plan with financial incentives (Second phase) usually takes between one and three months' time. This can be done in parallel or after the first phase is closed. However, immediately starting negotiations during the information and consultation process should be avoided because no decision has been made and the purpose of the first phase is to try to avoid or limit the number of dismissals.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- ▶ Notice period or gross lump-sum severance
- ▶ Payment in lieu of accrued paid leave, in addition to 13th month salary (if the notice period expires before the usual date of payment of 13th month salary or if provided in the terms of any sectoral CBA)
- ▶ Monthly allowance, in addition to the state unemployment allowance until pension age, for employees meeting the criteria
- ▶ Cost related to outplacement of an employee made redundant or related to redeployment cell (Reinsertion compensation) in the case of a collective redundancy
- ▶ Specific indemnity paid to dismissed employees (under certain conditions)

Customary additional costs

Customary additional costs depend on the Social Plan agreed between the parties during the information and consultation process, which may include additional incentives or premiums.

Specifically, a Social Plan containing measures for compensation and post-redundancy assistance over and above the legal requirements, usually includes:

- ▶ Improved pre-pension payments at a lower age
- ▶ Supplements to unemployment benefits other than special pre-pension

scheme

- ▶ Seniority premiums
- ▶ Continued medical coverage and use of company car
- ▶ Retention bonuses
- ▶ High-quality extra outplacement services

Further, additional costs for the employer may include payment toward:

- ▶ Experts hired to assist works council(s) or unions
- ▶ Salaries of the employees' representatives paid during the information and consultation process

The cost of a collective dismissal will be influenced by numerous factors such as:

- ▶ The sector
- ▶ Profitability of the company
- ▶ Number of workers
- ▶ Number of affected protected workers
- ▶ Precedents or prior collective agreements
- ▶ Geographical location of the plant
- ▶ Average age of workers

(25) Are there any hiring/re-hiring restrictions post-redundancy?

There are no legal barriers to hire new employees' post-redundancy. However, any restrictions in the CBA at company or sector level must be complied with. Usually, the Social Plan includes restrictions (such as priority to hire must be given to the employees terminated in a collective redundancy) or general criteria of rehiring can be agreed upon with the works council.

(26) What are the risks of litigation caused by the redundancy process?

Interested parties

The following interested parties can bring lawsuits related to the redundancy process:

- **Impacted employees:** If the employer is not willing to adapt or restart the process when no collective sign-off was given, then the impacted employee(s) may challenge the information and consultation process and will have to formally object to the employer in a registered letter sent within 30 days after their termination.

The employer will either agree to restart the process (in which case any notice periods which are already running will be suspended) or not. In the latter case, the impacted employee(s) will have to bring a court action to challenge the compliance of the process.

- **Works council/union/other employees' representatives:** Similarly, the court may grant an injunction order to start (or restart) the process, due to any collective protest, within 30 days of the employer sending the second notification to the labor authorities and the employees' representatives, by the employee representatives for the employer's failure to comply with the information and consultation process.

Potential claims can be avoided by entering into a Social Plan with the unions and obtaining a collective sign-off that the information and consultation process was properly followed. Under such circumstances, the impacted employees (individually) can no longer legally challenge the non-compliance by the employer with this process in the case of a collective dismissal. This does not, however, prevent the impacted employees bringing claims for additional (moral and/or material) remedies.

In general, any collective dismissal can lead to a potential litigation in court, for instance, in respect of the categories of employees who are specially protected against dismissal.

Litigation can stop or slow down the collective redundancy process, notably in the case of injunction of the court to restart the process.

(27) What are the risks of damages or other remedies due to the redundancy process?

The potential remedies include court injunctions, damages and administrative or criminal sanctions.

Sanctions

The legally imposed consequences or sanctions for improper information and consultation have almost never been applied in Belgium. However, the courts in Belgium may grant an additional (moral) indemnity in the case of litigation in this regard.

Reinstatement

An actual reintegration or reinstatement after dismissal cannot be imposed or forced upon the employer against its will. However, the employer may be required to pay additional financial indemnities to the impacted employees.

Criminal sanctions

Criminal sanctions or an administrative fine may apply in some cases, notably in the case of violation of the information and consultation obligations.

Bolivia

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

They must adopt the following prevention measures:

- Provide disinfectant or antibacterial products. (e.g., 70% strength alcohol hand sanitizer)
- Disseminate, promote and implement personal hygiene measures (e.g., regular hand washing)
- Implement other appropriate biosecurity measures (e.g., use of mask and a minimum physical distance of one and a half meters)
- Distribute and disseminate promotional material issued by the health authority in the workplace
- Ensure prompt attention of its dependent personnel by the National Health System
- Grant the exceptional temporary leave to any workers or personnel with suspected infection
- The national government regulated teleworking to permit employees to carry out activities that by their nature can be carried out from home or somewhere other than the employer's offices
- Implement special working conditions (e.g., shift working, teleworking) for high risk workers (over 65, pregnant women and chronically ill)

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

Yes, because it is the responsibility of the employer to protect the health of their employees.

The employer must grant exceptional permission for paid leave to the employees suspected of having contracted COVID-19 for the duration of any observation/isolation period established by the corresponding health authority.

Consequently, where individuals are suspected or test positive for COVID-19, the employer is required to comply with the provisions of Art. 5 of the Bi-Ministerial RM 001/2020 of 13 March 2020 and RM No. 229/20 of 18 May 2020.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

They must take the following measures:

- People infected with COVID-19, will be permitted corresponding medical leave for the duration of the measure established by the corresponding health authority
- Individuals suspected of having contracted the COVID-19 will be permitted exceptional leave by their employer for the duration of the observation/isolation period established by the corresponding health authority
- For the granting of medical leave and exceptional leave with benefits, the protocols require the medical certificate to be issued only by the health agencies controlled by the corresponding health authority
- At the request of the treating physician and the corresponding health authority, according to the technical criteria, exceptional leave or medical leave may be extended for the time deemed appropriate
- Exceptional leave will not be subject to discount or other compensation measures by the employer
- The required facilities or offices will be disinfected in coordination with the guidelines of the health authorities to prevent the spread of COVID-19 to other workers

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

Yes, the worker must collaborate with the employer by answering questions and taking the actions to safeguard the safety protocol established by the employer. The employer must avoid violating the right to privacy of their employees. Therefore, the questions must be related to the spread of COVID-19.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

Suspicious cases identified, and awaiting diagnosis, must remain isolated in their homes until notification by the employer to the corresponding health authority (the employer must inform SEDES or the competent municipal authority about the suspicious cases), so that they can establish the observation period and take actions related to each specific case (RM No. 229/20 of 18 May 2020).

(6) Other remarks

No.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

No.

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<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>Not applicable.</p>	<p>Not applicable.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
		<p>No.</p>	<p>No.</p>	<p>No.</p>

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<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>Not applicable.</p>	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>Yes, there is an obligation to pay full wages and job stability like any other employee.</p>	<p>Yes, there is an obligation to pay the salary by the employer.</p>	<p>Yes, there is an obligation to pay the salary. However, social security must provide the medical leave payments to the worker.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

No, in Bolivia there is no sick leave legislation. An employee can be given sick license by the health insurance.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

The RM No. 229/2020, establishes that workers who are in high risk groups (over 65 years, pregnant women and people with chronic illnesses), should as far as possible use teleworking and, in case teleworking is not feasible, the employee must use their vacation.

Finally, in the event that they do not have accumulated vacations, the workers will enjoy a special paid leave during the term of the quarantine. This leave does not constitute a reason for the reduction of the remuneration or daily compensation.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Workers have the obligation to attend their work and there is no paid leave with earned benefits for workers with dependents of school age.

However, a paid special license is granted for a parent or guardian living with a child under the age of five (RM 189/2020 of 18 March 2020).

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

No.

<p>(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.</p>	<p>(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?</p>	<p>(17) What is the legal framework for collective redundancies?</p>
<p>Yes, the government established an emergency plan to support employment and job stability through specific loans exclusively to pay the wages of workers in legally constituted companies.</p> <p>The requirements are as follows:</p> <p>Present the financial intermediation entities (EIF) with the last form of payment of contributions to the administrators of pension funds, accompanied by an affidavit that supports the veracity of the information (Art. 6 of RM 160 of 21 April 2020).</p>	<p>The loan will be for a term of up to 18 months, with six months of grace for an amount equivalent to two national monthly minimum months per worker, for a maximum two months. The maximum amount per worker is \$1,220 with an interest rate of 3.73 % annual.</p> <p>Employers were able to obtain credit from 21 April 2020 except for companies that did not have credits or have current credits as of 29 February 2020 in risk categories A, B and C (DS 4216 of 14 April 2020).</p>	<p>There is no legal framework that regulates collective dismissals.</p> <p>However, it is possible to carry out collective dismissals in a justified manner due to <i>force majeure</i> events (such as the COVID-19 pandemic) to maintain the workforce, avoiding the bankruptcy of the company.</p> <p>The Ministry of Labor issued Communiqué No. 14/2020 of 8 April 2020, which provides for the prohibition of the unjustified dismissal of workers, unless they incur in the causes established under Art. 16 of the LGT, consistent with Art. 9 of its Regulatory Decree.</p> <p>Likewise, the Ministry issued RM 189/2020 of 18 March 2020 in which it states that during the state of emergency period, the labor stability enshrined in the Political Constitution of the State cannot be altered.</p>

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Yes, the Ministry of Labor issued Communiqué No. 14/2020 of 8 April 2020, which provides for the prohibition of the unjustified dismissal of workers, except in the following cases:

- By voluntary retirement of the worker
- By unilateral decision of the employer within the 90-day trial period of the indefinite employment relationship
- Due to the conclusion of temporary contracts during quarantine, cases such as fixed-term contracts, per work and per season
- If the worker commits any of the following breaches, which give rise to a legal cause of dismissal:
 - Material damage dealt with intent to working instruments/equipment
 - Revealing the company's industrial secrets
 - Omissions or imprudence that affect industrial safety or hygiene
 - Total or partial breach of the agreement, employment contract or internal regulations of the company
 - Theft or theft by the worker, breach of trust
 - Lies, causing injury or indulging in immoral conduct at work
 - Mass abandonment of work, provided that the workers did not obey the privacy of the competent authority
 - For justified reasons, e.g., *force majeure* event (Bankruptcy and restructuring, Art. 49 No. III. Of the CPE and SCP 0114/2017-S3 of 3 March 2017)

(19) What are the consultation requirements with works councils/unions (if any)?

There is no regulation of consultation with works councils/unions, normally it is done through a negotiation between the employer and the union and an eventual signing of a labor agreement.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

No.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

If the dismissal is not carried out for the legal causes established by the labor legislation, the employer should invoke the *force majeure* option.

The employer should avoid as far as possible the violation of the right to job stability, taking as a criterion to eliminate those workers with less seniority, for example, and those who do not have dependents (minor children, disabled or older adults) according to SCP 0114/2017-S3 of 3 March 2017.

(22) Are there any actions required to limit the negative impact of the redundancy?

Yes, the employer must avoid harming the right to job stability where it can establish alternatives, such as the implementation of telework and salary reduction agreed with the workers (DS 1428 of 14 April 2020 of 2019 and DS 3770 of 01 September 2019).

(23) What is the estimated timeline for a collective redundancy process?

The timeline is highly variable, depending on the volume of personnel to be dismissed and the conditions of the company, for example the existence of a union and a good working environment.

This can take approximately one week if there are no worker complaints or lawsuits to government authorities.

(24) What are the estimated costs?

The estimated costs for social benefits are variable depending on the seniority and remuneration of each worker.

In addition, there are possible freedoms (extra-legal payments) that the employer could grant to the workers in exchange for their resignation.

(25) Are there any hiring/re-hiring restrictions post-redundancy?	(26) What are the risks of litigation caused by the redundancy process?	(27) What are the risks of damages or other remedies due to the redundancy process?
<p>No.</p>	<p>The occurrence of litigation for dismissals is likely if they are not subject to voluntary resignation.</p>	<p>The risks that an unfavorable judgment could cause to the company are:</p> <ul style="list-style-type: none">▶ The reinstatement of the worker, with back-pay for salary owed▶ Payment of a premium equal to three wages and 30% of the resettlement▶ Fines for violation of social laws

Bosnia and Herzegovina

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- Providing disinfectants
- Technical possibilities as an alternative to physical meetings (e.g., video conferencing)

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting that person access to the workplace. In practice, this will usually be resolved by allowing employees to work remotely.

However, if the employee is declared as contagious, they will be put on sick leave with salary compensation. The amount of the salary compensation varies according to the Bosnia and Herzegovina entity (For more information on RS or FBiH please refer to the comments in Q7(i)).

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger crowd than necessary. However, if there is a valid reason, i.e. it needs to be examined if more individuals who have been in contact with the diagnosed individual, then this can be communicated to such larger group of people.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

Not directly. However, the employer is generally obliged to allow health and hygienic reviews and consultations, collection of evidence and application of other measures for protection from the contagious diseases.

(6) Other remarks	(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?	(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?
No.	Yes.	<p>Please note that Bosnia and Herzegovina consists of two entities, i.e., Federation of Bosnia and Herzegovina (FBiH) and Republika Srpska (RS) and one self-governed administrative unit, Brčko District (BD). Each of these entities and BD has its own labor legislation.</p> <p>The matters mentioned in this question are subject to labor laws adopted in all Bosnia and Herzegovina areas. The rules of the respective labor laws foresee a legal possibility for redistribution of working hours as a possibility for flexible workforce planning or working on part time basis.</p> <p>Furthermore, if the employee is prevented from conducting their obligations from employment agreement due to <i>force majeure</i>, they are entitled to a minimum 50% of the salary which they would have received if they had worked. Please note that the labor laws do not specifically define <i>force majeure</i> and hence the definition of the same should be assessed on a case-by-case basis.</p> <p>In RS, an employer is allowed to send an employee on paid leave in the case of an unexpected, temporary reduction of the amount of work due to economic, financial, technical or technological reasons. In such cases, the employee is entitled to at least 50% of the average salary earned in the previous three months. However, sending an employee on this type of paid leave must be done with prior consultation of the trade union or work council.</p> <p>Any introduction of new employment measures (especially unilaterally) should be introduced with great caution.</p>

<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>Generally, according to the applicable Labor Laws, employees are allowed to organize a works council when the employer is hiring 15 or more employees.</p> <p>In both Bosnian entities, the employer is obliged to consult a works council (if established) in the case of introduction of certain extraordinary measures, such as sending an employee on paid leave due to unexpected, temporary reduction of the amount of work for economic, financial, technical or technological reasons (RS) or before passing a decision regarding the measures related to health and safety at work or introduction of a new annual leave schedule (FBiH).</p> <p>In the FBiH there is a separate "Law on Works Council" that requires the employer to introduce the obligatory consultations with a works council 30 days prior to adoption of the particular decisions (e.g., passing a decision regarding the measures related to health and safety at work or introduction of new annual leave schedule). If the employer has failed to allow this time, the decision/action will be deemed to be null and void.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
	<p>Yes.</p>	<p>Yes.</p>	<p>Yes.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
<p>No.</p>	<p>Since the employment is deemed to be commenced on the day when the employee actually started to work, it can be concluded that the employer has no obligations towards the employee until they start work.</p> <p>As to the other employees of the same employer, the answer to this question will depend on the legal basis of the leave from work (annual leave, garden leave, or any other legal basis).</p>	<p>As to the new employee, please refer to the comments in Q10(i).</p> <p>As to all other employees, if they have visited a quarantine city/area during the last 14 days, further treatment will depend on whether this employee is put on isolation by a decision of the competent authority. If so, they will be treated as being on sick leave and will be entitled to a salary compensation in accordance with the rules on health insurance regulations:</p> <p>FBiH: Minimum 80% of the salary the employee would have earned if they had worked would be payable by the state health insurance from the first day of isolation.</p> <p>RS: Minimum 70% of the net salary the employee would have earned if they had worked would be payable by the employer for the first 30 days, and for the rest (up to 12 months of sick leave) by the state health insurance.</p> <p>BD: 80% of the average net salary paid out to the employee in last three months prior to the month of the sick leave, but not below the minimum salary prescribed by the applicable rules, and not exceeding the amount of the compensation prescribed by special rules in this area.</p>	<p>As to the new employee, please refer to the comments in Q10(i).</p> <p>As to all other employees, if an employee is positive for COVID-19 and is put on isolation by a decision of the competent authority, the measures set out under the Q10(ii) will apply.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

Yes.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

Bearing in mind that health data is considered sensitive personal data, it is important to note that collection and processing of such data is allowed when these actions are necessary for the protection of the lives and health of the personal data subject or it is considered to be in the best public interest. Accordingly, the employer would be allowed to collect and process such data in the case of the COVID-19 pandemic.

Please note that in cases such as the COVID-19 pandemic, the government is allowed to, and will, issue decisions assessing the best public interest. These decisions may affect employers in respect to working hours and workplace closure.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Currently, schools in Bosnia and Herzegovina are closed due to holidays, except kindergartens. The obligations will be decided in September 2021, once schools reopen, depending on how classes take place (i.e., remote or face-to-face learning) and depending on how it will affect employees and employers. Accordingly, certain decisions or recommendations in this regard may be passed by the competent authorities at that time.

Nevertheless, please note that this topic was not explicitly regulated in the rules and many employers have struggled on how to handle the situation with working parents whose children were at home. During the state of emergency, this issue was regulated differently in different parts of the country.

In most cases, authorities suggested to employers that they permit parents with children up to 10 years to stay at home (paid leave, annual leave, remote work).

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

There were governmental measures adopted on different levels for supporting businesses and entrepreneurs to mitigate damage caused by the COVID-19 pandemic, but most of those regulations were valid during the state of national emergency caused by the COVID-19 pandemic. Most of them ceased to be valid in the meantime and the deadlines for governmental support elapsed in most cases.

Since there are still certain consequences to be expected in the light of the current situation with the COVID-19 pandemic, the possibility that the government will consider additional measures and programs cannot be excluded.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Please refer to the comments in Q14.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Please refer to the comments in Q14.

(17) What is the legal framework for collective redundancies?

As stated in Q7(i), Bosnia and Herzegovina is divided into three administrative units, i.e., FBiH, RS and BD. Please note that answers in this publication have been prepared to include legislation at all administrative levels. No special indications are provided where a legislation is applicable in the same manner in all Bosnia and Herzegovina areas but specific differences in the position for FBiH, RS and BD are noted.

Workforce transformation, also referred to as collective redundancy, is governed by legislation applicable in all three Bosnia and Herzegovina areas.

CBA and employment rulebooks (ERs) usually provide a higher level of protection for the employees and can impact the redundancy procedure under the labor law.

Large-scale redundancies require a special collective redundancy procedure. The complexity and duration of the redundancy procedure depends on the total number of employees of an employer, the number of impacted employees, and trade union or works council activity at the employer.

Redundancy procedures differ across the Bosnia and Herzegovina entities. Hence the following rules have to be taken into consideration:

FBiH: The employer is required to follow the mandatory collective redundancy procedure, within a period of 90 days, if at least five employees are made redundant in companies with 30 or more employees.

BD: The employer is required to follow the mandatory collective redundancy procedure, within a period of 90 days, if at least 20% of the employees are made redundant in companies with at least 15 employees.

RS: The employer is required to follow the mandatory collective redundancy procedure, within a period of 90 days, if the following thresholds are met:

- ▶ In companies with 30-100 employees: 10 or more employees are made redundant
- ▶ In companies with 100-300 employees: At least 10% of the employees are made redundant
- ▶ In companies with more than 300 employees: 30 or more employees are made redundant

Regardless of the total number of employees in a business, if 30 or more employees are made redundant within a 90 day period, the employer is obliged to undertake the mandatory redundancy procedure.

The mandatory collective redundancy procedure has five main features:

- ▶ FBiH, RS or BD: legal justification
- ▶ FBiH, RS or BD: adoption of redundancy program
- ▶ FBiH, RS or BD: consultation with representative trade union and works councils (if any)
- ▶ RS and BD: consultation or notification of the employment agency
- ▶ FBiH, RS or BD: severance payment

A simplified redundancy procedure applies to redundancies that fall below the thresholds detailed above.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Employment can be terminated based on redundancy, provided that the need for the particular employees' work has ceased due to:

- ▶ Technological reasons (e.g., introduction of new technologies that would lead to decrease of working places)
- ▶ Economic reasons (e.g., work reduction, (partial) closure of business)
- ▶ Organizational changes within the employer (e.g., relocation of the company, merger)

(19) What are the consultation requirements with works councils/unions (if any)?

In the case of a collective redundancy, the employer must adopt a redundancy program. A draft must be communicated to the representative trade union or works council (if any) with the following information:

- ▶ Explanation of the reasons triggering the need for the elimination of work of the impacted employees
- ▶ Total number of employees of the employer
- ▶ Number, education, age, years of service and work positions of the employees to be made redundant
- ▶ Applied selection criteria (if applicable)
- ▶ Proposed employment measures (such as transfer to other work positions, transfer to another employer or transfer to part-time work, enabling additional qualifications or similar measures)
- ▶ Financial means to resolve the social position of the redundant employees (applicable only in RS)
- ▶ Time frame within which the employment will be terminated (applicable only in RS)

FBiH and BD: The consultation process with the representative trade union or works council on the proposed redundancy program must be commenced and finalized at least one month prior to the implementation of the contemplated collective redundancy.

RS: The employer is obliged to communicate the proposed redundancy program to the representative trade union or works council not later than eight days after its finalization, to receive their opinion.

Subsequently, the representative trade union or works council must give its opinion on the proposed redundancy program, especially on the measures proposed by the employer, within 15 days from the date of receipt of the communication. (Such obligation also exists in BD, but there are no deadlines prescribed as in RS).

In all three Bosnia and Herzegovina areas, the employer must take into consideration the opinion of the representative trade union or works council and cannot implement any redundancy before obtaining such opinion. Though there is no obligation for the employer to implement any of the measures proposed by the representative trade union or works council to negotiate an amended redundancy program (if the representative trade union or works council refuses the proposed redundancy program prepared by the employer), it is a leading practice to observe those amendments and opinions. (e.g., case of trade union and works council members, or employees with disabilities), the employer is not entitled to terminate any employment agreement without the explicit consent of the representative trade union or works council. A works council may be organized by the employees working for an employer that has 15 or more employees (in BD and RS) or 30 employees (in FBiH) and it is usually organized to facilitate the resolution of social and economic issues. There is no legal obligation on the employer to establish a works council.

It rarely happens that a trade union or works council is organized within privately held companies - they are more common for state-owned entities. In the absence of a representative trade union or works council, the employer must notify the impacted employees directly.

The labor law of RS does not foresee any sanctions if the employer fails to consult with trade union or works council.

However, it foresees fines in the case of an employer's failure to adopt a redundancy program in the first place. Although there is no direct sanction for not observing consultation requirements, this issue cannot be considered separately from the entire redundancy process.

In addition, if the consultation requirements are not met, the proposed redundancy program and all legal consequences could be challenged by different subjects (employees, trade union or works council) who would most likely succeed in disputing them.

As to the labor legislation in FBiH and BD, there are direct sanctions (i.e., fines) for failing to consult with representative trade union or works council.

Consultation requirements with other employee representatives

There is no such requirement applicable to Bosnia and Herzegovina.

Consultation requirements with employees

There is no obligation to consult the impacted employees before or during the representative trade union/work council consultation process. However, in the absence of representative trade unions or works council, the employer must notify its employees directly by publishing information on a notice board.

In any event, during the collective redundancy process, the employer must notify each of the impacted employees of alternative positions, Social Plan measures and, potentially, their redundancy in accordance with the notification requirements imposed by the relevant labor law in all three Bosnia and Herzegovina areas.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

RS: Employers need an opinion on the redundancy program from the labor authorities (Employment agency) to implement the contemplated collective redundancy. Employers in RS must communicate the “redundancy program” to the employment agency (In parallel with the communication to the representative trade union or works council).

Within a 15-day period from the date of receipt of the communication, the employment agency must correspond to the employer with proposed measures aimed at:

- ▶ Eliminating or reducing the number of redundant employees
- ▶ Giving additional education to the impacted employees, in order to enable their employment in alternative available positions or with other employers
- ▶ Enabling self-employment or similar measures for new employment of the impacted employees

The employer has an obligation to review the proposed measures and notify the employment agency about its view. It is up to the discretion of the employer as to whether any of the proposed measures will be adopted or not. However, the employer in RS cannot implement any redundancy before notifying its view to the employment agency and without obtaining its approval.

BD: Employer is obliged to notify the BD Employment agency on consultations conducted with the works council or a trade union, along with the delivery of the redundancy program. In addition, a copy of the notification delivered to the Employment agency must be delivered to the works council or trade union. The works council or trade union is allowed to submit objections on the redundancy program to the Employment agency.

FBiH and BD: There is no such requirement applicable to FBiH and BD.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

Selection criteria apply only if the employer reduces the number of employees of a certain work position, not if all employees of that position are terminated. The employer is free to determine the selection criteria. None of the labor rules applicable in Bosnia and Herzegovina impose any mandatory selection criteria. However, in the case of a dispute, the Labor Inspectors or competent court will examine the objectivity of the applied criteria.

The applicable labor legislation in Bosnia and Herzegovina provides special protection for employees who are on sick leave (including sick leave due to work injury or occupational disease), maternity leave and paternity leave – termination of employment of such employees will be effective only upon the employee’s return from the leave.

Furthermore, labor laws and employment rulebooks, as the case may be, usually exclude some additional categories of employees from redundancy or impose additional conditions for their redundancy, as follows:

- ▶ Employees with disabilities
- ▶ Trade union and works council representatives
- ▶ Parents with minor children or with children needing special care

(22) Are there any actions required to limit the negative impact of the redundancy?

Prior to the adoption of the redundancy program, an employer has an obligation to apply appropriate measures to mitigate redundancy.

Applicable labor legislation in Bosnia and Herzegovina areas do not set forth specific measures that an employer is obliged to undertake but the general principle is that termination of employment should be the measure of last resort. The employer should do everything possible to limit the negative impact of the collective redundancy on employees. All such measures should be included in a Social Plan. However, the labor laws do not impose any sanctions for failing to implement any mitigating measures, save for the sanctions on an employer for failing to run a mandatory redundancy procedure with notification.

Internal alternative employment/redeployment

The employer should search for appropriate alternative positions for the impacted employees within the company in Bosnia and Herzegovina in order to avoid termination. This is determined on the basis of the organizational structure of the employer and the potential available work positions under the Internal Rules on Organization and Systematization of Working Positions.

Other measures

The Social Plan and/or the redundancy program could include other external measures, such as provision of financial aid to the impacted employees or facilitation of additional training or education for the impacted employees.

(23) What is the estimated timeline for a collective redundancy process?

The time required to fully implement a large-scale redundancy depends on the number of redundancies contemplated.

In addition, the selection process (where applicable) can significantly extend the timeline of the redundancy procedure.

The preparation of the redundancy program and the contemplated negotiation with unions or works council and respectively with the employment agency may take one month, depending on the complexity of the project.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- ▶ Severance payments to redundant employees:

FBiH and RS: At a minimum, one-third of the average monthly salary of the impacted employee paid out in last three months prior to termination per year of service (years of service with a company that is a related party to the current employer should be taken into consideration as well), but not exceeding six average monthly salaries paid out in last three months prior to termination.

BD: Calculated at the same rates as mentioned above, however there is no such maximum amount of any severance payment.

- ▶ Social plan costs:

- ▶ RS: As required by the labor law
- ▶ FBiH and BD: Not applicable

Customary additional costs

RS: The measures of a Social Plan that needs to be adopted in RS may vary depending on the size of the company, the means of the company and its group, previous Social Plans and the employer's potential to provide for a range of measures to limit the negative impact of the redundancies, including outplacement, which is one of the main customary additional HR costs.

FBiH and BD: Additional costs are not applicable since no Social Plan is required.

In practice, employers in Bosnia and Herzegovina offer higher severance payments to the redundant employees to avoid possible disputes.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

The employer is prohibited from hiring employees in the same work positions as those of the redundant employees within one year following the termination of employment. If a work position becomes available during this period of one year, the redundant employees will have priority (i.e., the employer is obliged to first offer that position to the employee who was made redundant, before hiring a new employee to that same position).

(26) What are the risks of litigation caused by the redundancy process?

Interested parties

The following interested parties can bring lawsuits related to the redundancy process:

▶ Impacted employees:

FBiH: If an impacted employee considers that their rights were violated during the redundancy procedure, they can file a request for protection of labor rights to the employer within 30 days of the date of termination of employment. If the employer does not comply with the employee's request within the subsequent 30 days, they can file a claim to the competent court within 90 days of that timeline. The employee is not entitled to file a claim directly to the competent court prior to filing the request for protection of labor rights to the employer except to claim for compensation for damages or for other financial reimbursement.

RS

If an impacted employee considers that their rights were violated during the redundancy procedure, they can initiate court proceedings against the employer within six months of the date of termination of employment.

BD

If an impacted employee considers that their rights were violated during the redundancy procedure, they can initiate court proceedings against the employer within one year as of the date of termination of employment but not later than three years following the termination.

▶ The abovementioned steps related to labor disputes can also be initiated in the following scenarios:

- ▶ If an individual decision does not contain specific reasons for termination of employment of a particular employee
- ▶ If an employee was terminated in violation of the special protection for employees on sick leave or maternity/paternity leave
- ▶ If there was no legal justification for termination

▶ **Labor Inspection:** The Labor Inspection is generally authorized to inspect the general and individual acts of employers related to the employment and labor law, and can commence an independent enforcement procedure against the employer and issue fines if it finds a violation of labor rules by the employer

Notwithstanding the above general rules, the labor laws of RS and BD foresee an explicit right of an employee to complain to the Labor Inspection for protection of their rights within one month from learning of violation of their rights, but not later than three months (RS) or six months (BD), after the executed violation. The Labor Law of FBiH has no similar provision.

Litigation cannot stop or slow down the process as it is usually initiated following the termination of employment (i.e., once the process is completed).

(27) What are the risks of damages or other remedies due to the redundancy process? *(continued)*

If an employee considers that the employment has been terminated in violation of the labor law, they can initiate court proceedings to obtain:

- ▶ Annulment of the termination
- ▶ Reinstatement: Impacted employees can request an alternative position to their former position if the same is not available any more. However, it must be a position that corresponds to their skills, education and professional experience. In most cases, the impacted employees request to be reinstated to their previous positions
- ▶ Damages in the amount of lost earnings (including damages, severance payment and other compensation to which the concerned employee was entitled)

Damages

The amount of damages depends on the impacted employee's claim and applicable labor rules in each Bosnia and Herzegovina area.

FBiH

- ▶ If the employee successfully claims annulment of the termination (for absence of legal grounds) and reinstatement, then in addition to reinstatement, the employee is entitled to damages in the amount of the total earnings (including social and health security contributions), which they would have earned during the period of unemployment from the date

of termination until the court decision, as well as compensation (including any damages that occurred due to loss of employment and earnings)

- ▶ If the employee successfully claims annulment of the termination but did not claim reinstatement, the employee is entitled to compensation of the total earnings (which they would have earned during the period of unemployment from the date of termination until the court decision), damages, severance payment and other compensation which they are entitled to according to the labor legislation, CBA, Rulebooks and employment contract

RS

- ▶ If the employee successfully claims annulment of the termination but did not claim reinstatement, the employee is entitled to compensation of up to a maximum of 12 months' gross salaries (the amount varies depending mostly on the years of service at the employer, age of the employee and their family status)

- ▶ If the employee's claim for annulment of the termination is unsuccessful while successfully claiming violation of procedural requirements, the employee is entitled to compensation for damages in the amount of up to six months' gross salary

BD

- ▶ If the employee successfully claims annulment of the termination (for absence of legal grounds) and reinstatement, then in addition to reinstatement, the employee is entitled to compensation for the damages in the amount of the total earnings (including social and health security contributions) which they would have earned during the period of unemployment from the date of termination until the court decision (with deduction of the salary earned from any other employer during this period)
- ▶ If the employee successfully claims annulment of the termination but did not claim reinstatement, the employee is entitled to compensation of up to a maximum of 18 months' gross salary (the amount varies depending mostly on the years of service at the employer, age of the employee and their family status), severance payment and other compensation which they are entitled to according to the labor legislation, CBA, Rulebooks and employment contract

Reinstatement

Employees are entitled to reinstatement if their termination is deemed unjustified (without any legal cause). Employees can also claim for alternative position to their former positions if the same are not available any more. But it must be a position that corresponds to each employee's skills, education and professional experience. In most cases, the employee's request is to be reinstated to their

previous positions.

Criminal sanctions

In all Bosnia and Herzegovina areas, if an employer fails to comply with the labor legislation, including improper termination of the employment agreement, Criminal Codes prescribe it to be a criminal act. The relevant Criminal Codes prescribe fines and imprisonment for up to one year.

Besides the abovementioned, an employer who fails to adopt a required redundancy program is liable for a misdemeanour and a monetary fine in the amounts prescribed below:

- ▶ FBiH: Up to €1,534 and for repeated misdemeanours, up to €5,113 for the legal entity and a monetary fine of up to €2,556 for the responsible person (usually a director in the legal entity).
- ▶ RS: Up to €6,135.50 for the legal entity and a monetary fine of up to €613.55 for the responsible person (usually a director in the legal entity).
- ▶ BD: Up to €3,579.00 for the legal entity and a monetary fine of up to €511.29 for the responsible person (usually a director in the legal entity).

Brazil

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?	(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?	(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?	(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?	(5) Does the employer have a duty to alert the government if an employee has been diagnosed?
<p>An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:</p> <ul style="list-style-type: none">► Providing disinfectants► Technical possibilities as an alternative to physical meetings (e.g., video conferencing)► Social distancing in the case of work at the company's location► Use of masks► Temperature measurement before entering the company's site, among others	<p>Yes, in case there is a positive diagnosis of COVID-19, or the employee has fever or other symptoms potentially related to COVID-19, the employer can request the employee to stay at home. Otherwise, the employer will be risking the health of others who are in the workplace.</p>	<p>As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic.</p> <p>There is the need to keep confidentiality about employees' medical information, including details of any infection. Therefore, the employer should not communicate the name of the diagnosed individual, but take the necessary actions to identify the group who was in contact with the person in order to evaluate if they may have the disease.</p>	<p>This aspect in Brazil is very sensitive, since the employee has the right to privacy and it should not be the type of information that is part of the employment relationship, unless it is a business trip. Otherwise, it will be an employee's decision to respond to this type of question. However, in order to protect the work environment and its employees, the company may ask for this type of information and implement an internal policy to apply remote work for a specific period of days for those who have been in the designated high risk areas. Employers must rely on employees' common sense.</p> <p>Currently there are guidelines published by the government which establish the need to keep a record of infected employees and those who are suspected of infection, or who have had contact with infected people. This record is kept for possible inspection purposes and should not be published by the company.</p>	<p>No.</p>

(6) Other remarks	(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?	(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?	(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.
Not applicable.	Yes.	<p>From 27 April 2021, Companies are able to suspend the work contract for up to 120 days, due to the COVID-19 pandemic. Companies with gross revenue above R\$4.8 mn in 2019 must keep a payment equivalent to 30% of the employees' salary as compensatory support. Such payment is not subject to payroll taxes and may be deducted from the profit for the purpose of calculating corporate income tax and social contribution due on net profit.</p> <p>Additionally, during the work contract suspension period, the government will pay an additional amount to the affected employees, based on the unemployment aid that is in place in Brazil. For companies paying the compensatory aid mentioned above, government support will be equivalent to 70% of the unemployment aid that the employee would be entitled to receive.</p> <p>In the same way, companies are also able to reduce salaries and work shifts proportionally, up to 120 days, adopting, as a general rule, the reduction rates of 25%, 50%, and 70%.</p> <p>Companies may also provide compensatory aid in the case of salary reduction and shifting to proportional work.</p>	<p>The suspension of a work contract may be agreed between an employer and employee, unless in the following situations that require negotiation with the unions:</p> <ul style="list-style-type: none"> ▶ The employee's salary is above R\$3,300 ▶ The employee holds a graduate degree, and whose salary is equal to, or above, R\$12,867.14 <p>It is possible to have an individual negotiation other than where the salary reduction is equivalent to 25%.</p> <p>During the suspension period, all benefits regularly granted by the company must be paid.</p> <p>In the case of salary reduction and move to proportional work, regarding the requirement to negotiate with unions, please refer to comments in Q7(i).</p>

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
<p>Yes.</p> <p>It will depend if employer has already formalized the employee hiring process. If not, and in case it is not possible to apply the home office regime, the hiring company could postpone the start date.</p>	<p>No.</p> <p>Unless the new hired professional has any symptoms (such as fever) and/or is infected by COVID-19.</p>	<p>Yes, if the employee is unable to work according to the initial medical examination.</p>	<p>Yes, there are a number of employment obligations including maintaining health and safety of employees. Consider whether the employee can be accommodated (e.g., remote working)</p> <p>Before the employee starts working, it is mandatory to have an admission medical exam in order to confirm if the individual is able to start work (from a medical perspective). And it is an employer responsibility.</p> <p>If the start date is postponed after the admission process is formalized, a compensation payment will be applicable as well as other benefits the company may grant to its employees.</p>

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(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.	
Not applicable.	Not applicable.	<p>Employees who are suspected to be diagnosed with COVID-19, should be at home for at least 14 days. During this period, employers need to provide compensation payment. In case, after 15 days the employee is not able to work (even from home), they will be entitled to social security benefit due to sick leave.</p> <p>Additionally, once there is a diagnosis of COVID-19 and the employee needs to be absent for a long period before they are recovered, as a general rule, the Social Security System will be responsible for the payment of compensation during the sick leave period after 15 days, until the employee is able to return to work.</p>	<p>Only if there is a medical recommendation (written) provided in this regard.</p>

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

Even though there is no regulation in place specific for this type of situation, employers in Brazil may adopt alternative ways of work such as home office/remote work.

Any decision to postpone the start date of a new hire should be taken before the hiring process is concluded/formalized.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

There is no specific measure prescribing obligations for employers regarding schools and kindergartens being closed due to the COVID-19 pandemic. But many companies have adopted remote working and, even though there is renewed focus on returning to the office, work-at-the-workplace policies usually exclude those who need to take care of either children or elderly people, maintaining the remote working regime for a longer period.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

The main programs currently in place that may be adopted by the companies are the suspension of the work contract and the reduction of salary or moving to shift work.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

In general, all companies could benefit from the measures, but there are some specific rules to be observed, for examples regarding formalization, deadlines and applicable percentages.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Some of the measures only require formalization with the employees. But salary reduction and work contract suspension require the employers to formally communicate to the government and also Unions within 10 days after any agreement is signed. The government needs to receive the information in order to make the emergency additional payments to the employees. Payments will be made after 30 days after the communication is received.

(17) What is the legal framework for collective redundancies?

In Brazil, the main legislation that addresses collective redundancies is the Consolidation of Labor Laws (CLT). The collective dismissal topic was included in the CLT by the Labor Reform, through Law no. 13,467 of 2017. Until then, collective dismissal was not regulated by specific legislation, but discussed by labor jurisprudence. The understanding was that communication with the labor unions was necessary prior to collective dismissal processes.

The Labor Reform laws raised the issue of collective redundancies in Art. 477-A, proposing an understanding contrary to the prevailing jurisprudence. In that Article, the position is that there is no need for prior authorization from a union or the conclusion of a Collective Agreement for unjustified dismissals (for individual or collective dismissals). However, this legal provision is subject to discussion and the need for prior communication to employees' unions is still supported by the courts, mainly due to the social impact that mass dismissals have on society.

Art. 477-B of the same law addresses the Voluntary Dismissal Plan alternative. The Article states that this possibility must be established by Collective Agreements negotiated with the relevant unions. For this procedure, the legislation determines that the adoption of the Plan entails full and irrevocable discharge of the rights resulting from the employment relationship, unless otherwise stipulated between the parties.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

There is no need for legal justification, according to Brazilian legislation. But even though it is not mandatory to have the union's prior agreement, it is usually needed to present the details of circumstances and reasons that justify the procedure.

(19) What are the consultation requirements with works councils/unions (if any)?

There are no legal requirements for communications to work unions/councils, according to recent legislation.

However, due to the court decisions in recent years and considering the social impact of mass dismissals, prior communication to union entities is recommended.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

No, in the Brazilian legislation, there is no need to notify Labor authorities or other government authorities, according to current legislation. On the other hand, jurisprudence is favorable to such communication.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

In Brazilian legislation, there is no specific criteria for choosing the employees to be dismissed.

Companies should take into account employees who have stability provided by Brazilian Law, such as pregnant women and professionals with/recently returned from diseases/work accidents.

In addition, it is important to consider other types of stability that may be applicable.

Dismissal of employees during a stability period will demand the payment of an indemnity and may be questioned in the future.

(22) Are there any actions required to limit the negative impact of the redundancy?

Even though union involvement is not required by law, they are very active and may claim specific actions from the company in this regard. However, such eventual requirements will be negotiated on a case-by-case basis.

(23) What is the estimated timeline for a collective redundancy process?

There is no specific timeline for collective redundancy processes in Brazil. The timeframe depends on the complexity of the dismissal planned by the business (e.g., number of employees to be dismissed, consultation with the Labor unions, etc).

Please note that the employees who will be dismissed must be previously notified according to the following deadlines (Art. 487 from CLT):

- ▶ Eight days, if payment is made per week or less frequently
- ▶ 30 days to those who receive fortnightly or monthly payments, or who have more than 12 months' service with the business
- ▶ A specific prior notice period may be established by collective agreement

(24) What are the estimated costs?

In general, severance payments include:

- ▶ Salary balance: Payment of working days in the month in which the contract was terminated
- ▶ Proportional Christmas bonus: Proportional payment considering the months worked during the year, until the date of the termination of the contract
- ▶ Christmas bonus over the Prior Notice: Payment of the portion within the payment in lieu of notice
- ▶ Proportional Vacations: Payment of accrued vacation time during the current employment year and not yet taken. It is important to mention that the package related to the Indemnity Prior Notice (please refer to 'Indemnity Prior Notice' mentioned below) must be considered in this calculation
- ▶ Past Due Vacation: If applicable, the payment of unused vacation days in the correct period, i.e., those which were due, which the professional could have taken
- ▶ One third additional due on vacation pay: Payment of one third additional due on total vacation amount
- ▶ Indemnity Prior Notice: For employees that worked less than one year for the company, the payment corresponds to 30 days of salary. For those employees who have more than a year in the company, the indemnity prior notice of 30 days will be added - three days for each completed year, limited to 90 days - to be calculated as the basis of payment
- ▶ Employee's Severance Fund (FGTS) penalty: 40% on the total FGTS balance
- ▶ Indemnity due to dismissal during stability period, if applicable

(25) Are there any hiring/re-hiring restrictions post-redundancy?

Yes, according to Brazilian legislation, the company cannot hire the same professional in a period of six months from the dismissal date. If the company does not observe this period, it may result in the period of dismissal being considered as contractual time for all labor matters.

However, during the COVID-19 period, there is a specific regulation which allows companies to hire former employees after a shorter period.

(26) What are the risks of litigation caused by the redundancy process?

Dismissed professionals may bring a court claim for invalidity of termination of the employment contract. In general, this could happen if the professional has some stability from legal matters or collective agreement disposals that were not observed.

Labor authorities: If the collective redundancy represents relevant impact on the society, do not discount the possibility of enquiries by the Labor Public Ministry. Although the Brazilian legislation mentions the possibility of collective dismissal without labor union involvement, there have been some decisions from the labor court justifying this need, in order to promote a fair dismissal process.

(27) What are the risks of damages or other remedies due to the redundancy process?

Reinstatement

Under certain circumstances, certain employees have special protection against dismissal according to CBAs and Brazilian Law. In this case, if dismissed, professionals may sue the business and, if successful at court they must be reintegrated into the business.

Penalties by Labor Authorities

Businesses may be assessed and sanctions imposed by the labor authorities if the collective dismissals are considered unfair.

Criminal sanctions

There are no criminal sanctions determined by law in the case of collective redundancy, as long as the labor law is observed.

Bulgaria

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?	(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?	(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?	(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?	(5) Does the employer have a duty to alert the government if an employee has been diagnosed?
<p>An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:</p> <ul style="list-style-type: none">▶ Providing disinfectants▶ Technical possibilities as an alternative to physical meetings (e.g., video conferencing)	<p>The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace. In practice, this will usually be resolved by allowing employees to work remotely.</p> <p>The most recent legislative amendments permit employers to introduce remote working unilaterally for the duration of:</p> <ul style="list-style-type: none">▶ The state of emergency▶ The emergency epidemic situation▶ The subsequent two months <p>If this is not possible, the employee should be put on garden leave with full benefits.</p>	<p>As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic. For example, in countries for which GDPR applies, personal health data should be processed, stored, secured, accessed and destroyed in accordance with that legislation.</p> <p>Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. Health data can be processed in accordance with the GDPR and supplementary domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.</p>	<p>In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment.</p> <p>Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment. Certain exceptions may usually apply in the case of employees working remotely. An assessment should be made on a case-by-case basis.</p>	<p>No.</p>

(6) Other remarks

- ▶ Employers in Bulgaria are responsible for health and safety at work not only in respect of their employees but for all other individuals in or near the working premises as well
- ▶ Employers are required to provide introductory and periodic health and safety briefings and inform employees on the measures undertaken for mitigation or control of those risks
- ▶ The Minister of Health issued orders in relation to the pandemic measures. These orders are issued for a certain period of time and contain restrictions and measures required to limit and reduce the spread of COVID-19. The Minister of Health has also issued an order containing measures that must be followed by employers at the workplace, including introducing remote working /flexible working time/working in shifts to be established in entities where this is possible, regular ventilation and disinfection of the work premises, and maintaining physical distance between the employees

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

The Act on the Measures and Actions during the State of Emergency Declared by a Resolution of the National Assembly of 13 March 2020 and on addressing the consequences (State of Emergency Act) was promulgated on 23 March 2021. It was most recently amended and supplemented on 1 May 2021, to address the constantly changing environment.

The State of Emergency Act makes provision for an employer to assign homeworking and remote work unilaterally, by issuing an order during:

- ▶ The state of emergency
- ▶ The emergency epidemic situation
- ▶ The subsequent two months

The previous provisions in the Labor Code stipulated that such transition to homeworking or remote work may only be negotiated by signing a bilateral agreement between the employer and the employee.

According to State of Emergency Act, the employer also has the right to introduce part-time work for full-time employees for the whole or part of the period set out above. Under the standard rules, an employer may introduce part-time work in the case of decrease in the workload for a total period of up to three months. In any case, working time may not be reduced by more than 50% compared to the standard working hours.

Under the State of Emergency Act, the employer is entitled to order employees to take up to half of their annual paid leave entitlements without their prior consent. In addition, in the case of an employer's order or an order of a state body that terminates the work of the whole enterprise, part of the enterprise or individual employees due to the state of emergency, the employer has the right to grant all the annual paid leave to the employees (or some of them) without their consent.

<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>Please refer to the comments in Q7.</p> <p>In addition, a number of governmental support programs were launched to support businesses during the COVID 19 pandemic. Depending on the sector of the company, it may apply for state support under the applicable program. Moreover, there are some measures concerning the options to restructure existing financings that may be in default due to the COVID-19 pandemic.</p>	<p>No. in this respect the general information and consultation procedures apply. These require consultations in cases such as mass lay-offs, introduction of reduced working time for reasons other than the COVID-19 pandemic.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
		<p>Yes. In such case, the employer would most probably be subject to an obligation not to admit employees to its premises. Moreover, a practical impossibility to admit the new employee for reasons outside of the control of the employer would generally relieve the employer from its obligations.</p>	<p>Yes. No similar provisions exist in the law. However, in general, it may be argued that the employer's health and safety obligations should prevail over the employee's right to start work on the agreed commencement date.</p>	<p>Yes. Currently, individuals with COVID-19 are quarantined.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>No.</p>	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>The employment relationship commences on the start date. In case the employee does not appear within the statutory terms, the employment relationship is deemed ineffective except where the employee has failed to appear on the agreed start date but has informed the employer that the employee is prevented from appearing to work for reasons outside of their control. Depending on the reason for closing the office (e.g., certain businesses had to suspend work based on orders issued by the competent authorities), the employer may have to pay compensation to the employee.</p>	<p>Please refer to the comments in Q10(i). The date of commencement of the employment depends on the first working date. In case the employer refuses to admit the employee to work based on suspicion of infection, the employer may have to pay the full remuneration to the employee. In case the employee is prevented from attending the office due to quarantine, this will not trigger any compensation obligations from the employer.</p>	<p>In such case, the employee should be quarantined and take sick leave. Where the other requirements of the law are met, the employee would be entitled to compensation for sick pay based on the general rules (i.e., three days payable by the employer, the rest payable by the National Social Security Institute where the employee is entitled to such compensation).</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

The employer cannot force the employee to avail sick leave as sick leave is regulated by special acts. The procedure for claiming sick leave involves visiting a physician or competent health authorities and obtaining a sick leave certificate.

In case the employer denies access to the working premises to the employee, the employer may be held liable for payment of the full remuneration to the employee for the time of suspension if such suspension is later found to be unjustified.

Where the employee has tested positive, the employer shall prevent them from appearing for work.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

No.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Bulgaria is introducing regular additional measures. No special exemption applies for additional paid leave for employees whose children are out of school. The Ministry of Health has issued some information of the rights and obligations of the parents in the case of COVID-19 in the school/kindergarten. The parents of a quarantined child (infected with COVID-19 or a child that is a contact person of an infected one) have the right to use sick leave for the period of the quarantine of their child. According to the Ministry, these employees also have the right to go to work if their child is quarantined (meaning that they are not under obligatory quarantine with their child).

Thus, employees have the option to take any of the following leave:

- ▶ Use sick leave for their quarantined child, where the child has been officially quarantined and a sick leave certificate has been issued
- ▶ Annual paid leave
- ▶ Unpaid leave - such leave is subject to approval by the employer
- ▶ Use leave for taking care of a child up to the age of two - the compensation due in such case is due from the national social security institute at the minimum amount, provided that the employee qualifies for the payment
- ▶ Special unpaid leave of up to six months for taking care of a child up to the age of eight. Such leave is available for all parents and each of the parents is entitled to transfer up to five months of such entitlement to the other parent. The employees are entitled to such paid leave by law

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

The government has issued a Decree (151 of 3 July 2020) determining the terms and conditions for the payment of funds for maintaining employment after the state of emergency, and the pandemic state, which was last amended in October 2020. Under this program the government, covers up to 60% from the insurance income of the employees and 60% of the social security contributions due by the employer for the month August 2020. The remaining 40% of the employees' remuneration shall be paid by the employer (Program 60/40). The support is available for employers who have:

- ▶ Workers and employees, whose work has been suspended during the period of the state of emergency or of the declared pandemic emergency by order of an employer (Art. 120c LC)
- ▶ Workers and employees who, during the period of the state of emergency or the declared pandemic have, worked part-time
- ▶ Workers and employees who, during the period of the state of emergency or the pandemic, have used leave on the grounds of Art. 173 of the Labor Code
- ▶ Workers and employees, whose employment is preserved after mass redundancies under Art. 130a of the Labor Code and of Art. 24 of the Employment Act during the period from 13 March to 30 June 2020
- ▶ Workers and employees outside the above points who are in the hotel and restaurant sector and the economic activity category "Other passenger land transport, not elsewhere classified in the Classification of Economic Activities"

The payments will be made for the whole or part of the period between 1 October to 31 December 2020.

The employer who has received funds for maintaining employment under the decree must pay the employees remuneration in the amount of not less than the amount of the insurance income for August 2020 and pays the insurance contributions due for the respective month. In order to be able to benefit from the measures, employers shall comply with certain additional requirements such as limitations concerning termination of employees.

The employer is entitled to request state support in respect to selected employees, however such employees may not be dismissed for a period equal to the period of support.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

For Program 60/40, companies have the right to apply if they:

- ▶ Are natural or legal persons, either local or foreign legal entities, which carry on business in Bulgaria
- ▶ Have declared reduced revenues as follows:
 - ▶ For the entities established before 1 September 2019: Not less than 20% in the month preceding the month of submission of the application for payment of funds, compared to the same month of the previous calendar year
 - ▶ For entities established after 1 September 2019: Not less than 20% in the month preceding the month of submission of the application for payment of funds, compared to the average income for January and February 2020
- ▶ Have no tax or social security contributions obligations which have become overdue
- ▶ Are not insolvent/not in liquidation
- ▶ Retain the employees for whom they have been compensated for a period not less than the period for which the compensation has been paid
- ▶ Do not terminate employees' employment contracts on specific grounds of the Labor Code during the period for which the employer is compensated
- ▶ Do not have a penal decree or court decision under certain provisions of the Labor Code and the Labor Migration and Labor Mobility Act during the period of six months prior to their application under the program

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Not applicable, as the application deadlines have expired.

(17) What is the legal framework for collective redundancies?

Workforce transformation, also referred to as collective redundancies, is governed by the Labor Code, and primarily by its regulations under Art. 130a, Art. 24 and 25 of the Employment Promotion Act are also applicable.

According to the Labor Code, "collective redundancy" is defined as termination, within 30 days, and for one or more reasons unrelated to employees' individual performance or behaviour, of at least:

- ▶ 10 employees, in a company with 20-99 employees, during the month preceding the collective redundancy
- ▶ 10% of all employees, in a company with 100-299 employees, during the month preceding the collective redundancy
- ▶ 30 employees, in a company with more than 300 employees, during the month preceding the collective redundancy

Collective redundancies trigger a complex process involving consultations with unions and employee representatives.

CBA's cannot modify the rules.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Workforce transformation must be justified by the following economic or financial grounds:

- ▶ Closure of the business
- ▶ Closure of part of the business
- ▶ Personnel reduction
- ▶ Decreased work volume
- ▶ Suspension of work for more than 15 working days

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

At the outset, the employer must provide an 'information memorandum' on the collective redundancy to employee representatives which includes the following:

- ▶ Reasons for collective redundancy
- ▶ Period during which collective redundancy is to be effected
- ▶ Number and category of employees in the company
- ▶ Number and category of employees to be dismissed
- ▶ Applicable compensation

Within three days of providing the information memorandum, the employer must send a copy of it to the Bulgarian Employment Agency.

Only after the information memorandum has been sent can the employer start consultations with the union (if any) and employee representatives, which should be carried out at least 45 days before executing the collective redundancies. The goal of the consultation is to reach an agreement aimed at avoiding or limiting the negative impact of the collective redundancy. For more information on limiting the negative impacts, please refer to comments in Q22. There is no obligation for the employer to reach an agreement. It must only consult and negotiate with the unions and employee representatives.

Unions

Union representatives (if any) play a role in the collective redundancy process by taking part in the consultations and being part of the team of experts who prepare certain measures that seek to limit the negative impact of the collective redundancy.

Employee representatives

Employee representatives (who have been elected in the general meeting of all employees) also participate in the consultation and negotiation of an agreement that seeks to limit the negative impact of the collective redundancy.

The procedure and manner of the consultations shall be determined collectively by the employer, the unions (if any) and the employee representatives.

Consultation requirements with other employee representatives

The mandatory consultations involve only the unions and the elected employee representatives. There is no consultation requirement with any other employee representatives.

Consultation requirements with employees

While the information memorandum must be sent to employee representatives/unions, there is no obligation to consult the employees themselves before or during the consultation process. The employer is free to communicate with employees on the contemplated restructuring, provided that the employee representatives have prior notice of any information distributed.

After the consultation process with the unions and employee representatives, the employer must notify each of the impacted employees of their redundancy, by means of a registered formal letter, including the mandatory information. This notification takes the form of a written order, which should include all compulsory information, and should be issued to an affected employee in every case of dismissal, and not only in the case of collective redundancy.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

The collective redundancy process does not require the prior approval of the labor authorities.

The employer must send a copy of the information memorandum provided to the employees to the Bulgarian Employment Agency within three days of provision to employees.

The employer must also send a written notification to the territorial division of the Employment Agency concerning the planned collective redundancy no later than 30 days in advance of the execution of the collective redundancy. It should contain both the materials from the information memorandum and the outcome of the consultation.

This notification should be provided to the employee representatives within three days after its official submission to the Employment Agency.

In parallel, a team must be formed to propose suitable measures regarding those who are to be dismissed. The team consists of an employer representative, employee representatives, the Employment Agency representative and the municipality representative.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

The Labor Code mandates objective selection criteria for the impacted employees in cases of closure of part of the business, personnel reduction or decreased work volume. Thus, the employer is not free to choose which employees are to be made redundant but must apply objective criteria in advance to keep the better performers and the more qualified employees.

These two general selection criteria (qualification and better performance) are provided by the Labor Code.

“Qualification” criterion may include education, knowledge, skills, language fluency, certification, length of service, etc, and “better performance” criterion relates to strictness and efficiency of the performance and target achievement.

Special protection is provided to certain employees during the redundancy process, particularly:

- ▶ Pregnant women and mothers of children up to three years of age
- ▶ Occupational rehabilitees (i.e., disabled people)
- ▶ Employees suffering from certain serious diseases
- ▶ Employees currently using permitted leave
- ▶ Elected employee representatives
- ▶ Members of the union’s governing body

(22) Are there any actions required to limit the negative impact of the redundancy?

The employer must do everything possible to limit the negative impact of the collective redundancy on the employees. The intended goal of the required consultation and discussions is to reach an agreement between the participants to limit the scale of the redundancy and its consequences on the employees.

Internal alternative employment/redeployment

Besides the mandatory consultations, the employer has no additional engagements or obligations to search for alternative employment for the impacted employees.

Other measures

After the consultation with the unions and employee representatives, the law requires that a special steering committee be formed to find suitable measures regarding the employees who will be dismissed. The committee may suggest such suitable mitigating measures either before or after the execution of the redundancies, depending on how quickly and efficiently the committee works.

The committee consists of representatives from the employer, employee, the Employment Agency and the municipality administration. The mitigation measures to be proposed by the committee should promote future employment, encourage education for older employees, promote independent business and implement employment programs.

(23) What is the estimated timeline for a collective redundancy process?

The legal time frame for collective redundancies may vary depending on the organization and administrative capacity of the company but the minimum time envisaged by law is 45 days after the information memorandum is provided to the unions (if any) and employee representatives.

(24) What are the estimated costs?

Mandatory costs

The law does not set forth any specific payments related to collective redundancy except the standard termination payments. The key components of mandatory HR legal costs are as follows:

- ▶ Notice or indemnity in lieu if the employee is released from work during the notice period
- ▶ Monetary compensation for unused annual paid leave
- ▶ Compensation for unemployment after the dismissal (in the amount of up to a month's gross salary in total) is due only after the employee proves that they remained unemployed for a certain period, or that they have received a lower salary at their new employer
- ▶ Irrespective of the grounds for termination, employees who have acquired entitlement to retirement and have reached the required retirement age should be paid compensation amounting to two months' gross remuneration, or six months gross remuneration, if the employee has worked for the same employer for the last ten years

CBA's can modify these rules by fixing a certain amount of compensation that is more favorable for employees.

Customary additional costs

Social measures may vary depending on the CBA, trades union, size of the company, the means of the company and its group, previous Social Plans and the employer's potential to provide for a large range of measures to reduce the negative impact of the redundancy, including outplacement, which is one of the main customary additional HR costs.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

Employers that carried out a collective redundancy are not allowed to sign an agreement with temporary work agencies and hire personnel within six months after the collective redundancy.

(26) What are the risks of litigation caused by the redundancy process?

Each impacted employee may challenge the legality of the dismissal before the respective regional courts within two months from the date of dismissal. Unions may represent employees before the court, but only upon request of the employee.

Litigation cannot stop or slow down the collective redundancy process. It is important to mention that non-compliance with the rules for collective redundancies (i.e., consultation and notification) may lead to monetary sanctions for the employer, but would not make the dismissals illegal.

However, not strictly observing the rules regarding the specific grounds for termination, as well as the employee's protection in certain cases may lead to illegality of the individual dismissals.

(27) What are the risks of damages or other remedies due to the redundancy process?

According to the Labor Code, illegally dismissed employees may make a compensation claim for up to six months' gross salaries. Moreover, the authorities may also impose monetary sanctions for non-compliance with the collective redundancy rules.

Damages for unfair dismissal

Damages in cases of collective redundancy could be awarded to employees based notably on:

- ▶ Absence of legal justification for termination of employment
- ▶ Failure to apply the selection criteria properly
- ▶ Not respecting special protection from dismissal awarded to the employee

In any case, damages cannot exceed six-month gross salaries. If the employee has been working within the six-month period after the termination, they are entitled only to the difference between their current remuneration and what they received before the dismissal.

There are no punitive damages that could be awarded to employees in Bulgaria.

Reinstatement

Each employee is entitled to reinstatement within the company if the dismissal is declared illegal (i.e., in the case of violation of rules regarding the specific grounds for termination or employee's protection).

Criminal sanctions

Criminal sanctions for non-compliance with the collective redundancies rules are not provided by the Bulgarian legislation.

Failure to comply with the collective redundancy rules may lead to administrative sanctions for the employer as given below:

- ▶ A fine of BGN 200 for each employee made redundant (if the employer had not notified the Employment Agency or the redundancy was carried out before the expiration of the 30-day period)
- ▶ Fines in the amount of approximately BGN1,500 to BGN 5,000 due by the legal entity. Any responsible individual is also liable to fines of approximately BGN 250 to BGN 1,000 for each violation (in the event that the employer has failed to comply with the consultation process and the preliminary provision of information to employee representatives)

China Mainland

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?	(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?	(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?	(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?	(5) Does the employer have a duty to alert the government if an employee has been diagnosed?
<p>An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:</p> <ul style="list-style-type: none">► Providing disinfectants► Technical possibilities as an alternative to physical meetings (e.g., video conferencing)	<p>The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace.</p> <p>In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee should be put on garden leave with full benefits or other working arrangement/leave, upon consultation with the employee.</p>	<p>As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic.</p> <p>Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people.</p> <p>Health data can be processed in accordance with the relevant domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.</p>	<p>In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.</p>	<p>Yes.</p>

(6) Other remarks

It is the employer's obligation in China Mainland to report the to government if any of the employees has been diagnosed with COVID-19.

In China Mainland, the individual who comes back to the working location needs to be isolated for at least 14 days before they return to work, and they need to advise the employer and/or the neighborhood committee regarding their travel destinations. The individual will face legal liability if they conceal their travel to high risk or restricted areas and spread an infection.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes.

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?

- ▶ Employers are encouraged to arrange for employees to work at home or remotely
- ▶ Employers may consult with employees to give priority to use statutory paid annual leave and welfare leave
- ▶ Employers may consult with employees to reduce normal working hours
- ▶ Employers are encouraged to arrange for employees to adopt flexible working hours but ensure effective working time by avoiding peak travel times. For example, employees may attend the workplace in staggered shifts

In addition, the employer may apply to the local government for a special working system permit, which includes adapting the usual working hours as well as flexible working arrangements for employees, based on their work activities.

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

Consultation with the trade union will be required for the employer's significant decisions relating to:

- ▶ The company's operation, such as the employer deciding to cease operation due to business challenges rather than government restriction
- ▶ The employees' vital interests (e.g., the employer would like to adjust an employee's salary, role or responsibility and working hours due to difficulties in production and operation caused by the COVID-19 pandemic

Such adjustments can only be proceeded with upon mutual consultation and agreement with employees or via collective negotiation with the works councils and/or trades union.

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
Yes.	Yes.	Yes.	No. However, a notice to the candidate should be delivered to postpone the start date accordingly.

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(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?		
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.
Not applicable.	Not applicable.	Not applicable.

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
<p>No.</p> <p>However, if the employee is diagnosed with COVID-19, the normal wage shall be paid during medical treatment periods. For an employee who is not able to return to work and still needs medical treatment after the above treatment period, the rules and payment of standard sick leave are likely to be applicable.</p> <p>Please refer to the comments in Q7(i).</p>

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?
No.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Not applicable.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

For the companies with difficulties due to the COVID-19 pandemic, the government established preferential policies to support employers during this period, which include:

- ▶ Employers can apply for a subsidy for online skills training they arrange during this period
- ▶ The local government may reduce the work-related injury and unemployment insurance rates
- ▶ The local government may implement the policy of expanding the scope of work-based training. For the micro, small and medium-sized enterprises that have temporary difficulties in production and operation resulting in shutdowns, if work-based training is offered, subsidies for vocational training will be provided based on the number of workers who are trained
- ▶ The local government may, in light of their specific situations, extend subsidies to various enterprises in sectors that are greatly affected by the COVID-19 pandemic (e.g., accommodation, catering, cultural tourism, transportation, wholesale and retail)
- ▶ The labor administrative department shall also provide sufficient and necessary support and guidance on the employers' recruitment and employment management

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Please refer to the comments in to Q14.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Applications should be submitted to the social insurance management center and the applicable local human resources and social security bureau, as each locality has specific procedures and government criteria.

Please refer to the comments in Q14.

(17) What is the legal framework for collective redundancies?

In China Mainland, the primary national legislation related to collective redundancy is the Employment Contract Law of China (ECL) and the Circular of the Ministry of Labor and Social Security on Promulgating the Provisions on Enterprises Using Redundancy for Economic Reason. Each city may also have its own local rules regarding the same.

Collective redundancy rules apply to the termination of:

- ▶ 20 or more employees
- ▶ Less than 20 employees but comprising more than 10% of the enterprise's workforce

The complex process has five key features:

- ▶ Legal justification
- ▶ Trade union or employee consultation with full workforce
- ▶ Labor administration approval
- ▶ Robust Social Plan
- ▶ HR legal costs

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Workforce transformation must be justified on the following economic or financial grounds:

- ▶ Restructuring in accordance with the enterprise bankruptcy law
- ▶ Severe operational difficulties
- ▶ Changes in the business nature, significant technological reforms or adjustments in the business model
- ▶ Other major changes in objective economic circumstances, under such that the employment contracts can no longer be performed

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

Trades union: Trades union may play a role in a large-scale redundancy process. The employer must choose to notify the trade union or all employees 30 days prior to implementing the collective redundancy. The employer must present its redundancy plan to the trade union or all employees, including the following information:

- ▶ The enterprise production and business operations
- ▶ List of the proposed redundant personnel
- ▶ Planned date of redundancy and how it will be implemented
- ▶ Compensation plan for retrenched personnel as per the legal provisions, government regulations and the collective contract (if any)

The employer must solicit the opinion of the trade union or all employees on the redundancy plan, and try to revise and improve the proposed plan. A trade union has the power to demand the employer's review and change the employer's decisions on collective redundancy if the employer is found to seek redundancy in violation of the law, regulations and the collective employment contract signed between the employer and the employees.

Consultation requirements with other employee representatives

The employer is required to notify and consult either all of its employees or employee representatives selected according to the law.

Consultation requirements with employees

The employer is required to notify and consult either the trade union or all of its employees before collective redundancy, solicit their opinion on the redundancy plan, and try to revise and improve the plan.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

The employer shall report and file the redundancy plan with the labor administrative department after the information and consultation processes with the trade union or all employees have taken place. Approval from the labor administrative department is necessary for implementing the proposed collective redundancy.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

Employers are not free to choose which employees will be made redundant in a collective redundancy process. Employers must give priority to the following employees to retain their employment in collective redundancy, along with the consideration of the employer's business requirements:

- ▶ Employees who have fixed-term employment contracts with the company for a relatively long time
- ▶ Employees who have indefinite-term employment contracts
- ▶ Employees whose families have no other employed persons and have elderly or minor family members to support

Further, employers are restricted from terminating an employment contract in a collective redundancy under the following circumstances:

- ▶ The employee is engaged in a work that exposed them to the risk of occupational illness, and the employee either has not yet completed a pre-dismissal health exam or is suspected of having a work-related illness for which they are being diagnosed or examined
- ▶ The employee has an occupational illness or sustained a work-related injury, due to which they had been confirmed as having totally or partially lost the ability to work
- ▶ The employee has an illness or sustained a non-work-related injury and is currently within the medical treatment period
- ▶ Pregnant employees or employees within the maternity leave or post-natal period
- ▶ An employee who has been working continuously with the employer for 15 years or more and is within five years of statutory retirement age
- ▶ An employee subject to other circumstances as stipulated by laws and administrative regulations

(22) Are there any actions required to limit the negative impact of the redundancy?

The employer must take actions, including a Social Plan, aimed at limiting the negative impact of the collective redundancy, depending on the means available to the company. Procedurally, before the general approval process involving the participation of the employees or the trade union, the employer is advised to take the following appropriate mitigating measures:

- ▶ Discontinuation of new staff recruitment
- ▶ Termination of all contingent workers serving the employer at that time period
- ▶ Discontinuation of overtime work
- ▶ Negotiation of salary reductions with employees

Internal alternative employment/redeployment

The employer must provide their impacted employees with training courses or help with re-employment where possible.

Other measures

The employer is advised to take other measures, such as providing financial aid to the impacted employees if possible. The employer is also required to provide compensation (i.e., statutory severance calculated based on the years of service) to the impacted employees.

(23) What is the estimated timeline for a collective redundancy process?

There is no legal time frame to complete the collective redundancy process, which may vary based on the number of impacted employees, size of the company, involvement of the labor administrative department and whether there are unresolved disputes between the employer and employees.

However, in practice, the information or documentation and consultation processes with a trade union (or all employees) and the reporting procedure with the labor authorities may take about one to three months.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs include the following:

- ▶ Payment of compensation to impacted employees
- ▶ Salary for the final month's service (even if the employee is released from working during such period)
- ▶ Severance payment in accordance with the number of years worked for the employer, at the rate of one month's salary for each full year of service. Where the period of service is six months to one year, it shall be calculated as a full year. Where it is less than six months, the severance payable shall be one-half of one month's salary, entitlement to bonus (if any) and other payments agreed by the parties in the employment contract or based on the employer's rules and policies

Customary additional costs

The measures of other costs, such as a Social Plan, may vary depending on the size and means of the company, and the employer's potential to provide for a large range of measures to limit the negative impact of the redundancies.

In practice, employers in China Mainland provide an *ex gratia* payment to the impacted employees to limit the negative impact of the redundancies and limit or avoid the possibility of any labor disputes.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

There is no hiring freeze period applicable following a collective redundancy. However, within six months after the collective redundancy has taken place, the employer is required to report the following matters to the local labor administrative department:

- ▶ Number of new recruitments
- ▶ Time of recruitment
- ▶ Conditions of recruitment
- ▶ Other relevant information when hiring new employees (within six months after the redundancy)

Further, where an employer makes employees redundant and hires new employees within six months after collective redundancy, a notice must be given to those employees who were made redundant and, all other circumstances being equal, such persons must be given priority in the hiring process.

(26) What are the risks of litigation caused by the redundancy process?

Once the labor authorities' process is over, and not before, the impacted employees may bring a claim or apply for labor arbitration or litigation related to the collective redundancy process within one year from the date on which the impacted employee knew or ought to have known that their rights had been infringed.

Litigation cannot stop or slow down the collective redundancy process. However, because of litigation, the collective redundancy process may be declared void and such redundancy may be deemed as an illegal termination, even if the labor administration had provided the employer with its approval.

(27) What are the risks of damages or other remedies due to the redundancy process?

Challenges could lead to civil remedies but no criminal sanctions.

Damages for unfair dismissal

If the collective redundancy process is declared void, the impacted employees can either claim for reinstatement to their job positions or for payment of damages for wrongful termination.

If an employee does not request reinstatement, or where the contract could no longer be performed, the employer is required to compensate the employee by paying 200% of the severance amount required by law. The severance amount is based on the number of years worked for the employer, at the rate of one month's salary for each full year of service. Where the period of service is six months to one year, it shall be calculated as a full year. Where it is less than six months, the severance payable shall be one-half of one month's salary.

Reinstatement

If the collective redundancy process is declared void, the impacted employees can either claim for reinstatement to their job positions or for payment of damages for wrongful termination.

If the claim for reinstatement is successful, the employer is also generally ordered to pay the employee's salary up to the date of the arbitral award or judgment (as the case may be). This issue could be significant since legal proceedings have the potential to extend for more than a year in China Mainland.

Criminal sanctions

There are no criminal sanctions.

Colombia

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

The employer's obligations are:

- Establish communication channels with the health authorities to report any suspected cases of infection
- Confirm distribution of the guidelines issued by health authorities regarding the preparation, response and care of possible cases of infection
- Provide employees with soap, disinfectants for proper hand washing and disposable towels for hand drying
- Provide employees with Personal Protection Equipment (PPE) such as gloves, glasses and aprons, to those employees who may be more exposed due to the type of tasks being rendered
- Clean and disinfect work surfaces, including telephones, computer equipment and other devices frequently used by employees
- Adopt flexible schedules in order to reduce staff conglomerations
- Create a report in which each employee declares their health status each day, as also their contact chains in case they report an infection

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

Yes.

The government has announced that physical return to work places will be conditioned to certain biosecurity standards, that companies will have to define in internal policies.

The company can decide if employees that report symptoms such as fever, cough, troubled breathing, dizziness and headaches, among others, should not attend any duty offices in order to avoid a potential infection due to COVID-19. In this case, it is advisable to provide a remote working option.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

The steps to be undertaken by an employer are :

- Companies must ensure the timely submission of information to the authorities when a case arises
- In the case of any personnel being diagnosed, the company must confidentially notify other employees who have had contact with the diagnosed individual. The employer should determine the contact chain and, in case that employee had shared an activity with another employee, the other employee must be notified
- As medical records and conditions are subject to personal data treatment laws, confidentiality should be maintained over the full chain of information. For this purpose, the employer must request a special data protection authorization

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

Yes. Employees have the obligation to promptly, ideally each day, communicate to the employer any circumstances or conditions which they deem appropriate in order to avoid damage or injury to the company or any other member of the staff.

<p>(5) Does the employer have a duty to alert the government if an employee has been diagnosed?</p>	<p>(6) Other remarks</p>	<p>(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?</p>	<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>
<p>Yes.</p> <ul style="list-style-type: none"> ► When a member of staff shows symptoms of COVID-19, it should be investigated whether they have been traveling to countries with active circulation of COVID-19 in the last 14 days ► The employer must immediately notify a competent health authority about the occurrence of these symptoms ► The diagnosed employee must be isolated until they are treated by the Territorial Health Department ► If the Territorial Director confirms that it is a suspected case of COVID-19, it must be referred to a health institution, otherwise the person will be able to continue with their usual activities 	<p>No.</p>	<p>Yes.</p>	<p>Pursuant to Art. 51 of the Colombian Labor Code (Labor Code), an employment contract may be suspended as a 'dormant' contract due to multiple reasons, including a permission granted by the employer (non-remunerated leave), due to a request made by the employee. Hence, the period of suspension must be agreed by the parties in a written document. Despite this, the government has stated that companies are forbidden from forcing employees to request or agree to this type of leave.</p> <p>Congress issued Law 2088 of 2021, regarding remote working in exceptional cases for employers that do not permit employees to work from the workplace. The schedules, salary and other conditions must remain the same.</p> <p>An employment agreement may be suspended in the occasion of fortuitous or <i>Force Majeure</i> events. In this case, the suspension is defined unilaterally by the employer for the period in which the <i>Force Majeure</i> or fortuitous event persists. However, in this case, there is a risk that the employee may claim before a judge the illegitimacy of <i>Force Majeure</i> or fortuitous event.</p>	<ul style="list-style-type: none"> ► No prior contact is required to be made with trades union in order to define suspension periods of labor agreements ► Also, if the parties agree to a suspension period in an amendment to the employment agreement, there is no obligation to communicate the same to the authorities ► If the suspension occurs due to a <i>Force Majeure</i> or fortuitous events, the employer will have to notify the Ministry of Labor, after executing the suspension of operations, and a judge must define the existence of alleged cause ► According to Law 2088 of 2021, regarding remote working, no prior contact is required with trade unions, however employees must be notified of such condition and must receive proper training in this matter

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
(8(i) The office is closed due to the COVID-19 pandemic;	(8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	(8(iii) The new hire has been diagnosed with COVID-19.	
<p>No. If the employment agreement was already signed by the parties, the employer is not entitled to unilaterally postpone the initiation date of the agreement.</p> <p>This kind of modification will have to be agreed with the employee in a written document.</p>	<p>No. If the employment agreement was already signed by the parties, the employer is not entitled to unilaterally postpone the initiation date of the agreement. This kind of modification will have to be agreed with the employee in a written document.</p> <p>The government has announced that employers should evaluate alternatives such as remote working, vacation periods and flexible shifts, before making substantial changes to the working conditions agreed in the employment contract.</p>	<p>No. If the employment agreement was already signed by the parties, the employer is not entitled to unilaterally postpone the initiation date of the agreement.</p> <p>Furthermore, as the employee will be under medical surveillance, undergoing treatment, it is understood that they will be covered by constitutional protection from any kind of discrimination.</p>	<p>Not applicable.</p>

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
(10(i) The office is closed due to the COVID-19 pandemic;	(10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	(10(iii) The employee has been diagnosed with COVID-19.	
<ul style="list-style-type: none"> ▶ Unless the labor agreements are suspended, the existing 'dormant' obligations will remain the same. These include the payment of salaries, fringe benefits (severance, interest on severance and provision), vacations, services bonus, Social Security (SS) contributions and payroll taxes ▶ For employees who unable to attend the office, the employer is not obliged to pay the legal transportation allowance for those earning up to twice the minimum legal wage. However, an employer must offer a "connectivity allowance" to such employees of the same amount as the legal transportation allowance, while the state of emergency is in force 	<ul style="list-style-type: none"> ▶ Unless the labor agreements are suspended, the existing 'dormant' obligations will remain the same. These include the payment of salaries, fringe benefits (severance, interest on severance and provision), vacations, services bonus, SS contributions and payroll taxes ▶ For employees who unable to attend the office, the employer is not obliged to pay the legal transportation allowance for those earning up to twice the minimum legal wage. However, an employer must offer a "connectivity allowance" to such employees of the same amount as the legal transportation allowance, while the state of emergency is in force 	<ul style="list-style-type: none"> ▶ If an employee is diagnosed with COVID-19, they will enter the sick leave period during the treatment and recovery process. According to the Colombian legal framework, the first two days of sick leave will be directly assumed by the employer. Thereafter, the Health System will pay the employee the amounts corresponding to sick leave days, on basis of 66% of usual monthly income 	<ul style="list-style-type: none"> ▶ Companies may notify vacation periods one day in advance, omitting the 15-day requirement defined in the Labor Code. This could reduce the vacation accrual provision by granting collective vacations periods to the staff ▶ With respect to sick leave, employers are not entitled to comment on whether or not an employee is taking this type of leave appropriately ▶ In addition, the Ministry of Labor has announced that companies who force employees to agree to non-paid leave periods may be subject to an inspection and fines due to breach of employee rights

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<p>(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?</p>	<p>(13) What are the employer’s obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?</p>	<p>(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?</p>	<p>(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.</p>
<p>No.</p>	<p>Unless the labor agreements are suspended, existing ‘dormant’ obligations will remain the same. These include the payment of salaries, fringe benefits (severance, interest on severance and provision), vacations, services bonus, SS contributions and payroll taxes.</p>	<p>No aid has been offered to companies that must partially or totally suspend their operations.</p>	<p>In Decree 677 of 19 May 2020, the government announced the creation of the Program for Support of Formal Employment (PAEF).</p> <p>Via PAEF, the government promised to pay an equivalent of 40% of the minimum monthly wage for each employee to those employers whose income had been reduced by at least 20% as compared to the previous year or the last period before the declaration of the state of emergency (February 2020).</p> <p>Applications for the PAEF were to be submitted for each month that the state of emergency continued. This aid was extended until March 2021.</p> <p>In 2020, the government also created the Service Premium Payment Support Program (PAP), which was a monetary contribution of COP\$220,000 per employee whose income was between the current legal monthly minimum wage and COP\$1,000,000.</p> <p>Via Decree 668 of 2021, employers who hire new employees between the ages of 18 and 28, from July to December 2021, may apply to receive a contribution equivalent to 25% of the minimum wage for each new young employee hired. Financial institutions will be adapting their platforms to receive the monthly applications, which may be submitted up to 12 times per year.</p>

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

- Pursuant to Decree 588 of 2020, contributions to the Pension System for the months of April and May 2020, which should have been paid in May and June respectively, were 3% of the employee's salary as opposed to the usual 16%. Employers could have chosen this option for all of their employees. Of the total contribution, 25% should have been paid by the employee, and 75% was to be paid by the employer. The usual percentage for pension contributions is 16% (12% from the employer and 4% from the employee). However, this Decree was declared invalid by the Constitutional Court, as employers and employees are obliged to repay the contributions that were not paid during the aforementioned periods. Such contributions must be made in the next 36 months as of the 1 June 2021
- Family Compensation Fund (henceforth FCF): Individuals who are dismissed during the COVID-19 pandemic can request assistance from their FCF. It included SS contributions for up to three months and an allowance of two minimum monthly wages in total
- Severance: The government has authorized that employees who have experienced a reduction of their labor income due to salary reductions or employment agreement suspensions, may request a partial withdrawal of their severance funds. The amount to be withdrawn should be equivalent to the employee's income reduction

(17) What is the legal framework for collective redundancies?

Art. 61, 64, 65, 66, 405, 406 of the Labor Code govern the concept of collective redundancy. As per Art. 67 of Law 50 of 1990, the following are permissible percentage of terminations that may be undertaken by an employer without Ministry of Labor authorization:

- At least 10 employees in enterprises with up to 50 employees: Employer may terminate 30% of total workforce
- At least 50 employees in enterprises with up to 100 employees: Employer may terminate 20% of total workforce
- At least 100 employees in enterprises with up to 200 employees: Employer may terminate 15% of total workforce
- At least 200 employees in enterprises with up to 500 employees: Employer may terminate 9% of total workforce
- At least 500 employees in enterprises with up to 1000 employees: Employer may terminate 7% of total workforce
- At least 1,000 employees or more: 5% of total workforce

If the number of employees to be terminated exceeds the percentage of workers mentioned above, within a six-month period, the Ministry of Labor must authorize the terminations.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

The Ministry of Labor usually authorizes such collective dismissals or redundancies for the following reasons:

- Technological reasons: Elimination of procedures, equipment, work systems and production units to improve productivity or quality thereof
- Financial reasons: The company is facing a financial situation preventing it from fulfilling its obligations
- Any other similar event

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

There is no obligation on employers to consult with unions when carrying out a collective redundancy. It is, however, advised to review whether the CBAs entered into with the unions include any obligation in this regard. However, as some unionized employees have special protection, prior to the dismissal, the employer must initiate a judicial process before the Labor court in order to obtain permission for the dismissal. In addition, if the dismissal is collective, the employer must request the specific authorization for the collective dismissal from the Ministry of Labor.

Consultation requirements with other employee representatives

There is no need to consult with other employee representatives for a collective redundancy in Colombia. It is, however, recommended to check whether there are agreements entered into with employees, which include any obligation in this regard.

Consultation requirements with employees

There is no need to consult with employees on a collective redundancy unless required to by collective agreements or internal work regulations. It is, however, recommended to check whether there are agreements entered with employees which include any obligation in this regard.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

In the case of dismissals of individuals with special protection, the employer must submit a request for dismissal before the Ministry of Labor or the Labor Judge. The request must contain an explanation of the case, the objective reasons for the dismissal and the reasons for the employer's need to dismiss the employees.

In the case of a collective dismissal, the employer must submit a letter with an explanation of the reasons for the dismissal before the Ministry of Labor. The employer must show that there is an objective need for the restructuring plan. The formal request must include:

- ▶ A list of affected personnel, with information regarding salaries, monthly allowances, job positions, type of contracts, ages, seniority and calculation of indemnities
- ▶ A copy of the meeting minutes or act in which the decision to restructure was made
- ▶ Detail of labor and pension liabilities
- ▶ A copy of the Ministry of Labor's certificate, ensuring normalization of the pension liabilities, if applicable
- ▶ Detail of funds to pay labor and pension liabilities

Once the request is submitted, the Ministry of Labor will take from three to four months to grant the authorization.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

The employer is able to freely choose the employees to be dismissed, taking into consideration that some employees have special protection. Those employees who have special protection cannot be terminated without the authorization of a labor authority.

The employees covered by employment stability are:

- ▶ Pregnant and breastfeeding women
- ▶ Spouses or permanent companions of dependent pregnant women
- ▶ Certain unionized employees (e.g., the founders of a union, from the date of its incorporation until two months after the inscription in the trade union registry, without exceeding six months. Members of the board of directors and deputy directors of any union, federation or confederation of unions, without exceeding five principal and five substitutes and members of sectional committees, without exceeding one principal and one substitute)
- ▶ Employees who have special health conditions
- ▶ Employees who will reach their age of retirement in less than three years

(22) Are there any actions required to limit the negative impact of the redundancy?	(23) What is the estimated timeline for a collective redundancy process?	(24) What are the estimated costs?	(25) Are there any hiring/re-hiring restrictions post-redundancy?
<p>There are no additional requirements.</p>	<p>Once the request for collective dismissal has been submitted, the Ministry of Labor will take three to four months to grant the authorization.</p>	<p>Mandatory costs</p> <p>The key components of mandatory HR legal costs are as follows:</p> <ul style="list-style-type: none"> ▸ Indemnifications depending on the type of contract ▸ Liquidation of pending salaries, vacations and fringe benefits <p>Customary additional costs</p> <p>Impacted employees may be entitled to bonuses or any other extra-legal benefits.</p>	<p>There are no hiring restrictions post-redundancy under Colombian law.</p>

(26) What are the risks of litigation caused by the redundancy process?

Interested parties

Carrying out a collective dismissal without the permission of the Ministry of Labor is ineffective and the impacted employees are able to bring claims for the following:

- ▶ Unfair dismissal claims and compensation
- ▶ Claims for unpaid salaries
- ▶ Claims for indemnifications
- ▶ Claims for reinstatement

National and international complaints can be issued by the union (if applicable), claiming violation of the fundamental right of association.

(27) What are the risks of damages or other remedies due to the redundancy process?

The Ministry of Labor is able to impose penalties of up to 5,000 times the minimum wage. An ineffective collective dismissal invalidates any redundancies made. Hence the dismissed employees will receive their salaries and labor payments from the date they were ineffectively made redundant as well as reinstatement to their job positions.

Dismissing employees with special protection without the Ministry of Labor or the Labor Judge's permission invalidates redundancies. Therefore such employees will receive their salaries and labor payments from the date of the ineffective lay-off as well as reinstatement to their job positions. There are some special indemnities for employees with special protection who are dismissed because their special condition.

Damages for unfair dismissal

For fixed-term contracts, the indemnity will be equivalent to the salary the employee would have received for the remainder of the unworked period. In contracts agreed for the duration of the work, the indemnity will be equivalent to the salaries of the remaining period of the duration of the work but, in any event, no less than 15 days of salary. For indefinite contracts, the indemnity will vary depending on the employee's salary and seniority.

Reinstatement

An ineffective collective dismissal invalidates redundancies. Hence the dismissed employees will receive their salaries and labor payments from the date of the illegal lay-off as well as reinstatement to their job positions.

Criminal sanctions

The Ministry of Labor is able to impose penalties of up to 5,000 times the minimum wage. In addition, anyone who prevents the exercise of the association rights shall incur a penalty of imprisonment of between one and two years and a fine of between 100 to 300 times the minimum legal monthly salaries.

Costa Rica

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Working remotely is only a recommendation for the private sector but an obligation for the public sector.

Some establishments only have authorization to work at 50% of their capacity, which means that companies in this category must reorganize their personnel. Some companies may work at over 50% of their capacity, as long as they ensure a distance of 1.8 meters between each person, and some have their operating permits suspended or are only allowed to work if they do not interact with the public. It depends on the activity performed by each company.

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace. Furthermore, it is possible for the employer to request said employee to apply for a medical exam or submit a medical certification that evidences the employee's inability to work or the sanitary order that prohibits them from going outside their place of residence.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order safeguard that other individuals are not infected at the workplace. Employees' privacy in times of COVID-19 should be protected to the extent appropriate and without risking the harm of other employees in the organization.

Individual information regarding the employees' health or medical information must always be handled carefully. Accordingly, information regarding a diagnosed individual shall not be divulged if not necessary. However, if there is a valid reason such as to screen individuals who have been in contact with the diagnosed individual. Then this situation can be communicated to a larger scale.

Health data can be processed in accordance with domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.

Informing the authorities of all the contacts that a diagnosed employee may have had is an employer's obligation. Those close contacts should be informed so that precautionary measures are set in motion.

Not having a proper procedure and tracking record of the people that a diagnosed individual may have had contact with, may provide the grounds for the authorities to order the closing of the establishment to avoid further spreading of the virus.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

Notwithstanding the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty implicit to the labor relationship.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

These diagnoses are conducted by the government authorities or by authorized centers that work in coordination with the government. Therefore, if an employee is diagnosed, the government will be privy to this information prior to the employer. However, the employer must always submit a signed affidavit, not to inform the authorities of the diagnosis, but to confirm that all measures required by such authorities have been undertaken (deep cleaning of the working space, list of direct and close contacts).

(6) Other remarks

No.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes.

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?

In Costa Rica, it is possible to both reduce the employees' shifts, as well as to suspend the employment contracts:

- The reduction of working hours is based on Law No. 9832, which authorizes the reduction of the employees' shifts due to the national emergency situation
- Temporary suspension of the employment contracts, based on Art.74 and 75 of the Labor Code and the Executive Order No. 42248-MTSS, which instituted the specific procedure for the suspension of the employment contracts

This applies to all agreements with the exception of those with pregnant employees, employees on maternity leave or the those nursing newborns.

To apply these alternatives, companies must fulfil certain requirements. For e.g., a loss of at least 20% of the company's gross income in comparison with the same month of the last year, an executive order to shut down operations or other acceptable causes.

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

Both alternatives may be executed by the employer unilaterally, without having to reach an agreement with the employees.

However, it is necessary to submit a request for authorization to the Labor Ministry, which must grant authorization.

For the reduction of the employees' shifts, it is possible to reach an agreement with the company's union (in case there is one), and only send a copy of the agreement to the Labor Ministry. However, it is not common for companies in the private sector to have a union within the company.

(8) Can an employer unilaterally decide to postpone an employment start date in cases where;

8(i) The office is closed due to the COVID-19 pandemic;

Yes, as long as the future employee can show that damages could be generated with this postponement. If this is the case, the company can suspend the employment contract, with the Labor Ministry's authorization.

8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;

No, currently, authorities are not issuing isolation orders unless the person is infected with COVID-19. Therefore if the person hired is not infected, the relationship would commence without any difficulties.

8(iii) The new hire has been diagnosed with COVID-19.

No, the relationship would begin, but the employment would be suspended for the duration of the sick leave.

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>Yes, there are a number of employment obligations including maintaining health and safety of employees and also considering whether the employee can be accommodated (e.g., remote working)</p> <p>If the decision is not coordinated with the new employee, they would be able to seek damages. However, in this context, it is not such a probable scenario.</p> <p>The employee would be unable to work because they would be on sick leave. This would not postpone the employment start date, but the relationship would be suspended until the sick leave permit is lifted.</p>	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>Not applicable.</p>	<p>Not applicable.</p>	<p>During the sick-leave period, the employee receives a subsidy granted by the Social Security Administration.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

Yes.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

No.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

There is no obligation for employers to grant leaves of absence for these cases.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

The government has authorized that some services will not be suspended if users fall behind in payments. However, there are no specific programs to assist companies if they shutdown their entire operations. Employees who have had their contracts suspended or their shifts reduced may access a subsidy granted by the government as part of a program called *Proteger* or a temporary employment subsidy granted by the *Programa Nacional de Empleo (PRONAE)*.

Banks are allowing their clients extra time to pay debts. Since the emergency declaration was issued, both public and private banks have reduced their interest rates for loans, have given their clients more time to catch up with their credit payments and introduced other measures too, varying according to the respective bank. In order to receive any of the support provided, a person must follow the respective instructions, depending on their respective bank. This has not been mandated by the authorities but it is at the discretion of each bank.

Please note, there is the ROP Law Project which intends to allow workers to fully withdraw the corresponding supplementary pension at the time of retirement. It is provided that those who retire from 1 January 2021 until 18 February 2030 may withdraw the funds accumulated in their accounts as temporary income for a period equivalent to the amount of contributions to the scheme. However, currently, the project is being discussed by a government committee and still going through procedural motions. As soon as they are concluded, it will be sent to the National Congress for review and approval.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Temporary employment subsidy: This is a temporary employment subsidy which is granted to those people, as a consequence of the state of national emergency, who suffered the loss of their job or the usual source of their income, or are unemployed. The requirements are:

- Should be a Costa Rican, or a foreigner in a regular migratory condition, over 15 years of age
- To be affected by the COVID-19 pandemic, either because they have been fired, suspended or had their shifts reduced
- Should be the head of household or have family responsibility
- Should be resident in Costa Rica

Labor Capitalization Fund (FCL): All those workers who have had their working hours reduced or their employment contract suspended, with an effect on their salary, will be able to withdraw from the FCL in order to obtain money and to overcome the current situation.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Temporary employment subsidy: The country's non-profit community organizations and legal entities may apply to the National Employment Directorate to sign an agreement allowing them to grant temporary employment subsidies to those who, as a result of the emergency, have lost their jobs or their source of income, have a reduced income or are unemployed, and then join community work projects, as the nature of the emergency calls for the development of infrastructure under the community work scheme. For such purposes, beneficiaries must participate in projects that allow for the reconstruction of the community due to the damage that occurred in the locality, according to the contribution of hours, as indicated in Art. 16 of Decree No. 42272-MTSS-COMEX.

FCL: Workers who are under the aforementioned circumstances must present a letter granted by their employer to the corresponding Pension Operator, either on paper or in digital format, stating the suspension, reduction of the shift, duly signed, sealed or certified by the representative of the company. Depending on the pension operator, there might be different requirements, such as the following:

- Form provided by the operator
- Valid identification document (for nationals and foreigners)
- Bank account number in Colones, in the name of the applicant, in which they will receive the deposit

(17) What is the legal framework for collective redundancies?

Art. 85 of the Costa Rican Labor Code (CLC) governs termination of employees for reasons unrelated to their behavior or performance.

However, workforce transformation, also referred to as collective redundancy, is not specifically regulated by Costa Rican legislation.

In the absence of specific rules governing collective redundancies, such a process must comply with the rules set forth for individual termination.

CBAs can modify the rules.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Under Art. 85 of the CLC, an employee can be terminated for the following reasons:

- Death of the employer
- *Force majeure*
- Bankruptcy (legally recognized)
- Employee's retirement
- The employer's will

Therefore, according to Art. 85 of the CLC, workforce transformation can be implemented without any specific justification based on the employer's will.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

There is no such legal obligation in Costa Rica when implementing a workforce transformation unless the CBA applicable provides for union involvement.

Consultation requirements with other employee representatives

There is no such legal obligation in Costa Rica when implementing a workforce transformation unless the CBA provides for employee consultation.

Consultation requirements with employees

There is no legal requirement to consult with employees in Costa Rica when implementing a workforce transformation unless the CBA provides for employee consultation.

In the case of termination for reasons unrelated to the employees' behavior or performance, the employer must only provide the impacted employees with a termination notice and pay all termination indemnities.

However, the impacted employees can always request from the employer a written document setting out the reason for termination.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

There is no legal requirement to notify or obtain approval from the labor authorities or other government authorities to implement collective redundancies.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

There is no specific employee selection criteria. Employers are free to choose the employees to be made redundant provided that such choice is not discriminatory.

However, certain employees are afforded special protection, particularly the employees on maternity leave or sick leave, where the prior authorization of the labor authorities is required.

(22) Are there any actions required to limit the negative impact of the redundancy?

Employers in Costa Rica are not required to take any mandatory actions to limit the negative impact of collective redundancy and/or to implement a Social Plan.

Internal alternative employment/redeployment

Employers are not obligated to find an alternative employment or redeployment of the impacted employees.

Other measures

Employers are not required to implement any other measure to limit the negative impact of the collective redundancies.

(23) What is the estimated timeline for a collective redundancy process?

As the legislation does not specifically regulate collective redundancies, the timeline depends solely on the nature of the contemplated workforce transformation and the negotiation process within the company.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- Christmas bonus: Calculated proportionally if the labor relationship is ended before date of payment of the Christmas bonus
- Severance: Calculated based on the impacted employee's years of service and taking into consideration the average of the last six months' salaries
- Payment in lieu of notice: The notice period varies based on the impacted employee's years of service
- Unused vacation time: If the employee has unused days of their vacation time established by law, these days must be paid

Customary additional costs

There are no customary additional costs to employers in Costa Rica when implementing collective redundancy.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

There are no hiring restrictions post-redundancy in Costa Rica.

(26) What are the risks of litigation caused by the redundancy process?

Litigation between the employer and the employee in a context of a termination based on Art. 85 of the CLC, where no specific justification is required (in exchange for payment of specific amounts), is very limited. Such litigation may arise mostly in cases of discrimination or if labor rights were incorrectly paid.

Depending on the type of claim, in Costa Rica, employees have the right to file a claim before the Social Security Institute, Ministry of Labor or labor courts.

Litigation does not stop the collective redundancy process and the labor law establishes a one year statute of limitation for claiming damages for violation of legal labor rights.

It must also be noted that eventual litigation may also be extended to the economic interest group of the employer's company. Therefore, it is crucial to carry out well-documented and law-abiding termination procedures (i.e., providing proper termination notice and payment of corresponding indemnity). It is also mandatory, as per the law, for companies to maintain records of all the employees. In the case of future litigation, the employer is obligated to provide these records before the judicial authorities. If not, claims made by the employees could be considered valid by the courts.

(27) What are the risks of damages or other remedies due to the redundancy process?

If the labor authorities rule against the employer, it can lead to different types of remedies (i.e., fines, claims for damages and litigation costs).

Regarding the claims of the impacted employees, it is leading local practice to opt for an out-of-court settlement.

Furthermore, the leading practice is to engage a mediator to handle all employee negotiations in the context of workforce transformation. This limits the risk at any eventual trial.

Damages for unfair dismissal

An unfair dismissal claim would not arise in a context of a termination based on Art. 85 of the CLC. However, damages can be granted to employees in cases of discrimination.

Reinstatement

The administrative authority or the court may order the reinstatement of the impacted employee only if the employee successfully claims that the termination was discriminatory (e.g., age, race, gender).

Under such circumstances, labor courts will order the payment of backdated salary and all types of compensation granted to the employee before the dismissal.

Failure of the employer to reinstate the employee can lead to criminal sanctions for the employer for disobedience of authority.

Criminal sanctions

Criminal sanctions for the employer for disobedience of authority are possible, including fines and/or up to three years of imprisonment for the individuals in charge of the company.

Cyprus

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

The Ministry of Health has issued a number of protective measures that must be adopted by employers at the workplace:

- ▶ All employees must hold a "Safe Pass" and compliance with this obligation must be checked by the employer's Health & Safety Officer
- ▶ To obtain a Safe Pass, an employee must comply with any one of the following requirements:
 - ▶ Negative rapid or PCR test result within the last 72 hours
 - ▶ A vaccination certificate showing at least one vaccine dose has been administered and that three weeks have passed from the date of such vaccination
 - ▶ Certificate that the employee was diagnosed with COVID-19 within the last six months
- ▶ Compulsory placement of hand sanitizer, containing no less than 60% alcohol, outside every entrance/exit
- ▶ There must be continuous and adequate air flow
- ▶ There must be at least two meters distance observed between individuals
- ▶ At retail workplaces or others that involves interaction with the public, employers must observe the rule of one person per eight square meters of clear internal space
- ▶ Compulsory use of face masks, if two or more people are in the same room
- ▶ Daily cleansing and decontamination of washroom facilities using products containing either alcohol or diluted bleach

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

Yes.

An employer is obliged to prohibit entry to a person who has been diagnosed with COVID-19.

Further, such employee should quarantine themselves in accordance with public health guidelines.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

Employers should keep daily reporting of people entering the workplace. In the event an individual is diagnosed, the employer shall inform the other employees in a prompt manner.

The potentially affected employees should enter self isolation and arrangements should be for medical examinations.

Additionally, decontamination of the workplace should be undertaken.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

The right to privacy is constitutionally guaranteed, but it is not absolute. In cases where, inter alia, a public health issue arises, the interference with the right to privacy is justified. Therefore, since the employer must maintain a healthy and safe working environment, such a question may be asked by the employer to the employee and the latter must answer. Of course, as mentioned above, the employee's responses will be processed under the umbrella of EU's General Data Protection Regulations (GDPR).

<p>(5) Does the employer have a duty to alert the government if an employee has been diagnosed?</p>	<p>(6) Other remarks</p>	<p>(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?</p>	<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>
<p>Yes.</p>	<p>No.</p>	<p>No.</p> <p>There is no legislation currently enforced in Cyprus regulating flexible workforce planning. It is the employer's discretion to adopt such measures. Nonetheless, it is to be noted that the government has encouraged employers in the private sector to adopt remote working.</p>	<p>Not applicable.</p>	<p>Not applicable.</p>

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
No. Provided that there is a signed employment agreement, the employer cannot postpone the employment start date. The employer will have to treat the employee as if they started working on the date stipulated in the employment agreement.	Please refer to the comments in Q8(i).	Please refer to the comments in Q8(i).	Not applicable.

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?	(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.		
<p>If the employer participates in any of the Government Support Schemes, then the employer shall add the employee to such scheme.</p> <p>Otherwise, the employer is not liable to pay remuneration since the employee will not provide any services.</p>	<p>If the employee can work remotely, the employer has the obligation to pay remuneration.</p> <p>If the employee must be placed in self-quarantine following the instructions of the Ministry of Health and thus cannot perform their duties, the employer is not liable to pay remuneration.</p> <p>However, the employee will be entitled to a government benefit, provided they have obtained a certificate from the competent authority.</p>	<p>The employee will be on sick leave and therefore the employer will not be obliged to pay remuneration for the period corresponding to such leave.</p>	<p>The employer cannot force employees to use sick leave or any other type of leave if the employee does not meet the criteria for such leave.</p> <p>It must be stressed that the employer cannot force its employees to take their annual leave.</p>	<p>No.</p>

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

As per Ministry of Health instructions, all schools will remain open in all territories of Cyprus. Schools are scheduled to remain closed for summer vacation from 17 June 2021 to 10 September 2021.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

The Ministry of Labor announced the following support schemes:

- ▶ Special Scheme for Hotels and Tourist accommodation
- ▶ Special Scheme of Economic Activities affiliated with the Tourist Industry or Economic Activities directly affected by tourism and tourist agencies
- ▶ Special Scheme of Economic Activities for businesses under compulsory partial suspension of all work
- ▶ Special Scheme for Businesses of Certain Economic Activities
- ▶ Special Scheme of Full Suspension of Work or Businesses that due to the pandemic measures have reduced turnover of more than 80%
- ▶ Special Scheme for Unemployed people
- ▶ Special Scheme for Certain Categories of Self-Employed

The above-mentioned schemes were valid for the period until 30 July 2021. The decision by the government on new support schemes and/or the extension period of the above mentioned schemes is pending.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable. *(continued)*

Not applicable.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

The application procedure is electronic. Please refer to comments in Q15.

(17) What is the legal framework for collective redundancies?

Collective redundancies are governed by the Collective Redundancies Law N. 28(I)/2001. This law is applicable only to businesses that employ more than 20 employees. In particular, redundancies are considered “collective” where the number of redundancies is within 30 days:

- ▶ At least 10 employees for businesses that employ more than 20 but less than a 100 employees (i.e., 21-99 employees). (in this situation, the number of redundancies may be five if there are additional five redundancies for any reason)
- ▶ At least 10% of the employees for businesses that normally employ at least 100 but less than 300 employees (i.e., 100-299 employees)
- ▶ At least 30 employees for businesses that normally employ at least 300 employees

Note: The Law is not applicable where the collective redundancies take place for fixed-term contractors, unless such redundancies are made prior to the expiration or execution of the said contracts.

If the number of employees is 20 or less, the applicable law is the Termination of Employment Law of 1967.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Redundancy dismissals must be made for reasons unrelated to the employees, i.e., they must be dismissals due to redundancy. According to the Termination of Employment Law, an employee is redundant when their employment has been terminated:

- ▶ Because the employer has ceased, or intends to cease, carrying on the business in which the employee was employed
- ▶ Because the employer has ceased, or intends to cease, carrying on business in the place in which the employee was employed
- ▶ Because of the following reasons concerned with the operation of the business:
 - ▶ Modernization, mechanization or any other change in methods of production or of organization which reduces the necessary number of employees
 - ▶ Change in the products or in production methods or in the skills needed on the part of employees
 - ▶ Closing of departments
 - ▶ Marketing or credit difficulties
 - ▶ Lack of orders or raw materials
 - ▶ Scarcity of means of production
 - ▶ Reduction in the volume of work or business

(19) What are the consultation requirements with works councils/unions (if any)?

According to the Collective Redundancies Law, the employer is obliged to consult with the employees' representatives in a timely manner in order to reach an agreement. The consultations must at least cover the possible ways and means of avoiding collective redundancies, or reducing the number of the affected employees, and the ways and means of mitigating the consequences of collective redundancies, by resorting to social measures aimed at, among others, the re-employment or retraining of the redundant employees.

During consultations, the employer is obliged to provide:

- ▶ All relevant and useful information
- ▶ Notification in writing of the reasons for the scheduled redundancies
- ▶ The number and categories of the redundant employees
- ▶ The number and categories of the normally employed employees
- ▶ The period the terminations will take place
- ▶ The criteria it intends to use to select the employees to be terminated, which are set out as the employer's responsibility under the law or practice
- ▶ The calculation method of any possible payment regarding the terminations, except those arising from the Termination of Employment Law 1967

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

Regardless of whether the redundancies are collective or individual, the employer is obliged to notify the competent authorities, i.e., the Ministry of Labor, Welfare and Social Insurance.

Regarding collective redundancies, the employer must notify the competent authorities as soon as possible, whereas if the redundancies are individual or governed by the Termination of Employment Law, the employer must notify the competent authorities at least one month prior to the expected termination.

The employer must supply the Minister of Labor and Social Insurance with:

- ▶ A copy of the reasons for the scheduled redundancies
- ▶ The number and categories of the redundant employees
- ▶ The number and categories of the normally employed employees
- ▶ The period the terminations will take place
- ▶ The criteria it intends to use to select the employees to be terminated, which are set out as the employer's responsibility under the law or practice

No approval is required before moving forward with any redundancies, but with regard to collective redundancies, they can take effect not earlier than 30 days after the notification to the competent authorities. Within these 30 days, the competent authorities may seek solutions to the problems posed by the scheduled collective redundancies. The period of 30 days does not apply where the collective redundancy is due to the termination of the establishment's activities as a result of a judicial decision.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

It is the employer's responsibility to set the criteria to select the employees which are to be made redundant. The law does not impose any specific criteria. The employer can choose who they wish to continue to employ and who they do not, based on their operational needs, while objectively retaining the most suitable ones.

(22) Are there any actions required to limit the negative impact of the redundancy?

No mandatory actions for the employer except to consult with the employees' representatives.

(23) What is the estimated timeline for a collective redundancy process?

Preparation of any specific documentation required for the collective dismissal process depends on the complexity of the project (e.g., number of employees to be made redundant, the notice period that must be given to employees depending on their contracts or years of employment for the employer, existence of works councils and any consultation). There is no specific legal timeline for the redundancy process in Cyprus, except that the redundancies shall not take place earlier than 30 days from the notification to the authorities.

(24) What are the estimated costs?

Mandatory costs

- ▶ Accrued sums (including remuneration during notice period)
- ▶ Compensation for unconsumed holidays (if applicable)
- ▶ Pro rata extra month's salary (if applicable)
- ▶ Any other benefits the employees receive (if applicable).

Customary costs

Potential litigation costs.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

The employer is not allowed to employ another employee at the same position (i.e., in the job post(s) of the dismissed employee(s)) for a period of eight months as of the date of providing the dismissal notice due to redundancy.

Should the need for employment for the same work (job post(s) of the dismissed employee(s)) arise within the above period of eight months from the dismissal notice, the employer is obliged to firstly offer an employment contract to the respective dismissed employee(s).

(26) What are the risks of litigation caused by the redundancy process?

The termination may potentially be challenged by:

- ▶ The impacted employee(s) claiming unfair dismissal (in cases where the Redundancy Fund rejects their claim for payment due to redundancy)
- ▶ The employees' representatives (if any) claiming, for example, that the consultation process is not being or was not properly followed

Generally, litigation should not stop or slow down the collective redundancy process.

(27) What are the risks of damages or other remedies due to the redundancy process?

Damages

If the court determines unfair dismissal by the employer, it will award the employee damages as follows:

Period of continuous employment	Amount of redundancy payment per year of continuous employment
Up to 4 years	2 weeks' wages per year
More than 3 and up to 10 years	2.5 weeks' wages per year
More than 10 and up to 15 years	3 weeks' wages per year
More than 15 and up to 20 years	3.5 weeks' wages per year
More than 20 and up to 25 years	4 weeks' wages per year

Reinstatement

Labor laws provide for reinstatement, but Cyprus courts rarely grants such decrees.

Fines

In addition, anyone who violates the law governing provision of information, consultation or notification (e.g., failure to inform the employees' representatives, to provide the required information), is guilty of an offence and is liable, on conviction, to a fine not exceeding €1,708. Where the collective redundancies take effect on or before 30 days, the employer concerned is liable on conviction, to a fine not exceeding €3,417.

Czech Republic

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has an obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- Providing disinfectants
- Providing face masks, respirators or equivalent personal protective equipment
- Arranging remote working wherever possible
- Technical possibilities as an alternative to physical meetings (e.g., video conferencing)
- Maintaining social distancing between customers and between employees

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny an infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace.

As of 1 July 2021, employees are obliged to undergo obligatory testing when returning from abroad (with the exception of employees who are fully vaccinated or were diagnosed with COVID-19 within the last 180 days).

If an employee refuses to take the test, the employer may prohibit them from entering the workplace. However, if an employee returns from a low or medium-risk country, the employer may permit access to the workplace until the COVID-19 test results are known, provided that such employee wears personal protective equipment at the workplace.

An employee whose illness has been medically confirmed is entitled to receive a compensatory wage paid by the employer in the amount of at least 60% of adjusted average sickness earnings. The sickness allowance is paid to the employee from the Czech sickness insurance system.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

There is no legally prescribed procedure for such situation.

The employer is obliged to cooperate with the hygiene station and take steps as instructed by them, including providing data on employees and their contacts.

Steps taken by the employer to alert other employees depend on the employer's evaluation of the situation. However, employee privacy shall be protected and the name of the diagnosed employee shall generally not be provided to other employees.

Furthermore, information on the diagnosis is considered as a special type of personal data, which requires additional safeguards under the GDPR.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

The employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question can be raised by the employer and the employee shall reveal this information in accordance with the underlying duty of loyalty which forms part of the employment relationship.

However, potential sanctions on an employee for not revealing such information would have to be carefully evaluated.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

No.

(6) Other remarks

Current government measures related to this topic (e.g., use of face masks at the workplace) shall be continuously monitored by the employer.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

No.

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<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>Not applicable.</p>	<p>Not applicable.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
		<p>No.</p>	<p>No.</p>	<p>No.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>No.</p>	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>The employer may agree on remote working with the employees. Where this is not possible and employees have no confirmation of sickness/quarantine/caretaking obligations, this would be considered as an obstacles to work by the employer, and the employer has to pay to the employee a compensatory wage for 100% of average earnings of the employee.</p> <p>In certain circumstances, the compensatory wage may be lower, but not lower than 60% of the employee's average earnings. For example, the circumstances include the employer's reason for closing the office is a temporary decrease of demand for the employer's goods or services and there is an agreement with the trade union (or an internal regulation of the employer where there is no trade union).</p>	<p>The employer may agree on remote working with the employee. Where this is not possible, such employee shall be officially ordered to quarantine by their physician. During the first 14 calendar days of quarantine, the employer pays to the employee a compensatory wage in the amount of at least 60% of the employee's adjusted average earnings.</p> <p>As of the 15th calendar day of quarantine, a sickness allowance is paid to the employee from the Czech sickness insurance system.</p>	<p>Where the employee is not (yet) showing any symptoms, the quarantine rules specified in Q10(i) and Q10(ii) apply.</p> <p>Where the employee is ill, they shall be issued with an illness confirmation (<i>eNeschopenka</i>) by their physician. The pay obligations are the same as in the case of quarantine, i.e. during the first 14 calendar days of illness, the employer pays to the employee a compensatory wage in the amount of at least 60% of the employee's adjusted average earnings.</p> <p>As of the 15th calendar day of illness, the sickness allowance is paid to the employee from the Czech sickness insurance system.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

No.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

No.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e. allowing leave of absence and paying salary/benefits throughout such period)?

According to the government decision, all schools and kindergartens in Czech Republic are open as of 24 May 2021.

If schools and kindergartens are closed again and an employee with a child under 10 years of age is affected by such measure, the employer can agree on remote working with such employees. Where this is not possible and the employee cannot perform work due to the fact that they need to take care of their child, the employer has to excuse the employee's absence.

The employer does not pay any compensation to the employee during the absence. A career's allowance is paid to the employee by the state (from the sickness insurance system) during the entire period of caretaking due to the school or kindergarten closure.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

The Antivirus Program

The Antivirus Program, under which the government repays to employers a part of compensatory wages paid to employees during impediments to work related to the COVID-19 pandemic, is currently limited only to Regime A, applicable for employees who must remain in isolation or quarantine due to having been diagnosed with COVID-19.

Under this regime, employers are entitled to (in summary) 80% of compensatory salary, up to Kč39,000 per employee/month, paid by the employer during quarantine.

Regime A of the Antivirus Program has been extended until the end of October 2021, while other regimes ended in May 2021. Due to the improving public health situation, it is likely that these regimes will not be extended any further.

Kurzarbeit

The Antivirus Program will be replaced by a contribution to short-time work (*kurzarbeit*). The respective bill has been adopted under No. 248/2021 Coll. The bill took effect as of 1 July 2021. Due to the improving public health situation, the related government regulation that would activate the *kurzarbeit* policy has not yet been adopted.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

The Antivirus Program

The most significant conditions for an employer's participation in the Antivirus Program include:

- ▶ No fines for illegal work by the employer in the last three years
- ▶ No liquidation or bankruptcy of the employer
- ▶ No coverage of the same costs by a different type of state aid
- ▶ No contribution claimed for employees whose employment has been terminated or who have been served a termination notice (with the exception of disciplinary reasons)
- ▶ Contribution only for periods of impediments to work (i.e., while the employee is unable to work)

Kurzarbeit

Under the rules of *kurzarbeit*, employers are only able to apply for short-time work support where certain conditions are met, such as a serious threat to the Czech economy, natural disaster or epidemic. In these circumstances:

- ▶ Governmental aid may be provided for a period of up to 12 months
- ▶ An employer may be entitled to receive up to 80% of compensatory salary paid to an affected employee per month, to a maximum of one-and-a-half times the average wage in the national economy
- ▶ The employer's impediments must be between 20% and 80% of all employees' weekly working hours combined

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Any employer that wishes to apply for government support has to complete an online form at the website <https://antivirus.mpsv.cz/>.

The employer has to accept the conditions of the program stipulated in the agreement and send it to the authorities, together with the completed application and a document proving the existence of the employer's bank account to which the contributions shall be paid.

Subject to the agreement being signed on behalf of the state, after the end of each calendar month, the employer shall file a calculation of costs for the given month in the prescribed format (special excel chart by employee and prescribed summary form). The monthly calculation can be filed, at the latest, by the end of the subsequent calendar month.

(17) What is the legal framework for collective redundancies?

The Czech regulation of collective redundancies applies to the collective termination of employment relationships which takes place over a period of 30 days, based on the termination notice served by the employer for reasons of reorganization (organizational changes), covering instances in which the employer's enterprise or a part thereof is:

- ▶ Shut down
- ▶ Relocated
- ▶ Otherwise reorganized or restructured (especially in the case of employee redundancy)

The relevant provisions apply only where a certain number of employees are to be dismissed, which varies depending on the size of the employer's enterprise:

Size of employer's enterprise	Number of Employees
20-100 employees	10 or more employees
101-300 employees	10% of employees
300 or more employees	30 or more employees

The thresholds are also met if at least five employees are terminated by notice served by the employer due to reorganization and the employment relationships with the remaining employees within the threshold are terminated by an agreement on the same grounds.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

The employer can serve notice to the employee for redundancy if the employer decides to change their employees' tasks, technical equipment, to reduce the number of employees in order to increase work efficiency or carry out other organizational changes.

No special legal justification is necessary, only a decision on organizational changes adopted prior to serving notices, based on which the employee actually becomes redundant (i.e. no immediate replacement of the employee is possible).

(19) What are the consultation requirements with works councils/unions (if any)?

Before giving notice to individual employees, the employer is obliged to inform the trade union and the works council in writing in a timely manner of its intention to carry out a collective redundancy, no later than 30 days in advance, including:

- ▶ The reasons for the collective redundancies
- ▶ The number and occupational composition of the employees to be made redundant
- ▶ The number and professional composition of all employees employed by the employer
- ▶ The time at which the collective redundancies are to take place
- ▶ Aspects proposed for the selection of employees to be made redundant
- ▶ Severance pay or other rights of dismissed employees

If there is no trade union or works council, employees shall be individually informed.

Based on the information provided, the planned collective redundancies require a consultation with the trade union or works council. The following matters need to be addressed in the consultation:

- ▶ Measures to prevent or reduce collective redundancies
- ▶ Mitigating the adverse effects of collective redundancies on employees
- ▶ The possibility of transferring employees to suitable employment at other workplaces of the employer

The consultation process includes negotiations between the employer and the employee representatives, exchange of views and explanations with a view to reaching an agreement. The employer is obliged to ensure the discussion takes place in such a way that the employee representatives can express their opinions on the basis of the information provided and that the employer can take them into account before the collective redundancies take place. Employee representatives have the right to receive a reasoned response from the employer to their opinion. They also have the right to request a personal meeting with the employer at the appropriate level of management according to the nature of the matter. Both parties are obliged to provide each other with necessary cooperation in the negotiations. However, employee representatives do not have a right to stop the collective redundancies.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

The employer is obliged to inform the regional branch of the competent Labor Office (according to the place of activity of the employer) about:

- ▶ The measures taken, especially about the reasons for these measures
- ▶ The total number of employees
- ▶ The number and structure of employees to be affected
- ▶ The period during which there will be collective redundancies, on the proposed aspects for the selection of redundant employees and on the commencement of negotiations with the trade union/works council

This first report shall be delivered at the same time as the collective redundancy plan is announced to the employees or employee representatives, i.e., at the latest, 30 days before notices are served.

After the consultation is finished, the employer is obliged to send a second written report to the Labor Office. The second report must be delivered to the Labor Office in a timely manner, because the employment relationships of affected employees will end no earlier than 30 days from the date of delivery of the second report to the Labor Office. In the second report, the employer is obliged to inform the Labor Office about:

- ▶ Its decision on collective redundancies
- ▶ The results of negotiations with the trade union
- ▶ The total number of employees of the employer
- ▶ The number and occupational composition of the employees concerned by the collective redundancies
- ▶ The trade union/works council must be provided with a copy of both reports

No approval to proceed with redundancies from the Labor Office is required.

Individual employees must be informed by the employer about the date of delivery of the second report to the Labor Office.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

There is no prescribed selection criteria, it is up to the employer to choose the redundant employees. However, the criteria must not be discriminatory.

If the redundancy concerns an employee who is a member of a body of a trade union working for the employer, or was a member of this body and the position ended no more than a year ago, the employer must ask the trade union for prior consent for the redundancy.

(22) Are there any actions required to limit the negative impact of the redundancy?	(23) What is the estimated timeline for a collective redundancy process?	(24) What are the estimated costs?	(25) Are there any hiring/re-hiring restrictions post-redundancy?
<p>Apart from informing the employee representatives and filing the reports with the Labor Office, nothing specific is required. There is no outplacement obligation.</p>	<p>The collective redundancy process generally takes three to four months.</p> <p>Before giving notice to individual employees, the employer is obliged to inform the trade union and the works council, as well as the Labor Office no later than 30 days in advance.</p> <p>In the case of notice of termination, the employment relationships end upon the expiration of a two-month notice period, which begins to run on the first day of the calendar month following the delivery of the notice to the employee. The notice shall be delivered in person at the workplace. Where the employee cannot be reached at the workplace, notice may be sent by post, which can take up to 15 calendar days to be successfully delivered.</p> <p>In case an agreement on termination of employment is concluded with the employee, the employment relationship ends on any agreed (future, not past) date.</p> <p>The second report must be delivered to the Labor Office by the mid-point of the notice period, at the latest, as the employment relationships do not end earlier than 30 days from the date of delivery of this report to the Labor Office.</p> <p>In the case of notice served due to redundancy, the notice period is prolonged in case the employee is sick or under another protective period under the Labor Code at the standard end date of the notice period.</p>	<p>Employees whose employment is terminated by notice or agreement due to redundancy are entitled to statutory severance pay, paid by the employer, of at least:</p> <ul style="list-style-type: none">▶ One average monthly salary, if the employment with the employer lasted less than one year▶ Two average monthly salaries, if the employment with the employer lasted at least one year and less than two years▶ Three average monthly average salaries, if the employment with the employer lasted two or more years <p>Additional severance pay is frequently provided on the basis of a CBA or individual agreement with an employee.</p>	<p>There is no restriction on rehiring an employee previously employed by the employer.</p> <p>If the redundant position is filled with another employee immediately after the redundancy took place, it may invalidate the termination of the employment of the original employee. It is generally recommended to wait for six months.</p>

(26) What are the risks of litigation caused by the redundancy process?

Employees are entitled to go to court if they have doubts about the validity of the notice or agreement on termination of employment. They can file a lawsuit within two months of the end of the employment relationship; This period may be extended in exceptional circumstances (e.g., an employee cannot file a timely suit due to hospitalization).

Should the employee succeed and the court find the notice or agreement on termination invalid, the employee's employment will continue (reinstatement). The employee will be entitled to compensation of salary paid by the employer starting from the moment they notified the employer that they insist on further employment, until the employer starts reassigning work to them. For a period exceeding six months, the court may reduce the compensation accordingly, e.g., in case the employee has another comparable employment.

(27) What are the risks of damages or other remedies due to the redundancy process?

The Labor Inspectorate may impose a fine of up to Kč200,000 for breach of an employer's obligations (e.g., failure to co-operate with a trade union). Failure to comply with other obligations of the employer when terminating the employment relationship can result in a penalty of up to Kč2,000,000. The Labor Inspection may be initiated by a request from an employee.

In the case of non-delivery of the second report of the Labor Office, the employment will not end and employees will be entitled to compensatory salary until the situation is resolved (termination/reinstatement).

Denmark

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- Providing disinfectants and face masks
- Technical possibilities as an alternative to physical meetings (e.g., video conferencing)

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace.

In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee should be put on sick leave with full benefits.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic. For example, in countries for which GDPR applies, personal health data should be processed, stored, secured, accessed and destroyed in accordance with that legislation.

Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be shared with a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people.

Health data should be processed in accordance with the GDPR and supplementary domestic legislation. However, it should be noted that handling such data triggers extra precautions for the data processor, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must share this information in accordance with the underlying duty of loyalty which forms part of the employment.

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<p>(5) Does the employer have a duty to alert the government if an employee has been diagnosed?</p>	<p>(6) Other remarks</p>	<p>(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?</p>	<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc..) and/or other extraordinary governmental support?</p>
<p>No.</p>	<p>No.</p>	<p>Yes.</p>	<p>The employer may choose to enter into a local agreement with a group of employees (all employees in the group must accept) on certain working time reduction/part-time work (<i>Arbejdsfordeling</i>), with immediate effect, for a period of 13 weeks. If this period is to be exceeded, an approval by the Regional Labor Market Council is required.</p> <p>No redundancies should take place for this group of employees during this period. The employees will receive reimbursement from an unemployment union, if they are members, equivalent to full time employment at certain rates. If the employer chooses to use this scheme, the employer is not entitled to receive governmental support from the new special salary compensation schemes.</p> <p>Furthermore, if a CBA permits, blue collar employees can be requested not to attend work with immediate effect - with no payment. These employees have the right to unemployment benefits, if they are members of an unemployment union, at a rate of up to Kr.19,000 per month.</p>

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

Yes, if a CBA applies stipulating the possibility of part-time work, the rules in the CBA must be followed. If no CBA applies, the part-time work must be entered into with a group of employees.

(8) Can an employer unilaterally decide to postpone an employment start date in cases where;

8(i) The office is closed due to the COVID-19 pandemic;

8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;

8(iii) The new hire has been diagnosed with COVID-19.

No.

No.

No.

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>Not applicable.</p>	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>The employer must pay the employee their contractual salary or the employer must terminate the employment relationship according to the employee's notice period.</p>	<p>The employer must pay the employee their contractual salary, unless the employee has visited a quarantine city/area, even though the employer has informed the employee that such a trip will result in non-payment of salary in the case of the employee suffering illness or being quarantined after returning from that city/area.</p> <p>Persons entering Denmark may be subject to mandatory testing and a 10-day quarantine. However, the quarantine period may be reduced if the person is tested (at the earliest) on the fourth day after entering Denmark and the test result is negative.</p> <p>Employees that travel are advised to stay informed at all times via coronasmitte.dk and Rejsevejledninger (um.dk)</p>	<p>The employer must pay the employee their contractual salary, unless the employee has visited a quarantine city/area, even though the employer has informed the employee that such a trip will result in non-payment of salary in the case of the employee suffering illness or being quarantined after returning from that city/area.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(ii)?

The employer can force the employee to take accrued overtime or accrued holidays without notice on an individual basis if the employee is not able to perform any work when working from home due to lack of work.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

No.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

If the schools and kindergartens are closed due to the COVID-19 pandemic, the employee who that has to at stay home to take care of dependents (and whereby the employer has not permitted the employee to work remotely) the employee is not entitled to their contractual salary. Consequently, the employee must take accrued overtime, accrued holidays or unpaid leave.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period? (continued)

Salary compensation scheme

The Danish government has passed a resolution which entitles private companies to receive compensation from the Danish government if the company contemplates redundancies of more than 50 employees, or a minimum 30% of the workforce, due to lack of work because of the COVID-19 pandemic.

The purpose of the funding scheme is to support employment and ensure that employees can retain their jobs and wages for a period of time despite the economic downturn due to the COVID-19 pandemic.

The companies can receive a temporary financial support from the state of an amount of up to 75% of the monthly salary for white collar employees, but capped at Kr.30,000 per month per full-time white-collar employee - and up to 90% of the monthly salary for a blue collar employees, but capped at Kr.30,000 per month per full-time blue-collar employee.

The temporary funding scheme can be used by private companies from 9 December 2020 until 30 June 2021. Therefore, the scheme may be applied retrospectively, in case the employer has, prior to 15 March 2020, sent employees home - with pay - due to lack of work.

It is a condition for financial support from the state that the:

- ▶ Employer pays the employee full salary during the period
- ▶ Employer does not dismiss employees for financial reasons during the period
- ▶ Affected employee was an employee of the company on 7 December 2020
- ▶ Affected employee must not work during the period

- ▶ Affected employee must pay one day themselves (if they are furloughed after 18 January 2021) during this compensation period, using accrued holidays and/or overtime

Applications for compensation can be submitted to the Danish Business Authority (*Erhvervsstyrelsen*).

The temporary funding scheme cannot be combined with an agreement on working time reduction.

Agreement on working time reduction

A company may alternatively choose to enter into an agreement with a group of employees for particular working time reduction, with the purpose of ensuring that employees can retain their jobs.

By entering into such an agreement, the working time can be reduced for a temporary period of up to 13 weeks. No redundancies may take place within this group of employees during the period.

An agreement on working time reduction must be reported to the public employment agency. If the working time reduction/part-time work (*Arbejdsfordeling*) is more than 13 weeks, it must be approved by the Regional Labor Market Council. The Danish government has decided to make this scheme more flexible given the current situation. Therefore, the agreement on working time reduction can now enter into force as soon as the public employment agency has been notified. This will suspend the normal requirement for the agreement to be reported to the public employment agency no later than one week before it can enter into force.

The working hours should be reduced in one of the following ways for the agreement to be permissible:

- ▶ At least two full working days per week

- ▶ One week of full time work followed by one week of unemployment
- ▶ Two weeks of full time work, followed by one week of unemployment
- ▶ Two weeks of full time work, followed by two weeks of unemployment

Some employees are covered by CBAs, which may include provisions regarding the right to conclude an agreement on working time reduction. In other cases, the agreement for working time reduction must be concluded as an collective agreement covering a group of employees, and it is a requirement that all employees in the group accept the agreement.

The employees may receive reimbursement from an unemployment union, up to full time employment rates. Typically, the reimbursement will be at hourly rates that are lower than the employee's contractual salary - provided that they are members of an unemployment union and provided they are entitled to receive reimbursement from the unemployment union according to the usual criteria.

On 24 March 2020, the government passed a bill which entitles companies to be funded by the government if the company contemplates redundancies of more than 50 employees, or minimum 30% of the workforce, due to lack of work due to the COVID-19 pandemic. The funding will amount to up to 75% of the salary for a full-time white collar employee, to a maximum of Kr.30,000 and up to 90% of the salary for a full-time blue collar employee, to a maximum of Kr.30,000.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period? *(continued)*

The funding takes place with effect from 9 December 2020 until 30 June 2021, provided that the employee has been employed with the company on 9 March 2020. Currently, there are no discussions on the extension of these programs. This situation may vary depending on the fluctuations of the COVID-19 pandemic.

It is a condition of funding that the employer pays the employee their contractual salary during the period and the employee should not attend work and not be entitled/obligated to work. Applications may be submitted to the Danish Companies Authority (*Erhvervsstyrelsen*).

The employer will not be entitled to receive any compensation from the government if, during the funding period, the employer enforces redundancies (due to lack of work). The employer will be entitled to keep the compensation received to cover the period until the employer gives notice of the first termination. This also applies if the employer requires the employee to stay at home without salary or if the employer chooses the above mentioned part-time work scheme (*Arbejdsfordeling*).

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Please refer to the comments in Q7 and Q14.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

The employer may file an application with the Danish Business Authority (*Erhvervsstyrelsen*) for the salary compensation scheme and, if approved, the compensation will be paid for the period which the company has applied (latest by 11 August 2021). Currently, there are no discussions on the extension of these programs. This situation may vary depending on the fluctuations of the COVID-19 pandemic.

There will be a control period of six months after the end of the compensation scheme where companies that have applied will be required to send in documentation to the Danish Business Authority (*Erhvervsstyrelsen*). A company will be required to document how many employees have been furloughed, the actual period for which the employees were furloughed and certify that the salary has not been compensated via other state schemes. The company is required to confirm that no redundancies have taken place, part-time working (*Arbejdsfordeling*) or sending employees home without salary.

(17) What is the legal framework for collective redundancies?

Collective dismissals in Denmark are governed by the Danish Collective Dismissals Act (*Masseafskedigelsesloven*). This Act is applicable if the dismissals are made within a period of 30 days, with the following thresholds:

- Termination of 10 or more employees, in companies with 20-100 employees
- Termination of 10% of the employees, in companies with more than 100 employees
- Termination of 30 or more employees, in companies with more than 300 employees

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Any contemplated termination of employment due to the lack of work or restructuring will normally constitute a lawful redundancy reason under Danish employment law.

Termination due to organizational changes will, as a general rule, be considered unlawful if the employer makes new hires at the same time, i.e., employing new employees within the same job functions.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

Pursuant to the Danish Collective Dismissals Act, strict formal information and consultation rules apply, including certain time limits in relation to mandatory information letters to be forwarded to the local labor board and to the works council.

Before commencing the information and consultation process, the employer is obligated to issue an information letter to the works council (or employee representatives elected by the employees, if no work council has been established) containing all relevant information including the following:

- Reason for the contemplated redundancies
- Total number of employees in the company
- Number of employees contemplated to be dismissed
- Proposed time period for implementation of contemplated dismissals
- Information on the category and job functions of the employees contemplated to be dismissed
- Description of the redundancy criteria
- Information on any mandatory severance payments applicable to the employees
- Information on the time and location of the negotiation meetings

Under such information process, the employer should receive input from the works council or employee representatives on the contemplated dismissals, redundancy criteria and any mandatory and/or offered severance terms and

conditions (e.g., release of duties, severance payments, holiday entitlements, renouncement of set-off rights in the case of new employment, etc). However, the works council or employee representatives have no veto rights during such information and consultation process.

No mandatory obligation exists to reach an agreement with the works council or employee representatives and the contemplated dismissals may therefore be implemented despite any objection of the works council.

Consultation requirements with other employee representatives

No specific consultation requirements exist with other employee representatives.

Consultation requirements with employees

No specific consultation requirements with employees exist, unless the terms and conditions of the employment contract between the employee and the employer require it.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

If redundancies cannot be avoided after negotiations with the works council or employee representatives, the employer must notify the local labor board of the dismissals, which cannot take effect until 30 days (eight weeks if there are at least 50% dismissals in a business employing at least 100 employees) after such notification.

The local labor board should be provided with a copy of the letters and documentation delivered to the employee representatives or works council (for more information, please refer to the comments in Q19).

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

The employer retains sole discretion and is entitled to choose which employees will be dismissed if none of the impacted employees are afforded special protection against their dismissal.

The selection criteria must be fair and objective and based on the employee's skills, performance or seniority or on other such grounds.

Further, the selection process must not be based on the protected characteristics (e.g., age, sex, disability, pregnancy) of the Danish anti-discrimination law.

(22) Are there any actions required to limit the negative impact of the redundancy?

No mandatory actions are required to limit the negative impact and/or to implement any Social Plan.

Internal alternative employment/redeployment

The employer has the obligation to seek redeployment of an employee who may be made redundant and to consider if the employee could be offered a similar vacant job position in other departments.

There are no rehiring obligations for the terminated employees when implementing a reduction in force/collective redundancy. Further, there are no legal barriers restricting hiring new employees after implementation of a collective dismissal. However, it is considered unlawful if the employer simultaneously hires new employees for a same/similar role while implementing the collective dismissal.

Other measures

No mandatory external measures are required. However, employers in Denmark often provide for a large range of external measures to limit the negative impact of the redundancies, including providing outplacement services for impacted employees.

(23) What is the estimated timeline for a collective redundancy process?

Information and consultation with the works council or employee representatives shall take place in connection with the employer's decision on the contemplated collective redundancy. The employer cannot finally decide on implementation of the collective redundancy before the information and consultation process has completed.

There are no mandatory rules on the specific timeline to be followed for the information and consultation process with the works council or employee representatives. However, the employer is required to follow a specific timeline for implementing the contemplated collective redundancy post-notification to the local labor board (for more information, please refer to the comments in Q19).

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- ▶ Contractual agreed remuneration and benefits throughout the agreed notice period
- ▶ Possible seniority severance payments, according to the employee's seniority (typically between one and three months' remuneration)

Customary additional costs

Employers in Denmark often provide for a large range of measures to limit the negative impact of redundancies, including outplacement, which is one of the main customary additional HR costs for the employer.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

There are no legal barriers restricting hiring new employees after implementation of a collective dismissal.

However, it is considered unlawful if the employer simultaneously issues redundancy notices to the impacted employees and also hires new employees for a same/similar role.

(26) What are the risks of litigation caused by the redundancy process?

The following interested parties can bring lawsuits before the non-specialist Danish courts or the Danish labor court (in the case of breach of CBAs) related to the redundancy process:

- ▶ Works council/unions/employees: The grounds for challenge is that the redundancies have been implemented against any applicable CBA and/or mandatory Danish legislation.

Impacted employees: The grounds for challenge is that the selection criteria process was not compliant with any anti-discrimination acts and other protective legislation.

Litigation cannot stop or slow down the collective redundancy process.

(27) What are the risks of damages or other remedies due to the redundancy process?

Challenges could lead to two types of civil remedies as well as criminal sanctions.

Damages for unfair dismissal

A severance payment could be awarded to employees based on the following conditions:

- ▶ Absence of a legal justification
- ▶ Failure to properly apply the selection criteria
- ▶ Failure to comply with any anti-discrimination acts and other protective legislation

The amount of severance payment varies depending on the employees' age, years of service and salary. Salaried employees are typically awarded half of the employee's notice period as a maximum severance payment.

There are no punitive damages in Denmark.

Reinstatement

Under certain circumstances, some employees enjoy special protection against dismissal according to CBAs and applicable legislation (e.g., shop stewards, safety officers and board members elected by the employees). Such protected employees are, in certain circumstances, entitled to reinstatement within the company – and the employer cannot refuse the reinstatement (save for exceptional cases).

These employees could opt for a severance payment instead. In that case, the employees may be awarded between one and nine months' additional salaries.

Criminal sanctions

Failure to comply with certain legal requirements, in particular those regarding the works council process and providing notification to the local labor board, would also expose the employer to criminal fines of between Kr.7,500 and Kr.375,000 for the legal entity. Extremely large fines will often be imposed in the case of non-compliance with a CBA.

Dominican Republic

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

The employer must comply with the recommendations made by the Ministry of Public Health, including:

- ▶ Using thermometers to monitor temperature
- ▶ Hand sanitizer dispensers available at the workplace
- ▶ The mandatory use of face masks
- ▶ The mandatory use of gloves (depending on the type of work and the contact with users outside the work environment)
- ▶ Social distancing at the workplace is mandatory (not less than two meters), although the distance will depend on the workplace
- ▶ Regular disinfection of the workplace to reduce infection
- ▶ Encourage the use of hand sanitizer and regular hand washing

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

Yes.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

If any employee is diagnosed with COVID-19, the employer must notify all such individuals who have had contact with the diagnosed employee during the 15 days prior to the diagnosis.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

Yes.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

There is no duty to alert the government but a duty to protect the health of other employees within the workplace.

(6) Other remarks

The following measures may be adopted:

- ▶ Imposition of a curfew throughout the national territory
- ▶ Temporary closure of crowded places such as shopping malls, sports events, clubs and bars
- ▶ Mandatory social distancing
- ▶ Limited transit to severely affected provinces

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes.

<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>Labor Ministry Resolution No. 007/2020, regarding preventative measures to safeguard the health of workers and employers due to the spread of the COVID-19 pandemic in the Dominican Republic, specifies certain measures for employers, including:</p> <ul style="list-style-type: none"> ▶ Flexible work schedule ▶ Granting vacations to employees ▶ Isolation measures for employees belonging to vulnerable groups ▶ <i>Fondo de Asistencia Solidaria a Empleados (FALSE)</i> has been created to temporarily support formal workers in the private sector with a subsidy 	<p>The suspension of employment contracts due to <i>force majeure</i> must be communicated to the Ministry of Labor within three days of the occurrence of the cause warranting such suspension, through the Integrated System of Occupational Risk (SIRLA), for which the employer must comply with the following:</p> <ul style="list-style-type: none"> ▶ Complete form DGT-9 (suspension of the effects of the employment contract), in which the employer must indicate the information of the workers who will be suspended, including: <ul style="list-style-type: none"> ▶ Addresses ▶ Telephone numbers ▶ Identity document ▶ Job ▶ The duration of the suspension ▶ Suspension must be communicated by written means ▶ Employers must send the DGT-9 and the supporting documents to the Ministry of Labor, which must verify the causes of the suspension and issue the corresponding approval within a period of no more than 15 days <p>After completing the above process, the employer may initiate the application for inclusion of suspended workers into the phase of the program initiated by the government at the beginning of the COVID-19 pandemic.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
		<p>Yes.</p>	<p>Yes.</p>	<p>Yes.</p>

(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.

In Art. 42 of the Dominican Code of Labor: “The employer is empowered to introduce necessary changes in the arrangements of the contract, provided that such changes do not involve an unreasonable exercise of this power, nor alter the essential terms of the contract, or cause material or moral harm to the worker”.

The employer may have to pay for the material harm that their decision could cause the worker. This will be decided on a case-by-case basis.

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?

10(i) The office is closed due to the COVID-19 pandemic;

The employer will only, in principle, be responsible in the cases where, because of the employer, the employee is not insured, in which case the employer shall bear the medical expenses and corresponding compensation (Art. 52, Dominican Code of Labor).

10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;

The employer will only, in principle, be responsible in the cases where, because of the employer, the employee is not insured, in which case the employer shall bear the medical expenses and corresponding compensation (Art. 52, Dominican Code of Labor).

10(iii) The employee has been diagnosed with COVID-19.

The employer will only, in principle, be responsible in the cases where, because of the employer, the employee is not insured, in which case the employer shall bear the medical expenses and corresponding compensation (Art. 52, Dominican Code of Labor).

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

Yes.

The employer is responsible for providing a safe and healthy working environment, adequate actions (such as suspension of the work contract) could be taken in order to ensure health and safety of other individuals at the workplace. The employer is held responsible for the safety of the other employees, therefore, they should take into consideration any measures in order to comply with the safety guidance.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

Each case must be evaluated to provide a complete coverage of all legal obligations for both parties, the employer and the employee, since the circumstances may vary from case to case.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

The payment of salary and other benefits to the employee is maintained until the employment contract with the employee is suspended or terminated.

Please refer to Art. 50 of the Dominican Code of Labor for the causes of suspensión.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

Yes, the government established the SUPERATE program.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

The government authorized the state aid via the SUPERATE program, designed to support unemployed people with a government subsidy and a program to refer the unemployed to a job opportunity.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

The government shall provide a minimum of RD\$1,650.00 in social subsidy for non-working people.
Unemployed people must enroll in the program via a website or on-site, providing their official ID (Cedula). The program will verify the individual's status prior to any payment.

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<p>(17) What is the legal framework for collective redundancies?</p>	<p>(18) Does the employer need to have a legal justification to carry out redundancy dismissals?</p>	<p>(19) What are the consultation requirements with works councils/unions (if any)?</p>	<p>(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?</p>
<p>The legal framework for collective redundancies is provided in the Dominican Code of Labor and its implementing regulations. However, Dominican law does not deal with collective dismissals, only individual cases.</p>	<p>Yes.</p>	<p>In a collective agreement, which governs the relationship with the trade union, it is necessary to take into account the number of days, the duration of the day, the periods and vacations and other working conditions.</p>	<p>The Ministry of Labor does not have to approve the dismissal, it is only necessary to notify the ministry about the redundancy in the 48 hours after an employee's dismissal.</p>

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

The employer retains discretion to select any employees for redundancy.

However, there are some classes of employees that must be given special consideration due to the COVID-19 pandemic and their specific vulnerability (e.g., pregnant women or senior citizens).

(22) Are there any actions required to limit the negative impact of the redundancy?

The following actions are required to limit the negative impact of redundancies:

- ▶ The payment of the acquired rights of the employees, together with their labor benefits
- ▶ The Ministry of Labor urges those companies that are forced to suspend their activities to pay their employees' leave entitlements
- ▶ Both the termination or suspension of labor contracts must be notified to the Ministry of Labor. It is also necessary for the employer to communicate to the Ministry the period of time for which the labor contract would be suspended

Please note that in the case of fluctuations of COVID-19 cases, Art. 51 of the Dominican Code of Labor deals with a "fortuitous event or *force majeure* that has as a necessary, immediate and direct consequence, the temporary interruption of the activities".

(23) What is the estimated timeline for a collective redundancy process?

A collective redundancy process is not mentioned for the jurisdiction. The law only deals with individual cases regarding specific employees, therefore there are no specifications regarding this process.

(24) What are the estimated costs?

There are no specifications regarding collective redundancy. However, the cost may vary depending on the company's size and economic capability.

Please refer to the comments in Q23.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

No.

(26) What are the risks of litigation caused by the redundancy process?

The Labor Law on *force majeure* situations like the COVID-19 pandemic states that if a dismissal is exercised, it could lead to litigation by the employees against the employer because the employer did not exercise a justifiable cause for redundancy set out in the Dominican Code of Labor.

However, suspension of the employment contract due to *force majeure* is considered a justifiable cause for redundancy.

(27) What are the risks of damages or other remedies due to the redundancy process?

The Labor Law on *force majeure* situations like the COVID-19 pandemic states that if a dismissal is exercised, it could lead to litigation by the employees against the employer because the employer did not exercise a justifiable cause for redundancy set out in the Dominican Code of Labor.

However, suspension of the employment contract due to *force majeure* is considered a justifiable cause for redundancy.

El Salvador

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

According to Art. 10 and 12 of the Executive Decree No. 32 in the Branch of the Health Department, the obligations of every employer are as follows:

- ▶ Maintain closure of all operations, unless it is included within the exceptions authorized by Executive Decree to continue operating during Phase 1 of the Sanitary Protocols in the process of gradual reactivation of the economy
- ▶ Industries and private sector must maintain working from home mode for all activities that can be done under this mode, to minimize the risk of contagion
- ▶ Industries and private sector activities related to authorized activities shall send employees over 60 years of age, pregnant women, people with chronic diseases, such as chronic kidney failure or transplants, cancer in the process of radiotherapy or chemotherapy, to their homes. People with HIV with detectable viral load, lupus, diabetes mellitus and chronic lung diseases, shall also be sent home
- ▶ The industries and companies authorized to operate must abide by, and implement, all the biosecurity protocols according to the nature of their sector and the level of risk of contagion in their activities
- ▶ All industries and companies must abide by, and implement, Minimal General measures during all Phases for the process of reactivation of the economy, including:
 - ▶ Permanent use of a mask at all times
 - ▶ Social distancing with a minimum of two meters between each person
 - ▶ Regular handwashing
 - ▶ No touching of nose or mouth
 - ▶ No hugging or kissing when greeting someone
 - ▶ Using a disposable handkerchief when sneezing or use of the elbow

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

There is no explicit legal prohibition that allows an employer to prohibit an employee who may be infected from entering the workplace, but as it is a risk of infection towards other employees, the employer can ask the employee who may be infected with COVID-19 to leave the workplace and seek treatment as part of the internal protocols implemented by the employer.

Based on Executive Decree No. 32 in the branch of the Health Department, the employer no longer has the obligation to report to the Health Department if a person is a suspected or confirmed case of COVID-19.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

Implement the "Workplace Risk Prevention Law" and the "Risk Prevention Management Regulations In Workplaces" as a guideline, in order to keep employees alert and safe.

Nonetheless, if a person is diagnosed and considered a confirmed case of COVID-19, the employer no longer has the obligation to report to the Health Department the issued (based on Executive Decree No. 32 in the branch of the Health Department issued on 29 July 2020).

In addition, the Labor and Social Welfare and the Health Departments have issued additional Special Biosecurity Protocols on Occupational Health and Safety for various sectors.

<p>(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?</p>	<p>(5) Does the employer have a duty to alert the government if an employee has been diagnosed?</p>	<p>(6) Other remarks</p>	<p>(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?</p>
<p>Employees have an obligation to report any symptoms, on the condition that Personal Data Rights and Confidentiality are respected and followed.</p>	<p>No, based on Executive Decree No. 32 in the branch of the Health Department, the employer no longer has the obligation to report to the Health Department if a person is a suspected or confirmed case of COVID-19.</p>	<p>Sanitary protocols to guarantee health and safety of the population were established for the process of gradual reactivation of the economy during the COVID-19 pandemic in El Salvador on 29 July 2020 by Executive Decree No. 32 in the branch of the Health Department.</p> <p>The Protocols were declared unconstitutional on 7 August 2020 by the Constitutional Chamber of the Supreme Court of Justice, due to the fact that its content contradicted the constitutional parameters established previously in a resolution issued in the present process, related to the suspension and limitation of fundamental rights. However, this decree will have legal effect until 23 August 2020 (inclusive).</p> <p>On Tuesday, 5 May 2020, the Legislative Assembly approved the Legislative Decree No. 641 issuing the Law of Protection of Salvadoran Employees, published in the Official Gazette No. 89, Volume 427 on the same date.</p> <p>The objective of this law is to establish measures that can mitigate the economic impacts caused by the COVID-19 pandemic, the effects on Salvadoran employment and the health measures imposed to confront it.</p> <p>This law seeks to develop exceptional and temporary measures to safeguard the employment stability of workers in the Salvadoran private sector.</p>	<p>Yes. Remote working has been adopted and encouraged, when possible, for all employees to which their job descriptions allows them to adopt such a mode. The Executive Decree No. 32 in the branch of the Health Department states in Art. 10 that all industries and private sector activities must maintain remote working for all activities that can be done in this mode to minimize the risk of contagion. In addition, the Teleworking Regulation Law was approved on 20 March 2020 and published on 16 June 2020 and remains in force.</p>

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?

Regulation

- ▶ Telework Regulation Law published on 16 June 2020
- ▶ Labor Code

If such leave is imposed due to being infected, then it will be supported by state aid.

In the event of illness, employees covered by Social Security shall be entitled, within the limitations set by the respective regulations, to receive medical, surgical, pharmaceutical, dental, hospital and pathological services, and such prosthetic and orthotic devices as are deemed necessary.

The Social Security Institute shall provide the benefits referred to above either directly or through the people or entities contracted for that purpose.

When an illness results in a temporary disability for work, the insured will also be entitled to a financial benefit. The regulations determine the time at which the benefits shall begin to be paid, the duration and the amount of the benefit. The amount will be fixed in accordance with a chart relating to the wages earned, or income received.

Art. 48 Social Security Act

A national state of emergency has been decreed due to the COVID-19 pandemic. Due to this declaration, any worker who is quarantined due to COVID-19 infection (or suspected infection), ordered by the competent health authority, may not be fired. The guarantee of employment stability will start after the quarantine is issued, and will extend for three months.

Teleworking may be applied by employers. The government has approved the Teleworking Regulation for companies that are likely to organize teleworking in relation to their business to make systematic and widespread use of it.

Specific measures have been adopted by the government (extraordinary government support), including: Credit incentives, an extension of the term for payment of taxes, suspension of payment of electricity, water, telephone, cable and internet fees and freezing of commercial rental payments for three months (the process to request these benefits is still under development).

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

Not applicable.

(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
<p>Yes. There is an obligation to send employees home if the company is not authorized to operate in Phase 1 of the Sanitary Protocols in the process of gradual reactivation of the economy, during the COVID-19 pandemic, and if the workplace is not open for business then an employer can postpone an employee's start date, if the job description requires being present at the workplace.</p> <p>Nonetheless, even if the job description and tasks can be overseen by working from home, and the employer can see to it that the employee has all the necessary tools to work remotely, the employer can still decide to postpone an employment start date.</p> <p>These measures are no longer established in a law, but have been adopted as voluntary measures and customs.</p>	<p>Yes. When an individual has been exposed to a quarantine city/area and is identified as a suspected case of COVID-19, the employer can postpone an employment start date.</p> <p>The employer can send the new hire home for 15 days to prevent further contagion when the work requires the employee's presence. Even if the job description and tasks can be overseen by working from home, and the employer ensures that the employee has all the necessary tools to work remotely, the employer can still decide to postpone an employment start date.</p> <p>These measures are no longer established in a law, but have been adopted as voluntary measures and customs.</p>	<p>Yes. Anyone who has tested positive for COVID-19 should have the obligation of complying with the mandatory quarantine and isolation at home or a controlled quarantine location.</p> <p>However, these measures are no longer established in a law, but have been adopted as voluntary measures and customs.</p>	<p>No.</p>

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?		
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.
Not applicable.	Not applicable.	Not applicable.

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
<p>Employers cannot force an employee to use sick leave, but there are more options in order to benefit the employer:</p> <ul style="list-style-type: none"> ▶ Sending workers on vacation unilaterally, or in advance: During the State of Emergency due to the COVID-19 pandemic, employers and workers may by mutual agreement establish timeframes to enjoy individual vacations in advance, in a single period or in instalments, and without the need for the '30 days' notice' as established in the Labor Code. If there is no mutual agreement, the employee can enjoy their holidays, to be scheduled in the last quarter of the year. In any case, vacations must be paid in time and form established by the Labor Code ▶ Reducing the working hours: This is possible but the employer will be obliged to pay workers affected by this reduction. That is to say, in addition to the salary for the time worked, they will be paid an equivalent to 50% of the amount not worked due to the reduction, up to a maximum period of three days. After these three days, workers will only earn the salary corresponding to the time they work ▶ Reducing wages: The Labor Code prohibits the possibility of reducing wages, thus causing the termination of the contract and liability for the employer. However, there may be exceptions ▶ Suspending or terminating employment contracts: The assumptions for suspending an employment contract are set out in the Labor Code, and there are rules to be followed when dealing with specific assumptions. Terminations, on the other hand, may be with compensation for time served, or for voluntary resignation of the worker. With respect to the time served, the employer will be responsible for compensating the worker, while in the case of voluntary resignation, after two years of service, the worker will receive an economic benefit equivalent to 15 days of basic salary for each year of service. Dismissals without just cause are not allowed during the State of National Emergency due to the COVID-19 pandemic <p>Refer to Art. 180, 182, 188 of the Labor Code.</p>

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

The use of a mask is mandatory for the entire population.

The guarantee of job stability begins as soon as the corresponding quarantine has been issued or ordered by the Health Department when a person has been confirmed positive for COVID-19 and will be extended up to three months after the completion of the quarantine, unless there are legal grounds for terminating the employment relationship, without liability for the employer.

The employee has the obligation to notify the employer that they have been confirmed positive for COVID-19, and must present the medical incapacity certificate.

Nonetheless, once the employee returns to work, the employer can pursue a termination of the employment contract if required.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Both schools and kindergartens are closed until further notice. Meanwhile, teachers will continue to receive their payments and wages if online classes are offered. If the teacher continues teaching, the students keep learning.

Until now, all schools and kindergartens will be closed for the rest of the year, and their reopening will be discussed and analyzed until January 2021, depending on the number of cases.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

Yes.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Necessary prerequisites:

- ▶ That the company has closed its operations due to the emergency
- ▶ The company has sent its employees to their homes for quarantine, maintaining their salaries and legal benefits

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Where a business has suffered damage due to the COVID-19 pandemic, they can apply for credit incentives, for which the company needs to complete the prequalification form to confirm the company's interest in credit incentives for voluntary closure in the context of the COVID-19 emergency. The form must include the name of the company, Tax ID, activity and contact information.

Regarding the extraordinary government support measures referred to at Q7(i), there's no application procedure since they are available at the discretion of the companies.

(17) What is the legal framework for collective redundancies?

Art. 49 and 53 of the Labor Code.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Yes, the justifications will be based on the assumptions that are established in Art. 49 or 53 of the Labor Code, redundancies that will only be withheld during the COVID-19 pandemic if they are based on causes for dismissal with employer liability or no liability at all for any of the parties.

(19) What are the consultation requirements with works councils/unions (if any)?

There are no regulations about this, unless included in a collective work agreement signed by the company. In the case of employees who are union members, where there could be a problem is in the case of union leaders, since Art. 248 of the Labor Code establishes that they cannot be dismissed, demoted, or suspended by disciplinary measures while in office and within 12 months after leaving office. Consequently, they cannot have their employment contract terminated by the union jurisdiction they hold.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

Yes, all redundancies must be documented, with the settlement granted before a notary public in order to be valid and legally effective for the parties. The termination of the employment contract must not be sanctioned or authorized by the labor authority, except in the case that a union director's employment contract is to be terminated for just cause, in which case a labor lawsuit would have to be filed beforehand and the causes of the dismissal would have to be demonstrated without employer liability.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

There is no specific criteria. Employees can choose voluntarily to be part of the redundancy, but this is only possible by virtue of the right to freedom of contract, provided that you pay the employees affected by the situation 100% of their compensation and other corresponding payments.

The particular cases in which it could not be applied are the following:

- ▶ Employees whose contract is suspended
- ▶ Employees who are disabled, in a controlled quarantine or who have not been able to return to the country due to the pandemic
- ▶ Pregnant women
- ▶ Union leaders, because of the union's jurisdiction
- ▶ Employees diagnosed with serious illnesses or who are undergoing continuous treatment for such illness (i.e., cancer or dialysis)

(22) Are there any actions required to limit the negative impact of the redundancy?

Yes, paying the employees affected by the situation 100% of their compensation and other corresponding payments can ease the negative impacts of the redundancy.

The assumptions for suspending an employment contract are set out in the Labor Code, and there are specific rules to be followed when dealing with specific assumptions. Terminations, on the other hand, may be for compensation for time served, or for voluntary resignation of the worker. With respect to the time served, the employer will be responsible for compensating the worker, while in the case of voluntary resignation, after two years of service, the worker will receive an economic benefit equivalent to 15 days of basic salary for each year of service. Dismissals without just cause, on the other hand, are not permitted during the State of National Emergency due to the COVID-19 pandemic.

Neither compensation nor economic benefits, in the case of resignation, are subject to any type of withholding.

Nonetheless, the position of the Labor Department during the COVID-19 pandemic has changed, and are no longer pointing out that it is not possible to suspend or terminate employment contracts.

(23) What is the estimated timeline for a collective redundancy process?

The process will depend on the time it takes to calculate the benefits of each employee concerned and the preparation of the settlements.

Most of the times it will depend on the number of employees affected, starting from 15 days up to a month.

(24) What are the estimated costs?

Costs can depend on the number of employees affected.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

No. It is recommended that the issue be discussed and if later there is a possibility of re-contracting, then it should be done.

(26) What are the risks of litigation caused by the redundancy process?

It is recommended that settlements are signed by a Notary Public in order to document the redundancies. The signed settlements become valid and legally effective, leaving the employer without liability.

Even when an employee starts a claim, the employer can rely on the signed settlement.

(27) What are the risks of damages or other remedies due to the redundancy process?

The risks cannot be estimated. They will only be seen on a case-by-case basis.

Estonia

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?	(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?	(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?	(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?	(5) Does the employer have a duty to alert the government if an employee has been diagnosed?
<p>According to the Occupational Health and Safety Act (OHSA), the employer is obliged to create and ensure a working environment which is safe for employees' health.</p> <p>The employer shall assess the risks and take measures, in particular those recommended by the Health Board, and, where appropriate, make changes to work or the organization of work.</p> <p>In addition, the OHSA stipulates that the employer has a duty to inform employees of the results of the risk assessment and to inform them of the measures taken to mitigate the risks.</p>	<p>Yes, to avoid the risks to other employees and the working environment in general, the employer is entitled to prohibit an employee with a suspected infection from entering the workplace.</p>	<p>According to GDPR and Estonian Data Protection Inspectorate guidance, an employer has no right to pass on information about an employee's health condition to others without the employee's consent. This is only allowed if the transfer of such information (in personalized form) to other employees is necessary to protect their life, health or liberty and it is not possible to obtain the consent of the employee to whom the information relates.</p> <p>The employer must assess the risks and accordingly make decisions on how to protect other employees. In the context of the COVID-19 pandemic, it is reasonable for an employer to ask the employee for confirmation that the employee does not pose a risk to other employees and the work environment in general. Otherwise, the employer would not be able to fulfill its legal obligation to ensure a safe working environment.</p>	<p>In principle yes, the employer is entitled to ask whether the employee has recently been in a risk area or has come into contact with infected people (as such information is not specific).</p> <p>According to OHSA and the Employment Contracts Act (ECA), the employee must inform the employer of an incident or the risk of its occurrence, the occupational accident or health disorder that prevents the performance of the work tasks, and any deficiencies in the protection systems.</p>	<p>No.</p>

(6) Other remarks

On 29 October 2020, the government decided to shorten the quarantine period following international travel, as well as the quarantine period for an individual who has had close contact with a person infected with COVID-19, from 14 to 10 days.

The opportunity to exit quarantine is offered by taking two tests, the first of which will be taken immediately after arriving in Estonia, and the second no earlier than six days after completing the first, will continue to remain in effect. If both test have shown negative results, the person will be able to resume their normal life without waiting for the end of the 10-day isolation period.

In addition, the duration of quarantine for an individual who has had close contact with a person diagnosed with COVID-19 will also shorten if they take a COVID-19 test no earlier than the 10th day, and the result is negative, or a physician has certified that they are healthy.

The 10 day self-isolation and COVID-19 testing requirements are not applicable to people who have recovered from COVID-19 and no more than six months have elapsed since they have been certified as healthy by a physician, or have obtained a vaccination and no more than six months have elapsed.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes.

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?

According to the ECA, an employer is obliged to provide an employee with the work agreed upon. If the employee is not working because the employer does not provide work to the employee, the employer must still pay the employee's average wages. Based on a mutual agreement, it is possible to agree on remote work, reduce the wages and duties of the employee or consider using vacation days, but it must be agreed on a case-by-case basis.

Compensation for sick leave, according to the Health Insurance Act, is as follows:

- ▶ No compensation for the first three days of illness
- ▶ From the fourth to the eighth day of illness, sickness benefit (70% of the employee's average salary for the last six months) is paid by the employer
- ▶ From the ninth day of illness, sickness benefit (70% of the average income of the employee per calendar day, subject to social tax) is paid by the Health Insurance Fund

Until the end of 2021, reimbursement of sick leave for initial incapacity will be as follows:

- ▶ No compensation is paid for the first day of sick leave
- ▶ For days two to five, compensation will be paid by the employer based on average salary
- ▶ From day six onwards, sickness compensation will be paid by the Health Insurance Fund on the basis of the daily income of the employee

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

No special procedure needs to be followed, only in the case of collective redundancy, according to the ECA, the employer is obliged to consult with the employees' trustee or, in their absence, with employees, and inform the Estonian Unemployment Insurance Fund before redundancy.

Note that unions are not widespread in Estonia.

(8) Can an employer unilaterally decide to postpone an employment start date in cases where;

8(i) The office is closed due to the COVID-19 pandemic;

According to ECA, the employer cannot unilaterally change the date of commencement of the employment relationship if the employment contract has already been concluded.

8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;

Please refer to the comments in Q8(i).
 Employer is entitled to prohibit an employee with suspected infection from entering the workplace to avoid infection of other employees and risks to the working environment.
 It is possible to agree with the new employee on remote work, extending the probationary period or postponing the beginning of employment.

8(iii) The new hire has been diagnosed with COVID-19.

Please refer to the comments in Q8(i).
 It is certainly not possible to work in the case of illness. In such cases it is possible, for instance, to agree on extending the probationary period by the time spent on sick leave.

(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.

The employer must pay an employee average wages for a reasonable period when the employee cannot perform work due to a reason arising from the employee, but not caused intentionally or due to severe negligence, or if the employee cannot be expected to perform work for another reason not attributable to the employee.

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(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.	
<p>According to ECA, the parties may agree on remote work, or that the employer pays the employee an average wage if work is not provided.</p>	<p>Please refer to the comments in Q10(i).</p>	<p>In the event of illness, the employee is not required to work and is compensated by Health Insurance Fund according to the Health and Insurance Act.</p>	<p>If the office is closed due to the COVID-19 pandemic and the employee has visited a "quarantine city/area" in the last 14 days, the employer cannot force an employee to use sick leave.</p> <p>Where the employee has been diagnosed with COVID-19, the employer can force an employee to remain at home, as otherwise the employer would not be able to fulfill its legal obligation to ensure a safe working environment.</p>

<p>(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?</p>	<p>(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?</p>	<p>(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?</p>	<p>(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.</p>
<p>No.</p>	<p>In this context, the employer has no extra obligations.</p>	<p>As a result of the COVID-19 pandemic, the government offers the following short-term measures:</p> <ul style="list-style-type: none"> ▶ Possibility to defer tax debt ▶ Lower tax debt interest rates, excise duties up to 30 April 2022 and the VAT rate on digital publications ▶ Exemption from VAT on imports and intra-community acquisitions of personal protective equipment and other medical devices ▶ Deduction of income from forest sales increased up to €5,000 for natural persons and sole proprietors ▶ Unemployment Insurance Fund Wage subsidy for March, April and May 2021 ▶ Financial support for companies in the sectors especially affected by the COVID-19 pandemic (e.g., surety for a loan, financial leasing of agricultural land) 	<p>A temporary wage subsidy is paid to employees whose work activities have been significantly disrupted due to the restrictions imposed due to the COVID-19 pandemic. An employer can apply for temporary subsidy for their employees if:</p> <ul style="list-style-type: none"> ▶ Turnover or income for the calendar month for which temporary subsidy is claimed has fallen by at least 50% in comparison with the average turnover or income for the period December 2019 to February 2020, or the average turnover or income for the period July 2020 to December 2020 ▶ The employer can no longer provide employees with work in the agreed volume or they have reduced the remuneration of their employees ▶ The employer is not the subject of compulsory dissolution, liquidation or bankruptcy proceedings and at the time of application they had no tax arrears (or they have been deferred) <p>Sole proprietors whose business income in 2020 was 50% lower than in 2019 can also apply for compensation.</p> <p>An employer may not lay-off employees who have received benefits during the calendar month for which compensation is being claimed, nor during the following two calendar months. A sole proprietor may also not suspend or terminate their activities.</p> <p>The employer does not incur a minimum social tax liability in the case of a full-time employee if the total remuneration paid by the employer and the benefit paid by the Unemployment Insurance Fund guarantee the employee at least the minimum wage i.e., €584.</p>

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

The application for wage subsidy were to be submitted by the employer or an authorized person via the self-service portal of the Estonian Unemployment Insurance Fund (after the end of the preceding month). The program is scheduled to be in force until December 2023.

According to the government regulation *Tööhõiveprogramm 2021-2023*, the employer must have stated in the application:

- ▶ The employer's name, registry code, and address or e-mail address
- ▶ The name, personal identification code or, in the absence thereof, date of birth, address or e-mail address, and bank account number of the employee who was not employed or whose salary has been reduced
- ▶ For sole proprietors, their bank account number
- ▶ The confirmation that the employer has paid a gross remuneration of at least €200
- ▶ Evidence of a change in turnover or income, including, for a taxable person, a recent VAT return or a self-employed person's 2020 income tax return respectively
- ▶ Confirmation that the company meets the conditions for receiving the subsidy

The Unemployment Insurance Fund may request additional information and supporting documents.

(17) What is the legal framework for collective redundancies?

Collective redundancy or the cancellation of employment contracts is governed by Art. 90 onwards of the ECA.

Rules governing the collective redundancy process vary based on the number of impacted employees, the total number of employees of the company and the presence of employee representatives.

A collective termination of employment contracts is triggered when a certain number of employees are laid off within a period of 30 calendar days as follows:

- ▶ At least five employees, in companies with up to 19 employees
- ▶ At least 10 employees, in companies with 20-99 employees
- ▶ At least 10% of the employees, in companies with 100-299 employees
- ▶ At least 30 employees, in companies with 300 or more employees

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

An employer must justify the termination of an employment contract and extraordinary cancellation, i.e., termination of an employment contract before the end date in the case of a fixed term contract, or termination of an employment contract without a specific term but due to the following reasons:

- ▶ Economic considerations
- ▶ Organizational considerations, such as decrease in the work volume
- ▶ Reorganization of work
- ▶ Other cessation of work

The justification should be in a format that can be reproduced in writing.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

The employer must notify and consult with the relevant trade union and/or trustee or shop steward prior to the redundancy action, with the goal of reaching an agreement on prevention of the planned redundancy, or reduction of the number thereof, and mitigating the consequences of the redundancy. In the absence of a trade union or trustee or shop steward, the employer must directly notify the impacted employees.

For the trade union and/or trustee or shop steward to be able to make proposals in consultations, the employer shall, in good time, provide all necessary information about the planned redundancy. The employer shall submit, in a format that can be reproduced in writing, at least the following information:

- ▶ Reason(s) for the collective cancellation
- ▶ Number and official titles of all the employees

- ▶ Number and official titles of the impacted employees and the selection criteria determining the persons whose employment contracts are to be cancelled
- ▶ Period of time during which the employment contracts are to be cancelled
- ▶ Method of calculation of the compensation to be paid to the impacted employees in addition to the benefits prescribed by law or the collective agreement

Consultation requirements with other employee representatives

No such requirements are foreseen by the ECA.

Consultation requirements with employees

In the absence of a trade union or trustee or shop steward, the employer must directly notify the impacted employees.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

The employer must provide the outcome of the consultation process, together with the information provided to the trade union and/or the trustee or shop steward (in their absence, directly to the impacted employees) to the Unemployment Insurance Fund in a format that can be reproduced in writing.

Redundancy enters into force upon the expiry of the term set out in the redundancy notice, but no earlier than 30 calendar days after the date when the Unemployment Insurance Fund received the information. During this time, the Unemployment Insurance Fund shall seek answers to the employment problems relating to the redundancy.

The Fund has the right to shorten the term specified above if the employment problems can be resolved within a shorter term. The Fund may extend the term up to 60 calendar days if it finds that it cannot resolve the employment issues relating to the redundancy within 30 calendar days. The Fund shall communicate to the employer a decision to change the term, in a format that can be reproduced in writing, within 14 calendar days of the receipt of the information about the planned redundancy.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

There are no specific employee selection criteria foreseen by the ECA in a redundancy. However, the following category of employees are afforded special protection during the redundancy process and have preferential rights to keep their job:

- ▶ Employees' representatives (the employment contract of these category of employees cannot be terminated without the approval of the employees who elected them, or of the trade union to which they belong)
- ▶ Employees raising a child under the age of three
- ▶ Pregnant women employees or employees entitled to pregnancy and maternity leave
- ▶ Employees on child care leave or adoptive parent leave due to lay-off

An employer may not cancel an employment contract with the above category of employees except upon cessation of the activities of the employer, or declaration of the employer's bankruptcy if the activities of the employer cease, or upon termination of bankruptcy proceedings without declaring bankruptcy, by abatement.

(22) Are there any actions required to limit the negative impact of the redundancy?

The employer must take all necessary and possible steps to limit the negative impact of the redundancy on the affected employees.

Internal alternative employment/redeployment

Prior to implementation of redundancy, the employer must provide notice in advance and consult in good time (no legally prescribed timeline but the employer must aim to consult as soon as possible) with the respective trade union and/or the trustee or shop steward (in their absence, directly with the impacted employees), with the goal of reaching an agreement on prevention of the planned cancellations or reduction of the number thereof and mitigation of the consequences of the redundancies, including contribution to the seeking of employment by re-training the employees to be laid off.

Other measures

No other measures are foreseen by the ECA.

(23) What is the estimated timeline for a collective redundancy process?

The trade union and/or trustee or shop steward (in their absence, directly the impacted employees) will have 15 days, starting from receiving the notification from the employer, to consult with the employer on the redundancy, i.e., they must be notified at least 15 days before notifying the Unemployment Insurance Fund. The employer may carry out the redundancies after consultation and notification to the Unemployment Insurance Fund.

Redundancy enters into force upon the expiry of the term for advance notice of cancellation, but no sooner than 30 calendar days after the time when the Unemployment Insurance Fund received the information. During the 30-calendar-day term, the Unemployment Insurance Fund shall seek solutions to the employment problems relating to the redundancy.

The Unemployment Insurance Fund has the right to shorten the 30 calendar days term if the employment problems can be resolved within a shorter term, and extend the term up to 60 calendar days if it finds that it cannot resolve the employment problems relating to the redundancy within 30 calendar days.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- Monthly earned wage
- Compensation for unused vacation
- Compensation for overtime work
- Agreed bonuses (if any)
- Compensation to the extent of one month's average wages of the employee

If the employer or employee gives advance notice of cancellation later than provided by law or a collective agreement, the employee or the employer has the right to receive compensation to the extent to which they would have been entitled to upon adhering to the term for advance notice.

Upon cancellation of an employment contract due to lay-offs, an employee has the right to receive a benefit upon lay-offs, under the conditions and pursuant to the procedure prescribed in the Unemployment Insurance Act.

Customary additional costs

There are no customary additional costs foreseen by the ECA. Compensation of additional costs largely depends on the employer organization and its internal policies and practices.

<p>(25) Are there any hiring/re-hiring restrictions post-redundancy?</p>	<p>(26) What are the risks of litigation caused by the redundancy process?</p>	<p>(27) What are the risks of damages or other remedies due to the redundancy process?</p>
<p>There are no explicit restrictions foreseen by the ECA.</p>	<p>Interested parties</p> <p>Unions and employees can bring lawsuits related to the redundancy process. The time limit for filing a claim for the recognition of rights arising from employment relationships and for the protection of violated rights for the purpose of recourse to a labor dispute committee or court is four months as of the time the person became, or should have become, aware of the violation of their rights.</p> <p>Litigation can impact the collective redundancy process if the termination was not in accordance with the law.</p>	<p>Challenges could lead to civil remedies as follows:</p> <p>Damages for unfair dismissal</p> <p>If the court or labor dispute committee (a special committee in Estonia to resolve labor disputes) terminates an employment contract, an employer shall pay the employee compensation in the amount of three months' average wages of the employee.</p> <p>In addition, if the court or labor dispute committee terminates an employment contract with an employee who is pregnant, who has the right to pregnancy and maternity leave or who has been elected as the employees' representative, the employer shall pay the employee compensation in the amount of six months' average wages of the employee.</p> <p>The court or labor dispute committee may change the amount of the compensation, taking into considering the circumstances of the redundancy and the interests of both parties.</p> <p>Reinstatement</p> <p>An employee could be reinstated following a redundancy. In such cases, the impacted employee has the right to demand compensation for damage, in particular, for wages not received for the period they were illegally terminated. The part obtained by way of different use of the employee's labor force may be deducted from the compensation.</p> <p>Criminal sanctions</p> <p>No criminal sanctions are foreseen by the ECA or related legislation.</p>

Finland

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- Providing disinfectants and personal protective equipment
- Maintaining a high standard of hygiene and general cleanliness
- Allowing remote work when possible
- Necessary arrangements at the workplace (e.g., maintaining social distancing)
- Technical possibilities as an alternative to physical meetings (e.g., video conferencing)

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace.

In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee should be put on garden leave with full benefits.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. Applicable legislation concerning data protection and handling of health information should be followed to correctly handle personal health information disclosed in connection with the COVID-19 pandemic. Individual information regarding illness must always be handled carefully.

Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people. The employer may not, in principle, name the employee in question.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.

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(5) Does the employer have a duty to alert the government if an employee has been diagnosed?	(6) Other remarks	(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?
No.	No.	Yes.

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?

The Employment Contracts Act (ECA) sets out provisions on furloughs, i.e., how an employer may lay-off employees. Lay-offs are not directly supported by the state, however laid off employees are primarily compensated by an unemployment allowance.

Employees who have been laid off or whose employment has been terminated during the COVID-19 pandemic may be entitled to certain improved unemployment benefits until 30 September 2021. However, most of the temporary amendments to unemployment benefits have already expired.

If an employee has been diagnosed with COVID-19 and is prescribed sick leave, the employee is entitled to sick pay. If an employee is subject to quarantine, they are entitled to an infectious diseases allowance from the state, if they are not able to work remotely. The sick pay and infectious diseases allowance are paid to the employer by the state, in order to compensate for salary paid to the employee during the absence from work.

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

No contact with the trade union is required.

In the case of lay-offs, an employer (who employs 20 employees or more) shall fulfill co-operation negotiation obligations in accordance with Act on Co-operation Within Undertakings (Co-operation Act) and prepare a written notification of lay-off to each affected employee.

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
No.	No.	No.	Not applicable.

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(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.	
<p>In case the office is not closed due to the decision of the authorities, the employer may lay-off employees. From the period of lay-off, employees are not entitled to their normal salary.</p>	<p>The employee is entitled to their salary during the self-isolation after a work trip abroad. In case it was not a work trip, the employee may not be entitled to their salary if the work cannot be performed remotely.</p>	<p>The employee is entitled to sick pay in accordance with the ECA or applicable CBA. The sick pay and infectious diseases allowance are paid to the employer by the state, in order to compensate for salary paid to the employee during the absence from work.</p>	<p>Yes.</p> <p>Instead of laying off an employee, the employer may also make vacation arrangements so that the employees use their annual leave or additional leave during workplace shutdowns.</p> <p>The employer may order the employee to take their annual leave if the holiday season has not yet concluded, and the employee is yet to take their annual leave or notify the employer of dates for the same. However, the employer must inform employees of their mandatory annual leave at least one month (or at least two weeks in exceptional circumstances) prior to the commencement of the annual leave.</p> <p>In addition, the employer must ensure equal treatment of employees when determining the use of annual leave.</p>

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

No.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Employees have a right to stay at home if there is no other possibility to take care of their children. From an employment law perspective, it would be considered a valid reason for being absent from work. The employer is not, however, obliged to pay salary during this time. Many CBAs, however, include salary payment obligation during such absence, usually for the first three or four days.

If the employee's work can be performed remotely, the employer and the employee should primarily agree on remote working arrangements.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

The government has to support companies and to alleviate the negative effects of the COVID-19 pandemic. These measures include different kinds of direct aid:

- ▶ Business Cost Support
- ▶ Closure Compensation
- ▶ Event Guarantee
- ▶ Loans and guarantees
- ▶ Capital financing programs
- ▶ Different kinds of sector-specific support

Each measure is subject to specific rules and prerequisites and must be separately applied for by companies within the set application periods.

In the event a company has had to close their workplace due to an Act or an official order, the company may be eligible for closure compensation from the State Treasury. The current form of compensation only applies to small and micro-sized companies which employ a maximum of 49 employees.

A separate closure compensation has been introduced for medium and large-sized companies and the application period will commence in July 2021. The State Treasury will be responsible for managing the application process, further details of which will be announced after the appropriate legislation has entered into force.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Please refer to the comments in Q14.
Each form of governmental support is subject to different prerequisites and conditions. The terms and conditions of the support programs vary as they have been designed to provide support to companies according to their type, size, sector and situation.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Companies must apply to the competent body (please refer to the comments in Q14) and follow the required procedure for the funding type in question.

(17) What is the legal framework for collective redundancies?

All redundancies, whether individual or collective, are governed by the ECA and, in some cases, by the applicable CBAs. However, the term 'collective redundancy' is not legally defined. Any requirements set by CBAs are not included in this overview.

In addition, the Co-operation Act applies to collective redundancy processes if an undertaking employs at least 20 employees.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

The employer must provide the following legally justified reasons for collective redundancy and may terminate the employment contract(s) if:

- ▶ There is a proper and business reason for the termination
- ▶ The work to be offered has diminished substantially and permanently for financial or production-related reasons or for reasons arising from reorganization of the employer's operations
- ▶ The employee cannot be placed in or trained for other duties

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

The consultation requirement in Finland relates to employee representatives or individual employees, as described below, thus, there is no consultation requirements with the works council or unions.

Consultation requirements with other employee representatives

The employer has an obligation to negotiate in advance regarding possible reduction of workforce with relevant employee representatives (or with impacted employees in companies where representatives have not been elected). Unions are not directly involved in negotiations but the employee representatives are usually union members and represent the employees who are members of the same union.

In addition, employees who are members of the union may seek assistance or advice from the union in matters related to the employment relationship.

If the employer is considering serving a notice of termination, lay-off or reduction of a contract of employment into a part-time contract of one (or several) employees, the employer must issue a written proposal for negotiations. This proposal shall contain at least the information on the place and commencement time of the negotiations and an outline of the suggested agenda. The proposal shall be served at least five days prior to commencement of the negotiations.

According to the Co-operation Act, if the employer is considering serving notice of termination to at least 10 employees, then such employer must provide the representatives of the employees concerned with the following information (in writing):

- ▶ Grounds for the intended measures
- ▶ Initial estimate of the number of terminations
- ▶ Clarification of the principles used to determine which employees shall be served notice of termination
- ▶ Time estimate for implementation of the contemplated terminations

Any information obtained by the employer after proposing negotiation should be provided, at the latest, at the commencement of the meeting commencing the co-operation negotiations.

If the employer is considering serving notice of termination to fewer than 10 employees, the employer shall be considered to have fulfilled the duty to negotiate once 14 days have elapsed since the commencement of the negotiations, unless otherwise agreed in the co-operation negotiations.

If the employer is considering serving notice of termination for at least 10 employees, the employer shall be considered to have fulfilled the duty to negotiate once six weeks have elapsed since the commencement of the negotiations, unless otherwise agreed in the co-operation negotiations. However, the negotiation period is 14 days for an undertaking normally employing at least 20 but fewer than 30 employees.

CBAs may also provide for shorter or longer negotiating times and the terms of the relevant CBA must be applied.

After having fulfilled the duty to negotiate, the employer shall, within a reasonable time, provide the representatives of the personnel groups with the employer's report on the decisions considered in the co-

operation negotiations.

Consultation requirements with employees

In case the impacted employees have not chosen their employee representative(s) and/or representative for cooperation negotiations, the employer shall fulfil the negotiation obligation directly with the employees who would be impacted due to the employer's plan.

In general, there are no legal barriers to communicate with employees on the contemplated restructuring provided that the negotiation obligations are adhered to in accordance with the Co-operation Act.

However, it is not recommended to approach a single employee as it could be easily interpreted as a breach of co-operation procedure (the employer should always commence proper negotiations with the employee representatives if such representatives have been elected).

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

Approval of the Finnish employment authority or other government authorities is not required to dismiss any employees. However, when an employer proposes measures to be handled in the co-operation negotiations that may lead to termination of employment contracts, the employer must deliver, in writing, the proposal for negotiations or its material contents to the Employment and Economic Development Office (TE Office) prior to the commencement of the co-operation negotiations.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

The ECA does not regulate any specific order of workforce reduction or prescribe any specific selection criteria for workforce reduction. In principle, the employer is free to choose which employees will be made redundant within the downsized or reorganized business if there are legal grounds for the termination. However, many CBAs may include conditions prescribing selection criteria for workforce reductions.

Though employers are free to choose which employees will be made redundant, they cannot deviate from the principle of equal treatment and prohibition on discrimination while selecting employees. Further, employees who are pregnant or on family leave can be laid-off or terminated only if the business operations of the employer cease entirely, and in the case of employee representatives, if their type of work comes to an end entirely in the company and training for other kind of available work is not possible.

(22) Are there any actions required to limit the negative impact of the redundancy?

Internal alternative employment/redeployment

The employer has certain obligations to offer work and provide training to the impacted employees in the following situations:

- ▶ The employer must offer any available work to the impacted employees that is equivalent to that defined in their employment contract. If no such work is available, they shall be offered other work equivalent to their education, expertise or experience (if available)
- ▶ The employer must provide employees with training required for new work duties, as deemed feasible and reasonable from the point of view of both employer and the employee
- ▶ If the employer has control over personnel in other enterprises or corporate bodies, it must find out if it is possible to meet the employer's obligation to provide work and training by offering the employee work in the other enterprises or corporate bodies under its control. This obligation is not geographically limited and is deemed to cover, at least, the relevant enterprises within Finland

Notification of dismissal of ten or more employees

- ▶ Employers are obliged to notify the TE Office of dismissal of ten or more employees on financial or production-related grounds or as a result of restructuring proceedings or bankruptcy. The notification must include the number of impacted employees, their occupations and the date of the termination of employment. Additionally, employers must notify the impacted employees of their right to a re-employment plan according to the Act on Public Employment and Business Service

Other measures

There is no obligation to prepare a Social Plan. However, the employer must initiate the following actions in the co-operation negotiations to limit any negative impact of redundancies:

- ▶ An employer planning to serve notice of termination to at least 10 employees due to financial or production-related reasons needs to provide the representatives of the personnel groups with a report or 'plan of action' to promote employment

In preparing the 'plan of action', the employer shall, without delay, together with the authorities providing employment and business services, examine the public employment services supporting employment.

- ▶ In case the intended terminations affect fewer than 10 employees, the employer must present a report based on 'principles of action' to the employees or the representatives of the personnel groups

In accordance with the 'principles of action', the employer must support, during an employee's notice period, the employees' application for other work or education and their employment with the services referred to in the Act on the Public Employment and Business Service.

An impacted employee is also entitled to employment leave and compensation for training by the employer as follows:

- ▶ Unless otherwise agreed by the employer and the employee, after the employer has terminated the employment contract, the employee is entitled to fully paid leave in order to participate, during their period of notice, in preparation of an employment plan (as referred to in the Act on Public Employment and Business

Service), in labor market training/related practical training or on-the-job learning or to engage in job seeking/attend job interviews on their own initiative or at the initiative of the authorities, or to attend re-assignment coaching

- ▶ The duration of employment leave is determined in accordance with the duration of the period of notice (which varies between five to 20 working days)
- ▶ Employers (with 30 or more employees) are obliged to offer the impacted employees with more than five years' working history with the employer the opportunity to participate in re-employment coaching or training paid by the employer. The value of the coaching or training must be equivalent to one month's salary earned by the impacted employee or the average monthly earnings of personnel at the same place of work, whichever is higher. Any employer failing to comply with this obligation must pay the employee compensation in the form of a lump sum equivalent to the value of the coaching or training
- ▶ Employers in Finland will also need to provide occupational health care services for employees made redundant for six months after their obligation to work has ended. However, this obligation no longer applies if the employee who is made redundant finds employment for an indefinite period or for a fixed term of at least six months

(23) What is the estimated timeline for a collective redundancy process?

Preparation time for any specific documentation required for information and consultation process varies on a case-by-case basis. It depends on the company's readiness and any previous experience in preparing such necessary documentation.

In addition, the legal time frame for the co-operation procedure is usually one week (as there is a mandatory pre-negotiation preparation time of five days) plus six weeks for negotiations with the employee representatives. However, the minimum negotiation period is only 14 days if the employer proposes to dismiss 10 or fewer employees. Thus, the negotiation process itself takes usually three to seven weeks.

Further, the execution phase may vary for each case depending, for example, on the applicable notice periods. The maximum notice period per the Employment Contracts Act is six months.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs consist of the following, as applicable:

- ▶ Payment of salary during the notice period or in lieu of notice (the employer's obligation to pay salary extends to the end of the notice period)
- ▶ Employment leave entitlements (i.e., paid absence) during the notice period
- ▶ Cost of alternative employment/redeployment and training, if applicable
- ▶ Payment of any unemployment benefits related to elderly employees (aged 56 or older) working for the same employer for a period of three years or longer. Note: An employer may be obligated to pay up to 90% of any unemployment benefits that these employees may receive until their retirement age of 63 or 64 years, although this is only applicable to large companies with an annual payroll over approximately €2.2 mn in 2021
- ▶ Cost of coaching or training provided by the employer (with 30 or more regular employees) to the impacted employees who have been employed at least five years continuously by the employer
- ▶ Cost of occupational health care services for impacted employees for a period of six months after their obligation to work has ended. However, this obligation will not be applicable if the employee who is made redundant finds alternative employment for an indefinite period or for a fixed term of at least six months

Customary additional costs

In some cases, employers may also additionally support terminated employees on a voluntary basis (so-called "golden parachutes"), together with unemployment compensation from either the government or from unemployment fund if the employee is member of such fund.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

Employees who were made redundant following a collective redundancy are entitled to benefit from a four-month rehiring obligation (six-month obligation if employment relationship is longer). It follows that if an employee is given notice on financial and production-related grounds, and the employer needs more employees within four (or six) months of termination of the employment relationship for the same or similar work performed by the redundant employee, the employer must offer work to the former (redundant) employee(s) if the former employee continues to seek work through an Employment and Economic Development Office during this time (known as the 'Freeze Period').

If the employer uses external workforce for only a short period of time or short projects during the Freeze Period (even if the work would be similar to the work formerly executed by the laid off employees), the employer is usually not deemed to be in breach of its rehiring obligation.

Some CBAs may contain even stricter rules for rehiring. For example, a longer Freeze Period than that mentioned above.

The employer's rehiring obligation was temporarily extended to nine months due to the COVID-19 pandemic. The longer rehiring obligation is applied to employees who have been dismissed between 1 April 2020 and 31 December 2020.

(26) What are the risks of litigation caused by the redundancy process?

The following interested parties can bring lawsuits related to the redundancy process:

Impacted employees

Most commonly, civil claims can be brought by terminated employees on the grounds of wrongful termination for breach of the Employment Contracts Act and/or the Non-Discrimination Act and/or Act on Co-operation within Undertakings.

Workers' unions

The workers' unions can file a suit against an employer on behalf of a member employee if the claimed breach concerns the CBA. The workers' unions do not currently have independent rights to claim for damages against the employer.

Litigation cannot stop or slow down the collective redundancy process.

The general rule regarding the statute of limitation is that after the termination of employment, a claim will expire unless suit is filed within two years from the date on which the employment ended.

(27) What are the risks of damages or other remedies due to the redundancy process?

The potential remedies include indemnities, criminal sanctions, court injunctions and damages.

Damages for unfair dismissal

According to the Employment Contracts Act, the maximum compensation for wrongful termination is a sum corresponding to the employee's 24 months' salary (30 months' salary in the case of an employee representative).

In accordance with the Co-operation Act, the maximum compensation per employee currently amounts to €35,590.

The Non-Discrimination Act does not include maximum or minimum amounts of compensation.

Reinstatement

Reinstatement is not applicable to employment relationships in Finland. The employer might be obligated to compensate for wrongful termination of employment to the employee via damages, as mentioned above.

Criminal sanctions

Criminal sanctions can be imposed on the employer or its representative in cases of unlawful discrimination (based on race, ethnic background, sex, age, etc) of an employee in connection with their employment.

France

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- ▶ Providing disinfectants
- ▶ Technical possibilities as an alternative to physical meetings (e.g., video conferencing)
- ▶ Appointing a responsible individual to ensure health and safety measures related to COVID-19 are correctly applied (all employees are eligible)
- ▶ Implementing flexible scheduling to help prevent overcrowding at the workplace
- ▶ Promoting the vaccination of employees, including during working hours
- ▶ Offering COVID-19 tests to

employees on a voluntary basis

- ▶ Staggering lunch breaks or offering pre-prepared meals for employees

While all employees should be working from home where possible, all high risk groups (pregnant women, those with chronic illnesses, etc.) must work remotely.

All workplaces must also be reorganized in order to comply with the one-meter distance rule between employees.

Workers in communal spaces, such as open-plan offices, factories and conference rooms, are required to wear a mask. For employees alone at their workplace, wearing a face mask is not necessary.

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment.

According to the Health Protocol, released on 30 June 2021, if an employee is diagnosed with COVID-19, that employee must:

- ▶ Return home (using a means of transportation other than public transportation, if applicable)
- ▶ Enter self-isolation immediately
- ▶ Wear a face mask and maintain one meter distance from others
- ▶ The employer must contact the physician or ask the concerned employee to contact their physician for medical advice
- ▶ If the employee is in a critical situation, the employer must call the emergency services

In the above situations, the employer must organize the cleaning of the employee's workspace, and identify and inform the people who were in direct contact with them.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. The employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic.

Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people.

Health data can be processed in accordance with domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.

<p>(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?</p>	<p>(5) Does the employer have a duty to alert the government if an employee has been diagnosed?</p>	<p>(6) Other remarks</p>	<p>(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?</p>	<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?</p>
<p>In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.</p>	<p>Yes.</p>	<p>In France, employees who remain isolated to limit the spread of the COVID-19 pandemic can be indemnified by the French State Social Security system and complementary indemnities may be paid by the employer, until 30 September 2021.</p>	<p>Yes.</p>	<p>In the context of the COVID-19 pandemic, several regulations provide an employer with the possibility for flexible workforce planning.</p> <p>Remote working may be required by employers. The government asked companies that are likely to organize remote working for their business to make systematic and widespread use of it.</p> <p>The Partial Activity Scheme permits employers, in certain circumstances, such as the COVID-19 pandemic, to close down all or part of the business or to reduce the working hours of the employees concerned.</p> <p>Unpaid leave/Days off</p> <p>A bill enacted in early June 2021 enables employers to unilaterally require employees to take their unpaid leave/days off from the period 2 June 2021 to 30 September 2021.</p> <p>Thus, paid leave can be mandated by an employer up to a limit of eight working days, provided a collective agreement applies (at branch/sector level or an in-house collective agreement).</p> <p>Up to 10 "Resting Days" (employees' non-work days or short-time working days) can also be imposed by unilateral employer decision under related COVID-19 economic justifications.</p>

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

Remote working

The employer must inform and consult the Works Council (now referred to as the Social and Economic Committee, SEC) in the case of a significant change in working conditions. In the current context, the government encourages the use of videoconferencing. However, if urgency requires it, the employer may implement remote working before consulting the SEC.

Partial activity scheme

In principle, the implementation of a Partial Activity Scheme requires a prior information to, and consultation with, the SEC. However, given the current circumstances and the urgency, it is possible to consult the SEC remotely or afterwards.

Long time partial activity (*Activité partielle longue durée*) for companies which are facing sustainable economic difficulties can be implemented by an in-house collective agreement at the company level (or within a group), negotiated and signed with trades union. It must be submitted for approval to the Labor Administration. This mechanism can be applied until 30 June 2022.

(8) Can an employer unilaterally decide to postpone an employment start date in cases where;

8(i) The office is closed due to the COVID-19 pandemic;

8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;

8(iii) The new hire has been diagnosed with COVID-19.

No.

No.

No.

(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.

Not applicable.

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?	(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.		
The employees are paid.	The employee is paid.	In France, employees who are on sick leave can be indemnified by the French State Social Security system and complementary indemnities may be paid by the employer, until 30 September 2021.	No.	No.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

If the employees have the position and the function which allows them to adopt flexible working, then they should work remotely.

Employees who were on sick leave and who were paid by the Social Security body since the schools and kindergartens were closed, can be engaged in partial activity like the other employees until at least 31 December 2021.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

Yes.

Please refer to comments in Q6 and Q7 about the Partial Activity Scheme, the recourse to which will be facilitated by the government.

Partial unemployment

The principle is to compensate salary reduction experienced by workers due to the decrease in their working time under the legal, conventional or contractual duration, while helping employers to fund this compensation.

The government has transformed the previous partial activity system by significantly adjusting the level of compensation granted to both the employer and the employee. Since 1 June 2020, in order to take into account the partial resumption of economic activity, the public allowance has decreased.

Companies' compensation until the end of July 2021 (general case)

Companies are entitled to receive an allowance jointly from the state and the unemployment insurance body (UNEDIC) set at 36% of the gross reference remuneration until the end of July (instead of 60% in May and 52% in June 2021)

Employee compensation until the end of July 2021 (general case)

Employees benefit from an allowance paid by the employer calculated at a rate of 60% of gross salary until the end of July (instead of 70% in June)

Coverage for specific industries

The government has created special support for specific industries, including:

- ▶ Tourism
- ▶ Restaurants
- ▶ Sport
- ▶ Culture
- ▶ Air transportation

Employers from these industries still have to pay 70% of the employee's gross salary until the end of July 2021. The reimbursement granted to the employer shall be equivalent of 60% of the gross salary.

In future, the level of compensation granted to both employees and employers will change. These rules also apply to other industries facing a significant decrease in turnover, i.e., 80% for the year-to-date until the end of July 2021.

(14) (continued) - Applicable rates for Partial Unemployment Scheme compensation

Relevant Period	General or specific sector (if applicable)	Indemnity rate for employees	Reimbursement rate for employers
1 August to 31 August 2021	Specific Sectors: <ul style="list-style-type: none"> ▶ Tourism ▶ Restaurants ▶ Sport ▶ Culture ▶ Air transportation ▶ Other sectors facing a significant decrease in turnover, i.e., 80% for the year 2021 	70% of gross salary	52% of gross salary
	General	60% of gross salary	36% of gross salary
1 September to 31 October 2021	Other sectors facing a significant decrease in turnover, i.e., 80% for the year 2021	70% of gross salary	70% of gross salary
	General	60% of gross salary	36% of gross salary
1 November 2021 onwards	Employers dealing with employees unable to attend the workplace because they must care for dependent children and/or other vulnerable persons	70% of gross salary	70% of gross salary
	General	60% of gross salary	36% of gross salary

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

The Partial Activity Scheme provides benefits to companies which are obliged to reduce the working time of their employees or close down all or part of their business because of exceptional circumstances (economic situation, reduction of supply, *force majeure*, exceptional accident or bad weather etc.). The COVID-19 pandemic has been deemed as a valid "exceptional circumstance" by the French authorities.

However, the administration will assess the situation on a case-by-case basis and may refuse the benefit of the Partial Activity Scheme if it considers that COVID-19 has not had an exceptional impact on the company.

Government paid sick leave

Paid for employees with sick dependents. The conditions for the legal maintenance of wages have been improved by the recent publication of another decree.

Government loans

€10 mn for SMEs and €30 mn for large-sized companies, approved for disbursement depending on the number of employees and turnover. This measure will remain in force until 31 December 2021.

Government guarantees

Maximum 90% of loans (three to seven years) or overdrafts (€12 to €18 mn), depending on the number of employees and turnover.

Credit mediation

Government support for debt refinancing with banks and providing mediation between SMEs and clients/suppliers.

Force majeure

No penalties for any delay due to the COVID-19 pandemic.

Start-up support

€4 bn support announced to help start ups, but no eligibility criteria announced to date.

Government loans for new/innovative companies

State-guaranteed treasury loans of up to 25% of annual turnover, or two years of payroll, for newly-created or innovative companies. No repayment will be required in the first year.

The company may choose to amortize the loan over a maximum period of five years. The scheme enables the State to guarantee €300 bn in cash loans. The guarantee may cover 70% to 90% of the amount of the loan, depending on the size of the company. This measure will remain in force until 31 December 2021.

Export credits

Establishing reinsurance for short-term export credits with the "Cap Franceexport" public reinsurance scheme, launched in April 2020 and

improved in January 2021, has been extended to support French exporters.

The cap on outstanding amounts reinsured by the State has been increased from €9 mn to €20 mn and eligibility has been extended to more destination countries.

Credit insurance

Public reinsurance for outstanding credit insurance up to €10 bn, which will help companies to keep the credit insurance cover they need in order to maintain their activity.

Utilities and rent payment deferral

For microbusinesses and SMEs, water, gas or electricity bills and rents will be postponed until 1 August 2021.

Early corporate tax/VAT credit claims

Early repayment of corporate tax claims refundable in 2020 and accelerated processing of VAT credit claims.

Tax/social contribution deferral

Tax and social contributions are deferred without penalty until August 2021.

Sick leave

Until 30 September 2021, no waiting period for sick leave entitlements if the employee has been diagnosed with COVID-19 or if caring for a child or vulnerable person.

Paid leave and other resting days

Paid leave may be mandated by the employer up to a maximum of eight working days, provided a collective agreement applies (at branch/sector level or an in-house collective agreement).

Up to 10 "Resting Days" (employees' non-work days or short-time working days) can also be imposed by unilateral employer decision under related COVID-19 economic justifications.

Procedural deadline

Procedural deadline arranged during the crisis.

Mandatory and voluntary saving plan

Premium payment conditions are modified.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

As mentioned in Q7, the implementation of the Partial Activity Scheme is subject to providing information to, and consultation with, the SEC.

Given the circumstances of COVID-19, this information and consultation process may be done remotely or afterwards.

In addition, the authorization request which must usually be sent to the Labor Authority (*Direccte*) before applying partial activity to the employees concerned, can now occur later, via the website:

<https://activitepartielle.emploi.gouv.fr/>.

On 1 July 2021, the authorization to implement Partial Activity Scheme was granted for a maximum period of three months.

However, the request can be renewed for a maximum of six consecutive months.

(17) What is the legal framework for collective redundancies?

Workforce transformation, also referred to as collective redundancies, is governed by Art. L. 1233-1 et seq. of the Labor Code. CBAs can modify the rules.

The rules governing the collective redundancy process vary based on the number of impacted employees, the total number of employees of the company and the existence of employee representatives. Large-scale redundancy is defined as significant modification of employment or redundancy of 10 or more employees in any company of 50 or more employees within a 30 day period. This triggers the complex process described below. The complex process has five key features:

- ▶ Legal justification
- ▶ Works council consultation
- ▶ Labor Administration approval
- ▶ Robust Social Plan
- ▶ HR legal costs

A simplified process applies to collective redundancies that fall below these thresholds. After a reform introduced in 2017, new options permit the reduction of headcount significantly, notably collective mutual terminations.

Indeed, the new reform allows notably an employer to propose and collectively bargain a collective mutual termination. This new mechanism to adjust headcount does not require any legal justification because it is based on mutual consent. It also does not require a Social Plan because there is no forced departure.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Workforce transformation must be justified by the following economic or financial grounds:

- ▶ Economic or financial difficulties
- ▶ Change(s) in technology that would render certain job position(s) obsolete
- ▶ Company reorganization necessary to safeguard its competitiveness
- ▶ Closure of business

With the introduction of several reforms, the most recent being on 29 March 2018, the geographical scope to assess the existence of the above grounds for workforce transformation is limited to the company or group of entities in the same business segment which is located in France only, and not to companies or entities abroad - except in the case of fraud.

In the case of closure of the business, the employer must search for a potential buyer. The works council or SEC, if any, must be informed of the search process as well as its result.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

An important reform in 2017 modified, to a large extent, the employee representation in France. The SEC replaced all prior existing employee representatives' bodies such as staff delegates, works councils, and health and safety committees (HSC). The SEC is the sole elected employee representative body in companies with 11 or more employees, regrouping the role and duties of those prior bodies mentioned above. The SEC should have been established, at the latest, by 1 January 2020.

For workforce transformation processes, the SEC has the role of the works councils and the HSC. At the outset, the employer has the option of unilaterally commencing the works council (or the SEC) consultation process or negotiating with the unions on the social measures that will be offered to the impacted employees.

Unions

Unions may play a role in a large-scale redundancy process. The employer can choose to meet with unions and negotiate a draft CBA at minimum on a Social Plan, which contains the social measures aimed at reducing the negative impact of the redundancy for employees. The negotiation with unions are optional.

Works council/SEC

With or without union negotiations, the works council/SEC must be informed and consulted prior to any decision being taken on the project and before any implementation step.

The works council/SEC must be informed and consulted on the following matters:

- ▶ Legal and business justification of the contemplated restructuring
- ▶ Actual impact on the business and on employees
- ▶ Selection criteria process
- ▶ Contemplated timing
- ▶ Social plan measures to limit the negative impact of the redundancy

The works council/SEC must render its opinion on the contemplated project within a legal time frame, which varies from two to four months depending on the number of redundancies contemplated. Failure to render an opinion or a negative opinion does not alter the timing of the project.

The works council/SEC is entitled to request an expert to assist it in the review of the documentation. The expert must render its report 15 days before the deadline for the works council/SEC to render an opinion at the latest. Failure to do so does not alter the timing of the project.

In companies with various sites, multiple consultations with different works councils/SEC may be required.

Consultation requirements with other employee representatives

HSC: In the absence of the SEC (i.e., if the works council still exists), the HSC must also be informed and consulted within the same legal time frame as the works council about the impact of the restructuring on the remaining employees' working conditions.

The HSC is also entitled to request an expert to assist it in the review of the documentation. Failure to render an opinion or a negative opinion does not alter the timing of the project.

Once the information and consultation process is completed, the employer must file a request with the labor administration to authorize the implementation of the redundancy project.

(If SEC has been established by the company, only the SEC must be informed or consulted, as the HSC will no longer exist and its role will be attributed to the SEC.)

Consultation requirements with employees

There is no obligation to consult the employees themselves before or during the works council/SEC consultation process. The employer is free to communicate with employees on the contemplated restructuring provided that the works council/SEC has already received the information.

Information and consultation procedures with employee representatives should be facilitated (e.g., video conferencing). Negotiation and execution of a collective agreement should also be facilitated.

However, after the works council/SEC process, the employer must inform the impacted employees of alternative positions, Social Plan measures, and potentially notify them of redundancy, after the labor authorities approval process, by means of a registered formal letter, including the mandatory information.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

After the works council or SEC consultation process is completed, the employer must seek the approval of the labor authorities. The project can move to implementation stage only after approval is granted by the labor administration.

Throughout the information and consultation process with the works council/SEC, the employer must simultaneously provide the labor administration with the same documents that were provided to the works council/SEC.

If the employer negotiated a CBA with the unions, the labor authorities have 15 days to decide on approval. If the employer proceeds unilaterally, the labor authorities have 21 days to decide on approval. If the labor authorities fail to respond within the abovementioned legal time frame, the approval is deemed to be granted.

The labor authorities will focus their inquiry on the social measures and the works council/SEC process.

Early crisis government communication

The government clarified that economic lay-offs are not prohibited but recommends that the companies postpone their implementation if they are not able to accurately inform the employee representatives and to consult with them. The administration indicated it will be extremely vigilant on the redundancy plans that will be implemented during the COVID-19 pandemic.

On the other hand, the government offers employers suitable alternatives for dismissals by extending and facilitating the partial unemployment scheme. The government is also entitled to take exceptional and temporary measures to limit the termination of employment contracts and to mitigate the effects of the downturn in activity by facilitating and strengthening the use of partial activity for all companies, irrespective of their size, in particular by temporarily adapting the social scheme applicable to allowances paid in this context and extending it to new categories of beneficiaries.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

The Labor Code mandates the objective selection criteria of the impacted employees. Thus, the employer is not free to choose which employees would be made redundant, but must apply the following selection criteria, as prescribed by the Labor Code:

- ▶ Employee's family situation
- ▶ Years of service
- ▶ Existence of issues increasing difficulty to find a new job (e.g., disability, age)
- ▶ Specific professional skills

The employer may add other criteria to the abovementioned selection criteria after consulting with the works council/SEC. The scope of application of the selection criteria may be set by a CBA.

Certain employees can be granted special protection during the redundancy process, particularly works council/SEC and union members, pregnant women or ill employees.

(22) Are there any actions required to limit the negative impact of the redundancy?

The employer must do everything possible to limit the negative impact of the collective redundancy on the employees. All such measures are included in a Social Plan, also called the jobs-saving plan. The Social Plan must include the following measures depending on the means available to the company or its group:

▸ Internal alternative employment/redeployment

The employer must use all reasonable means to find alternative employment within the company or the group, in France, to avoid the termination of the potentially impacted employee prior to making an employee redundant.

This process is simplified, and less stringent for employers, as employees may be informed of the positions through the company intranet site or via personalized interviews.

Moreover, with the introduction of several reforms in 2017, the geographical scope of this process has been limited to the company or the group entities located in France only and no longer to the group entities abroad.

▸ Other measures

The Social Plan could include other external measures such as financial aid to impacted employees who want to create or buy a new business or for additional training, in particular if the employee wants to start a new career. Further, such external measures could also include financial compensation for employees who are nearing their retirement and might have difficulties finding a new job, or those who need to move locations for a new job.

Additional measures may be required, such as reclassification leave, for a company or group with more than 1,000 employees.

(23) What is the estimated timeline for a collective redundancy process?

The time required to fully implement a large-scale redundancy depends on the number of redundancies contemplated and whether a CBA was concluded or not.

Preparation of the works council/SEC process and for the contemplated negotiation with unions may take from one to three months, depending on the complexity on the project.

The legal timeframe for the works council or SEC's process varies from two to four months, and the labor authorities' approval process is approximately one month.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- ▶ Notice, or an indemnity in lieu of notice, if the employee is released from working during the notice period
- ▶ Termination indemnity
- ▶ Medical and life insurance for redundant employees for a period of 12 months following their effective termination
- ▶ Social plan costs
- ▶ Works council/social and economic committee expert

Reclassification leave or financial aid to revitalize economically depressed areas (additional cost applicable to a company or group employing more than 1,000 employees).

Customary additional costs

The measures of a Social Plan may vary depending on the size of the company, the means of the company and its group, previous Social Plans and the employer's potential to provide for a large range of measures to reduce the negative impact of the redundancies, including outplacement, which is one of the main customary additional HR costs.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

During the six months following the implementation of a collective redundancy, the employer is prohibited from hiring employees on a fixed-term contract or temporary workers on the basis of a temporary increase in activity.

Upon request, employees who were made redundant following a collective redundancy are entitled to benefit from a 12-month rehiring priority on all job positions that become available that correspond to their skills.

(26) What are the risks of litigation caused by the redundancy process?

Once the labor authorities' approval process has concluded, and not before, the following interested parties can bring lawsuits related to the redundancy process:

- ▶ **Works council or SEC:** This body has the right to challenge the labor administration's approval before the administrative courts within two months from the date of the approval
- ▶ **Impacted employees:** Have the right to challenge primarily the legal justification for the redundancy, including, but not limited to, the selection criteria and the reclassification process before the labor courts within 12 months from the date of the notification of the redundancy

Litigation cannot stop or slow down the collective redundancy process.

(27) What are the risks of damages or other remedies due to the redundancy process?

Challenges could lead to two types of civil remedies, as well as criminal sanctions.

Damages for unfair dismissal

Damages could be awarded to employees based on any of the following grounds:

- ▶ Absence of a legal justification
- ▶ Failure to properly apply the selection criteria
- ▶ Failure to properly apply the internal process to seek alternative employment/redeployment
- ▶ Failure to apply the measures mentioned in the Social Plan
- ▶ Failure to comply with the rehiring obligation, which entitles the impacted employees to claim damages equal to one month of their last drawn salary

As from September 2017, damages for unfair dismissal are more predictable and capped. A minimum and maximum range of damages are provided in a chart, depending on the employee's years of service and the size of the company.

In companies with 11 or more employees, damages for unfair dismissal can range from one month (for employees with one year of service) to 20 months (for employees with 29 or more years of service).

These minimum and maximum damages are not applicable in certain cases, notably in the case of harassment or discrimination.

There are no punitive damages in France.

Reinstatement

Employees are entitled to reinstatement within the company, and the employer cannot refuse the reinstatement (save for exceptional cases), when the redundancies are declared null and void either when:

- ▶ Key parts of the works council or SEC process were found not to have been complied with
- ▶ The contents of the Social Plan were noncompliant with the legal requirements or were insufficient

The employees could claim damages instead. In that case, employees with at least two years of service are entitled to damages equal to at least six months of their salary, in addition to other potential indemnities.

Criminal sanctions

Failure to comply with certain legal requirements, in particular those attached to the works council or SEC process would also expose the employer to criminal fines of up to €7,500 for the legal representative and/or up to €37,500 for the legal entity.

Gabon

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?	(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?	(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?	(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?
<p>An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:</p> <ul style="list-style-type: none"> ▶ Providing disinfectants ▶ Technical possibilities as an alternative to physical meetings (e.g., video conferencing) 	<p>The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace.</p> <p>In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee should be put on garden leave with full benefits.</p>	<p>As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic.</p> <p>Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people.</p> <p>Health data can be processed in accordance with domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.</p>	<p>In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.</p>

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(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

Yes, where a case of COVID-19 is diagnosed, the employer must notify the COPIL, which is the government organization in charge of the pandemic.

(6) Other remarks

These are measures taken by the government:

- ▶ Limitation of the flow of personnel within the workplace
- ▶ Respect for the maximum number of people in the workplace (less than ten people)
- ▶ Compliance with the obligations for all workers to wear a mask
- ▶ Implementation of all preventive and protective measures in the workplace and provision by the employer of thermo-flash, hydro-alcoholic gels at the entrance to offices, soap-equipped bathrooms, information notes posted on compliance with barrier gestures and social distance

In addition, employees suffering from serious or chronic disease (diabetes, obesity and asthma) established by medical certificate are asked to stay at home and use telework.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes, according to the ministerial order No. 0054/MEFPTFPDS dated 30 April 2020, adopted during the state of emergency.

<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>There is no governmental aid or other extraordinary governmental support for such leave.</p>	<p>Partial activity scheme: The implementation of a partial activity scheme requires a prior information to, and consultation with, the Labor Inspector.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
		<p>Yes.</p>	<p>Yes.</p>	<p>Yes.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
<p>No.</p>	<p>The employer is required to pay the employee their remuneration regarding the decision to close the premises. The decision comes from the employer, who is required to ensure the safety of their employees by taking preventive measures such as temporary office closings due to the COVID-19 pandemic.</p>	<p>In this case, the employer is required to pay the worker compensation equal to the amount of their remuneration during the absence (Art. 37 of the labor code). This will be treated as sick leave.</p>	<p>The employer is required to pay the worker compensation equal to the amount of their remuneration during the absence (Art. 37 of the labor code). This will be treated as sick leave.</p>

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(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(ii)?

Yes.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

The Gabon government did not grant to companies, financial assistance to support the impact of the COVID-19 pandemic.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

The law does not provide specific provision regarding the COVID-19 pandemic.

However, the labor code only provides provisions for parents that need to stay at home due to the illness of children. Parents are then permitted paid leave of absence due to illness for a limited period of time.

In case there is no illness, such as the cases where kindergarten or schools are closed, the law does not provide provisions. Parents must then take annual leave or leave without pay.

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<p>(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?</p>	<p>(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.</p>	<p>(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?</p>
<p>No.</p>	<p>Not applicable.</p>	<p>Not applicable.</p>

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(17) What is the legal framework for collective redundancies?

Collective redundancies apply in the case of economic difficulties. As such, redundancy for economic reasons can be contemplated in the event of economic difficulty, restructuring and even in the event of cancellation of a job position.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

The employer needs to justify the economic reasons by providing financial statements that demonstrates the economic difficulties of the company, and any other document such as board resolutions.

(19) What are the consultation requirements with works councils/unions (if any)?

Any collective redundancy or economic dismissal (as called in Gabon), requires the consultation of the work councils or unions, if such exist in the company.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

It is mandatory to require prior approval from the Labor Inspector (Labor authority) before any economic dismissal.

Without that prior approval redundancy for economic reason will not be possible.

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(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

Employers have to choose based on the term of contracts. On the top of the list, there will be trainees, fixed-term contractors, until it comes to people under indefinite term contracts to be evaluated from oldest to youngest).

(22) Are there any actions required to limit the negative impact of the redundancy?

The employer must do its best to try and avoid redundancies. For example, a cost cutting operation in the company focused on non-people assets.

(23) What is the estimated timeline for a collective redundancy process?

The processing time is at least one month (30 days) for the Labor Inspectorate to approve or reject the redundancy. The timeline depends on the negotiations with the unions.

(24) What are the estimated costs?

The costs will incorporate all the payments to employees based on their rights and seniority in the company.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

Yes. It is forbidden to hire new employees for the same position during the six months following redundancies.

Employees that have been dismissed have one year priority to be hired again by the same company.

(26) What are the risks of litigation caused by the redundancy process?

The risk is high as the Labor authorities are in favor of employees.

(27) What are the risks of damages or other remedies due to the redundancy process?

Please refer to the comments in Q26.

A damages award against an employer found to have breached the law is a definite possibility. The amount of any such damages will be calculated by a Court on a case-by-case basis.

Georgia

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- ▶ Providing disinfectants
- ▶ Providing technical possibilities as an alternative to physical meetings e.g., video conferencing
- ▶ Providing protective barriers and establishing other engineering solutions at the workplace
- ▶ Introducing staggered shifts or alternative days for separate teams

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. They can deny a potentially infected employee access to the workplace as one of the protective measures against the COVID-19 pandemic. The employer should also ensure the flexibility of the employee's sick leave policy and its compliance with public health guidelines.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard that other individuals are not infected at the workplace. Employee privacy in respect of COVID-19 should be maintained to the extent appropriate and without risking harm to other employees in the organization. Individual information regarding illness must always be handled carefully.

Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., further investigation is required about who may have been in contact with the diagnosed individual, then this can be communicated to such larger group of people.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

Yes,

The employer is authorized to collect information regarding the travel history of an employee.

If such travel is considered to be responsible for the spread of COVID-19 at the workplace, the employer is also authorized to prevent the employee from accessing the workplace.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

According to Recommendations on Personal Data Protection in the Course of the Fight Against COVID-19, if an employee is diagnosed with the illness, or is suspected of the same, the employer may need to notify the relevant health authorities and follow the appropriate guidelines.

(6) Other remarks

Pursuant to the Decree of the Minister of the Health, Labor and Social Affairs dated 4 March 2020, the individuals who were in contact with the infected persons and are quarantined at non-medical establishments, including their residence, are eligible to receive, upon request, a medical certificate confirming their temporary disability.

However, some individuals can enter Georgia based on proof of being fully vaccinated and showing a negative PCR test result which was obtained within 72 hours prior to entering the country.

Others may travel into Georgia based only on the negative PCR test result on condition that they undergo an additional PCR test within three days of entering the country. If an individual is a citizen of India or has travelled there in the previous 14 days, after entering Georgia, they will be subject to 14-day quarantine in addition to the requirement to present a negative PCR test result at the border. The travel requirements regularly change and must be checked with the respective authorities before travel.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes.

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?

The Labor Code does not envisage the right of the employer to unilaterally initiate part-time work or place all employees onto temporary leave due to the COVID-19 pandemic. However, an employer and employee may mutually agree on part-time work/temporary leave and the remuneration for such period.

In addition, employees may take a temporary leave on the grounds that they have been diagnosed with COVID-19 or are in a quarantine/self-isolation.

- ▶ A diagnosed employee is deemed to be in a state of "Temporary Occupational Disability". This is grounds for temporary leave (temporary suspension of labor relations), The employee should obtain a medical certificate from the relevant physician, confirming that the employee is infected with COVID-19,
- ▶ If an employee is not diagnosed with COVID-19, but is in self-isolation because the employee has had contact with an infected person, such employee may be similarly deemed to be in state of Temporary Occupational Disability. The affected employee may obtain a certificate issued by the Ministry of Internally Displaced Persons from the Occupied Territories, Labor, Health and Social Affairs of Georgia which has the same effect as a medical certificate
- ▶ Similarly, a medical certificate confirming occupational disability can be issued to a parent/guardian for the purposes of taking care of a child under seven years of age if quarantine is announced for pre-school establishments or pre-school aged children. This certificate may be issued for the entire period of quarantine

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

No special regulations exist in relation to initiation of contacts with trades union and/or work councils. See answer to the question above.

(8) Can an employer unilaterally decide to postpone an employment start date in cases where;			(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.	
<p>No</p> <p>There is no explicit regulation provided in law and must be assessed on a case-by-case basis.</p>	<p>Yes, if a person has visited high-risk areas as determined by the government from time to time, upon return to Georgia they may be subject to 14-day quarantine.</p> <p>Thus, taking into consideration the terms of the employment, employer could be entitled to postpone the employment start date for that period of time.</p>	<p>Yes</p> <p>If a person is diagnosed with COVID-19, they should be subject to quarantine or self-isolation. The employer may be entitled to postpone employment start date.</p>	<p>The employer may be required to provide such new hire with a remuneration for temporary disability in situations where employment is deemed to have commenced as agreed but the actual start date has been postponed.</p>

(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.	
<p>If the employee is prevented from working due to the employer's decision (in the absence of statutory requirement to close the offices), the employee may be entitled to the remuneration for idle time.</p>	<p>If an employee has visited high-risk countries, as determined by the government from time-to-time, then upon return, they may obtain a medical certificate as referred to in Q7 above and be entitled to the remuneration for the period of temporary disability. If such employee does not obtain such certificate or is not subject to the temporary disability regime, the employee may not be entitled to salary/employment benefits.</p>	<p>The employee shall be entitled to remuneration according to the temporary disability regime.</p>	<p>The employer may be entitled to request an employee to take sick leave in the following circumstances:</p> <ul style="list-style-type: none"> ▶ If an individual has been in contact with an infected person ▶ If they have been in an area with high risk of exposure to COVID-19 (Q10(ii)) ▶ If they have been diagnosed with COVID-19 (Q10(iii)). <p>However, the condition set out in Q10(i) cannot necessarily constitute a valid reason for requesting sick leave. Switching to remote working due to the office being closed does not circumvent the sufficient execution of work, if the format of the work environment allows. In any case, that would not necessarily be grounds for sick leave.</p>

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

Currently there are no ongoing state aid projects for individuals.

However, as mentioned above in Q6, pursuant to the decree issued by the Minister of the Health, Labor and Social Affairs of Georgia, an employee is entitled to be provided with the certificate of temporary incapacity if either they are diagnosed with COVID-19, or they have been in contact with infected persons. For this period, the employee should generally receive their usual remuneration.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

The educational and caring processes may be suspended at educational and pre-school establishments from time to time due to the COVID-19 pandemic. The law generally provides for the possibility to issue a medical certificate for occupational incapacity to one of the parents/guardians for the purposes of taking care of a child under seven years of age if self-isolation is announced for preschool establishments or preschool-aged children.

The said certificate may be issued for the entire period of quarantine. Further, such certificate entitles the employee to receive remuneration on the basis of Temporary Occupational Disability. This regulation was introduced prior to the COVID-19 pandemic, however, it may apply to the current situation as well to some extent.

Another option for employees is to make use of their remaining paid and/or unpaid vacation in order to remain with their children during the time that educational and pre-school establishments are closed.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

In order to mitigate the negative impacts caused by the COVID-19 pandemic, the government has developed the Mortgage Support Mechanism State Program that is aimed to promote economic recovery and stimulate demand for real estate, among other matters.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Currently, state aid or other extraordinary governmental support programs have been concluded and no new programs have been announced.

However, the state program for the mortgage support mechanism is underway and the application deadline for the same has already expired. The aim of the program is to overcome the economic difficulties caused by COVID-19 pandemic in the real estate development sector, as follows:

- ▶ To improve access to real estate for individuals who do not have the ability to meet the requirements for a deposit/loan security
- ▶ To promote economic recovery and stimulate demand for real estate

If the loan is approved by the commercial bank, LEPL Enterprise Georgia, the Agency of the Ministry of Economy and Sustainable Development of Georgia co-finances the interest rate. The aid is valid for 60 months after the loan is issued.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Please refer to the comments in Q14 and Q15.

(17) What is the legal framework for collective redundancies?

Workforce transformation, governed by the Labor Code, may be considered as a ground for dismissal and may also amount to a collective redundancy exercise in cases of certain scale.

The rules governing the redundancy process are based on the number of dismissed employees, full timescale during which the redundancy process is enacted and the ground for dismissal. It should be noted that the required notice period for termination of an employment agreement might be at least 30 calendar days.

A collective dismissal is considered to be the termination of an employment contract by an employer within 30 calendar days on a basis that is not conditioned by the employee's personality or behavior, or the expiration of the employment contract.

The threshold for the number of employees being dismissed to trigger a collective dismissal is:

- ▶ No less than 10 employees - in an organization in which the number of employees is more than 20, but less than 100
- ▶ No less than 10 percent of employees - in an organization with more than 100 employees.

The process should consider four key issues:

- ▶ Legal justification
- ▶ Union consultations
- ▶ State Authority notification
- ▶ HR legal costs

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Employment can be terminated on the basis of redundancy, provided that the need for the particular employees' work has ceased. The employer is requested to provide the grounds on which the collective dismissal is justified whilst drafting a written notification to the employees' representatives.

Apart from other aspects, the possible grounds for redundancy dismissal may be:

- ▶ Economic circumstances
- ▶ Technological or organizational changes

(19) What are the consultation requirements with works councils/unions (if any)?

If the employer is planning a collective redundancy, it is obliged to consult with the employees' union (in its absence - with the employees' representatives) within a reasonable time, with the intention of reaching a possible agreement.

Consultation requirements with works council/unions

The employer shall submit a written notice to the Minister of the Health, Labor and Social Affairs of Georgia 45 days prior to redundancy. The collective redundancy takes effect 45 calendar days after the notification to the Minister.

Consultation requirements with other employee representatives

The employer is obliged to inform the employees' union (in its absence - the employees' representatives) in writing of the following :

- ▶ Reasons for the planned collective dismissal
- ▶ Number and category of employees to be dismissed
- ▶ Total number and categories of employees in the organization
- ▶ Period of time during which the collective redundancy will be executed
- ▶ The criteria for payment of compensation

Consultation requirements with employees

No direct consultation requirements with employees exist. However, prior notification to the employees regarding their dismissal is required.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

The employer is obliged to give notice in writing to the Minister of Labor, Health and Social Affairs of Georgia and to the employees whose labor agreements are to be terminated, at least 45 calendar days before the redundancies take place.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

There are no specific employee selection criteria. However, the general rule on prohibition of discrimination in labor relations applies. According to this rule, any type of discrimination due to:

- ▶ Race
- ▶ Skin color
- ▶ Language
- ▶ Ethnicity or social status
- ▶ Nationality
- ▶ Origin
- ▶ Material status
- ▶ Place of residence
- ▶ Age
- ▶ Sex or sexual orientation
- ▶ Marital status
- ▶ Handicap
- ▶ Religious, public, political or other affiliation, including affiliation to trades union, political or any other opinions are prohibited

The selection process should not be aimed at or result in creating an intimidating, hostile, humiliating, degrading or abusive environment for any person with one or more of the protected characteristics listed above, or creating circumstances for a person that directly or indirectly cause their condition to deteriorate as compared to other persons in similar circumstances.

(22) Are there any actions required to limit the negative impact of the redundancy?

The binding obligation to develop a Social Plan and mitigate the negative impact on the workers is not stipulated under applicable law.

Internal alternative employment/redeployment

Under applicable law, no alternative employment is required to be provided prior to dismissal. However, according to the case law, dismissal should be used only as a last resort (*ultima ratio* measure). Thus, the employer shall be obliged to utilize all possible alternative measures before dismissal.

Other measures

In addition to any other payments to which the employee is entitled on termination, the employer may, at its (the employer's) own discretion, offer other measures to guarantee social benefits and grant an agreed sum for a definite period of time as remuneration prior to the employee taking up new employment. However, such measures are not prescribed under local customs and applicable laws, and thus no obligation is imposed on the employer to develop a Social Plan.

(23) What is the estimated timeline for a collective redundancy process?

The employer is required to send notice to the Minister of Labor, Health and Social Affairs of Georgia at least 45 calendar days before any collective redundancy takes place. The notice is for information purposes and collective redundancy takes effect after 45 calendar days from the date of sending such notice. After the grounds for initiating the collective redundancy are established, the employer may start the process, which requires a 30 day notice to the employee prior to their dismissal.

Therefore, it will generally take a minimum time period of two-and-a-half months to complete the collective redundancy process from the date of issue of notice to the Ministry.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- ▶ Compensation for unused paid and unpaid leave in proportion to the duration of employment as prescribed under Art. 31 of the Labor Code, the cost may be calculated according to the vacation days to which an employee is entitled. However, the Labor Code does not provide for specific explanations with respect to the sum of such compensation
- ▶ Severance pay amounting to at least one month's salary within 30 calendar days of the date of termination
- ▶ Severance pay amounting to at least two month's salary within three calendar days of the date of termination
- ▶ Where the employer restricts the employee from using their acquired skills and knowledge with a competitor, the employer is obliged to provide compensation of the existing salary amount for up to six months

Customary additional costs

There are no customary additional HR costs.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

After a collective redundancy, post-termination restrictions may be implemented in respect of outgoing employees. As for the employer, there will generally be no restrictions other than those prescribed under the employment agreements or by the employer's own internal regulations and policies.

A limitation imposed on the employee, restricting their use of the knowledge and skills acquired in the course of fulfilling the conditions of the labor agreement, may be extended for a period of up to six months after the termination of labor relations, provided relevant compensation is paid to such employee.

(26) What are the risks of litigation caused by the redundancy process?

After the dismissal, the impacted employees may request from the employer a written substantiation of the grounds for terminating the labor agreement within 30 days of termination and, subsequently, within the next 30 days, they can challenge those grounds before the court.

(27) What are the risks of damages or other remedies due to the redundancy process?

Challenges can lead to three types of remedies:

- ▶ Reinstatement in the same position
- ▶ Reinstatement at an equivalent position, if the position of the employee no longer exists as a result of restructuring. To determine the equivalent position, the functions of the existing positions should be analyzed
- ▶ Financial compensation

Damages for unfair dismissal

The employee may claim damages for unfair dismissal if they are not reinstated, or were not offered an equal job. However, the criteria to determine the amount of damages are not specified under the Labor Code. The court may consider factors such as the qualifications of the employee, remuneration and social status, and will make decisions on a case-by-case basis.

Reinstatement

If the employer's decision to terminate the labor agreement is declared void by the court, the employer shall be obliged, subject to the court's ruling, to reinstate the person whose labor agreement was terminated. Under such circumstances, the impacted employee may be fully remunerated for the time they spent out of work through the fault of the employer.

Criminal sanctions

There are no criminal sanctions for violation of collective redundancy procedure.

Germany

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

In general, employers have to ensure the safety and health of their employees in accordance with the provisions of the German Occupational Safety Act (*Arbeitsschutzgesetz* or *ArbSchG*) as well as related regulations. Employers are obliged to constantly assess and monitor risks at the workplace, taking into consideration individual circumstances. Employers are strongly advised to set up a safety protocol based on the SARS-CoV-2 occupational safety standard, as provided by the government.

Since the employer is obliged to take appropriate occupational safety measures based on their duty of care, failure to comply with the SARS-CoV-2 occupational safety standard may result in liability or potential administrative penalties. Therefore, employers should that they:

- Provide disinfectants
- Establish social distancing rules
- Provide COVID-19 test kits
- Provide technical alternatives, where possible, to physical meetings (e.g., video conferencing)
- Ensure employees wear face masks

In addition, and if operationally possible, employers were obliged to offer their employees the opportunity to work remotely and employees were obliged to accept this offer. However, this regulation expired on 30 June 2021 and the draft law confirming an employee's right to work remotely is pending parliamentary discussion and approval.

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic. For example, as GDPR applies, personal health data should be processed, stored, secured, accessed and destroyed in accordance with that legislation.

Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people.

Health data can be processed in accordance with the GDPR and supplementary domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

Yes, there is an obligation by law (Infection Defense Law) for the employer to immediately inform the relevant state authority in Germany when an employee has been diagnosed with COVID-19.

(6) Other remarks

The employer can agree with the works council on measures to be taken if a larger group of people have been infected with COVID-19, e.g., right to ask for short-time work or to order workplace holidays. The possibility to receive funding from the government (e.g., in the case of short-time work) should be considered.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes.

<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<ul style="list-style-type: none"> ▶ Agreement with works council/union/employees on short-time work - partial funding by the state, partially by employees (loss of income), sometimes also partially by employer (top-up of state compensation) ▶ Company vacation - effectively funded by employees (reduction of their annual leave allocation) ▶ Proportional reduction of overtime hours, with free time compensation - funded by employees (reduction of their accumulated overtime allocation) ▶ If there is no works council in place, mutual agreement with employees must be reached regarding short-time work <p>There is a legal framework especially for short-time work, which must be agreed with the works council, the union or (if there is no works council) with the employees, and, under certain conditions a part of the loss of income can then be compensated by short-time work compensation from the state. Although not specifically for a crisis situation, there is a legal framework governing part-time work and temporary leave which, however, cannot be enacted unilaterally by the employer. Company vacation and free time compensation usually also require a legal basis e.g., in a works agreement, CBA or the employment contracts (please refer to the comments in Q7(ii))</p>	<ul style="list-style-type: none"> ▶ Short time work may be an agreed alternative with the works council in a works agreement, with a union in a CBA or, if there is no works council, directly with the employees ▶ Company-ordered vacation and reduction of accumulated overtime/free time compensation typically requires a legal basis e.g., in a works agreement, CBA or the employment contract, and may, in addition, require the works council's case-by-case consent (if there is a works council) ▶ Company vacation regulations must be based on operational reasons and take the interests of the employees into account. Therefore, expressly unilateral measures are not usually possible. But in exceptional situations, such as the COVID-19 pandemic, the employer may argue that that they had no other choice, especially if there is no works council, except to order employees to use up vacation and overtime entitlements. This is also a pre-requisite for short-time work compensation, depending on the case-by-case circumstances. 	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
		<p>No.</p>	<p>No.</p>	<p>No.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>Despite the answers to Q8(i) - (iii) being "No", there are a number of employment obligations, including maintaining health and safety of employees and considering whether the employee can be accommodated (e.g., remote working). The general principle is that remote working cannot be 'forced upon' the employees without a proper legal basis (e.g., works agreement, CBA or employment contract).</p>	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>Obligation to pay remuneration.</p>	<p>Obligation to pay remuneration (and obligation of the employee to work remotely if possible).</p>	<p>If an employee has been diagnosed with COVID-19 and symptoms prevent them from working, the employer is obliged to pay the usual remuneration for a period of up to six weeks. After this period, the employee's health insurance pays a sickness allowance, which corresponds to a certain percentage of the employee's remuneration.</p> <p>If the employee has been diagnosed with COVID-19 but is asymptomatic, the physician must inform the authorities, which usually orders such employee to self-isolate. In such cases, the employee generally (unless agreed otherwise) is not entitled to any remuneration against the employer for the time spent in self-isolate - but employees will be compensated by the state.</p> <p>However, if the employee can work remotely during quarantine, the employer is obliged to pay the usual remuneration.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

It depends on whether or not the employee is actually unable to work. Sick leave is in place for employees who are incapacitated due to an illness. There are many COVID-19 infections without any, or only minor, symptoms where the employee (at least theoretically) can work, so it depends on the particular case. Please refer to the comments in Q10(iii).

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

No.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Employees have the right to stay at home for a certain period of time if there is no other option available to take care of their children. Employers are usually (if not agreed otherwise) not obliged to pay any remuneration. However, the government has established several state aid programs that provide certain benefits to compensate employees who are in this situation.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

If short-time work can be ordered in the company based on a corresponding clause in the employment contract, in a works agreement or in a CBA, employees may under certain circumstances (please refer to the comments in Q15) be entitled to receive short-time work compensation under Sec. 95 et seq. of German Social Code (*SGB III*).

The most important prerequisite for the compensation is a temporary, considerable decrease of a significant number of employees. The loss of working hours may have been for economic reasons or been due to an 'unavoidable event'. An epidemic causing a significant number of employees to be on sick leave or effects on the supply chain and production can be regarded as such an unavoidable event. The entitlement to short-time work compensation is - in principle - 60% to 67% of the (net) loss of earnings, depending on whether or not the employee has children but may be higher if the short-time work lasts for a long period of time.

As a general rule, the employer must pay social security contributions based on 80% of the lost net earnings without the employee's participation. However, these social security contributions will now (according to a new regulation for the COVID-19 situation) be fully reimbursed to the employer.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Conditions for receiving short-time work compensation:

- Legal basis (works agreement, CBA, employment contracts or side agreement with employees)
- Decrease in the need for workforce for a significant part of the employees (generally 1/3 for COVID-19, adjusted to minimum 10 %)
- Due to economic reasons or an unavoidable event (e.g., catastrophe or the COVID-19 pandemic)
- Resulting in an unavoidable, significant loss of income (more than 10 %) for the employees affected
- Proper notification has been provided to the employment agency as well as retroactive statements to the agency to claim the compensation (as the employer must make advance payments to the affected employees)

Note that the compensation does not fully cover the loss of income. At present, it is 60% (employees without children) to 67% (employees with children) of the so-called net salary difference (must be calculated case-by-case, also linked to the contribution ceiling for pension insurance). For the COVID-19 pandemic, until 31 December 2021, compensation is increased to 70%/77% from the fourth month and respectively 80%/87% from the seventh month for employees with a minimum of 50% reduction of income.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Step-Plan for receiving short-time work compensation:

- Create a legal basis for short-time work (negotiate a works agreement or CBA or conclude side agreements with the employees)
- Order short-time work
- Notification of the loss of work to the employment agency (with the relevant information about the loss of work, the company and the reduced working hours) should be done in advance, but can ultimately be done until the end of the first month of short-time work which will be applicable for the full month (or later)
- Short-time work compensation has to be paid out by the employer
- Submit reimbursement requests for short-time work compensation to the employment agency (with the relevant information regarding the employees who have received short-time work compensation and a settlement list as an appendix to the reimbursement request)
- If necessary, correction of the short-time work compensation

(17) What is the legal framework for collective redundancies?

Collective dismissal in Germany is governed by the Works Constitution Act (*Betriebsverfassungsgesetz* or *BetrVG*) and the German Protection Against Dismissal Act (*Kündigungsschutzgesetz* or *KSchG*).

Specific steps depend on the exact situation, especially focusing on the total employee headcount vis-à-vis the number of employees facing dismissal.

If the employer is bound by CBAs and/or existing works council agreements, the applicable provisions regarding dismissal conditions (e.g., severance payment, notice period, exclusion of notice) must be taken into account.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Generally, yes, if employees are working in an organization which has more than 10 full time employees (FTEs) and has had this minimum number for at least six months.

For employees enjoying general dismissal protection, a notice requires social justification (Sec.1, Para.1 of *Kündigungsschutzgesetz*), which in turn requires business, personal or behavior-related reasons.

As dismissal is a serious step, in the case of business reasons, a social selection is required.

Note that special types of employees (e.g., works council members, those on maternal/parental leave, severely disabled persons) may enjoy special protection.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

Works council: In the case of collective dismissal the employer shall inform and consult the works council or the economic committee (if any). The employer must provide a notice containing the following information to the works council:

- ▶ Reasons for the dismissal
- ▶ Number of employees to be dismissed
- ▶ Selection criteria
- ▶ Period over which the dismissals are to take place

The works council must be informed in advance, at the very latest before the final decision on implementing the dismissals (the earlier the better). A written record should be kept of such notice.

In addition, the employer must conclude a Social Plan (covering, for example, severances and outplacements,) with the works council to mitigate the consequences of the collective dismissal and try to negotiate a reconciliation of interests (covering the likelihood of the dismissals and the number of affected employees). Such consultations are typically carried out together with the Social Plan negotiations. If the measures are exclusively limited to dismissals and certain headcount thresholds are not met, the Social Plan may not be required.

Furthermore, as collective dismissals are individual dismissals as well, if a works council exists, it must convene before every single dismissal. Dismissals of works council members also requires the works council's consent.

Consultation requirements with other employee representatives

If a representation group for severely disabled employees exists, it must be heard before every dismissal of a severely disabled employee in the same manner and in parallel with the works council.

Consultation requirements with employees

There aren't any statutory legal consultation requirements with employees.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

Notices may be served only after consultation with the works council (if any), information to the local employment agency regarding the planned collective dismissals if these qualify as 'mass dismissals'.

Mass dismissal is defined in the (Federal) Protection against Dismissal Act. It depends on the headcount of impacted employees against the rest of the employees. It starts with more than five employees out of a total workforce between 20 to 59 and the figures increase proportionally as headcounts multiply. It also takes into account any dismissals over a 30 day period and a hearing of the works council regarding every dismissal.

Additional requirements may apply to special types of employees requiring special and prior labor authority approval before their dismissal (e.g., pregnant employees, maternal leave, severely disabled employees) or the works council's approval (e.g., dismissal of works council members).

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

In Germany, employers cannot freely choose which of their employees will be dismissed (if dismissal protection applies). For instance, if the collective dismissal is based on valid economic reasons, the employer must comply with the social selection process. For a valid social selection, the employer must first dismiss the employees who requires the least social protection from the group of all comparable employees.

The social selection must be carried out in three steps:

- Determination of the employees to be included in the social selection
- Determination of whether the retention of one or more employees is based on legitimate operational requirements
- Selection must be based on social criteria such as seniority, age, number of dependents, disability. Employers need not necessarily give all of them the same weighting, although, seniority should be prioritized

Certain employees enjoy special protection against dismissal, in particular pregnant women, employees on maternal/parental leave, employee representatives or disabled employees. The dismissal may then require special reasoning, depending on the type of employee and circumstances.

(22) Are there any actions required to limit the negative impact of the redundancy?

The employer must undertake the following internal and external measures to limit the negative impact of collective dismissals:

- Internal alternative employment/redeployment - Before dismissing any employee, the employer is obliged to search for available job positions which could be offered to the affected employees. The obligation is limited to the company with which the employment contract of the affected employee is concluded. There are, however, exceptions. If the organization is part of a joint venture, the selection must be company-wide, taking into account the full extent of the joint operation.
- Other measures (note that these are no validity requirements for the dismissals but failure to negotiate may trigger damage claims and injunctions) - As mentioned above in Q19, the employer may have to negotiate and consult with the works council in order to agree on a reconciliation of interests and a Social Plan. The reconciliation of interest is an agreement which determines which measures occur (i.e., which elements of the planned dismissals will go ahead subject to works council consent). A Social Plan governs compensation measures in order to avoid, or reduce, the economic impact of the collective dismissal, as well as to mitigate the implications for the employees affected. For example:
 - Severance payments (no statutory fixed amount, usually varies between half and one-and-a-half gross salary for each year of employment, but parties can also agree on lower or higher amounts)
 - Measures aimed at re-adapting or re-training the affected employees, measures designed to facilitate reinstatement in a new job or relocation to a new workplace
 - Other measures like outplacement and early retirement

(23) What is the estimated timeline for a collective redundancy process?

There is neither a specific legal timeline nor a common practice timeline. The overall duration is significantly influenced by the following:

- ▶ Existence of a works council and, if so, its willingness to cooperate
- ▶ Classification as, or avoidance of, an organizational change
- ▶ Classification as, or avoidance of, a mass dismissal
- ▶ Notice periods
- ▶ Whether or not employees with special dismissal protection are also to be dismissed
- ▶ The employer's preparedness to offer severance payments, as this will influence the works council's cooperation, extent of litigation and duration of any such litigation)

As a general guide, an employer may plan the initial phase (planning, preparation of documents) to take one to two months, followed by a further two to six months for the implementation phase (consultations, authority involvement, hearings and all other steps until serving of notice). Once the notices are served, employees may contest these before a court. Such litigation is often ended amicably and early (or even fully avoided) after a severance payment. If it is not ended amicably or avoided, litigation usually takes from six to 10 months until judgment at first instance (with a potential appeal to follow).

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- ▶ Remuneration payment during notice periods (depending on contract terms, seniority and related terms. The statutory minimum is four weeks' notice)
- ▶ Costs for implementing any agreed Social Plan (although it may or may not include severance payments, depending on the agreement)

Customary additional costs

The customary additional HR legal costs are as follows:

- ▶ Severance payments
- ▶ Costs for hiring any third-party experts (for both employer and works council)
- ▶ Costs for court proceedings and potential arbitration committee
- ▶ Costs for outplacement
- ▶ Service fee for qualification company (Note that prior to formal dismissal, employees may be transferred temporarily to a qualification company in order to be supported to find new employment)

(25) Are there any hiring/re-hiring restrictions post-redundancy?

During the notice periods of the affected employees, the employer should be careful with hiring new employees at comparable positions of the employees to be dismissed, as the affected employees might then be able to either show the court that there were actually no reasons for the dismissal (rendering the notice void) or demand to be re-hired.

(26) What are the risks of litigation caused by the redundancy process?

The following interested parties can bring lawsuits related to the dismissal process:

Works council

Works councils can challenge the employer's measures on collective dismissal if the employer failed to consult with it.

Impacted employees

Any dismissed employee may file a lawsuit for unfair dismissal within three weeks after receiving the written termination notice. Bringing such a lawsuit is common practice (depending on what is already offered by the employer/agreed in the Social Plan), if only to negotiate a better severance payment from the employer. If the parties do not reach an amicable settlement (which is rare), the court can only find the notice to be valid (therefore the employment ends with the notice period) or void (therefore employment continues without interruption). If the three week period has lapsed, the dismissal is deemed valid and the affected employee generally cannot contest it anymore.

Litigation can stop or slow down the collective dismissal process. Labor Courts have the power to stop the dismissal process, or declare it invalid, if the employer fails to consult with the works council. Further, the Labor Court may grant preliminary injunctions ordering the employer to refrain from implementing any measures before full compliance with the legal requirements. The willingness to intervene varies between the Regional Labor Courts.

(27) What are the risks of damages or other remedies due to the redundancy process?

Challenges could lead to following remedies:

Damages for unfair dismissal

There are no punitive damages. However, if the employer deviates from the reconciliation of interests and dismisses an employee in violation of it (or has not attempted to negotiate with the works council), the employee may sue the employer for compensation.

Reinstatement

Employees are entitled to reinstatement within the company if the court holds that the dismissal is not socially justified by a reason provided in law, and the employment relationship is presumed to continue. The affected employees are also entitled to their outstanding salaries from the end of the notice period date if the proceedings lasted longer than the notice period.

Criminal sanctions

There are no criminal sanctions in Germany.

Greece

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- Providing disinfectants
- Technical possibilities as an alternative to physical meetings (e.g., video conferencing)
- When an employee is categorized by a physician as belonging to "high risk group in relation to COVID-19" (Ministerial Decision 39363/1537/30.09.2020), they have the right to be placed into remote working conditions. If this is not feasible then the employee should be placed under working conditions which prevents them from coming into contact with the public. If this is not feasible, the employer may (as a last resort) place the employee under suspension and the employee shall receive a subsidy (€534 per month, from the state)

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

In principle, employees have the right to employment and thus need to be allowed to access the workplace.

However, in accordance with articles 42, 45 Para. 3 case c' and 49 of the Law 3850/2010 for the Health and Safety of Employees, the employer is obliged to take all necessary measures in order to avoid an immediate serious risk to the health and safety of the employees. Therefore, the employer may deny employees access to the company premises for a specific time period in order to avoid the risk of COVID-19.

If access to the workplace is denied, the employer must continue to pay remuneration. The employer will not be obliged to pay remuneration in cases where an operating ban has been imposed on the company by the authorities, notwithstanding different provisions by the authorities.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

Art. 45 Para. 3 of the Law 3850/2010 provides that the employer is obliged to take measures and give instruction to employees in the case of an immediate serious risk, in order for the latter to be able to stop working and evacuate the workplace if needed.

Other than the aforementioned general obligation, the specific steps for alerting the employees are not regulated by law.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In accordance with Law 3850/2010, the employer has a general duty to take appropriate occupational measures to ensure the health and safety of employees. Employees are obliged to observe said measures and to take care of their health and safety, as well as the health and safety of fellow employees, according to their training and the employer's instructions.

In this context, the employer has the right to request information from the employee regarding the latter's travel to a high-risk or restricted area and the employee is obliged to provide said information in order to protect the health of all employees.

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<p>(5) Does the employer have a duty to alert the government if an employee has been diagnosed?</p>	<p>(6) Other remarks</p>	<p>(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?</p>
<p>Not applicable.</p>	<p>No.</p>	<p>Yes, there are provisions for special leave for employees who are parents and to direct employees to work remotely.</p> <p>If an employee is placed under quarantine (and there is no available option of remote working conditions) the employer is obliged to cover the full salary and the employee shall recover the respective working time by providing one additional working hour per day (until they recover 50% of the working hours corresponding to the quarantine time). This additional hour is not considered as overtime or overwork and no additional payment is to be paid by the employer (Law 4722/2020).</p>

<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>The Legislative Decree dated 11 March 2020 (Art. 4, Para. 3) provides special paid leave for employees who are parents for the duration of the operational ban on schools. Only one of the parents may avail of this special leave to the exclusion of the other parent (except when the other parent is on sick leave/has disabled status). The special leave should have been for a minimum duration of three days, whilst for every four days of leave taken, three days are considered special paid leave and one day deducted from the employee's annual leave.</p> <p>Circular 12339/404/12.03.2020 clarifies that the special leave is a right of the employee and the employer is obliged to provide it if its preconditions are met. The Circular also states, in addition, that said leave may be taken in certain periods. Finally, the Circular confirms that remote working and special leave may be implemented in combination so as not to disrupt business operations.</p> <p>The special purpose leave has been extended for the duration of the operational ban on schools or the partial operation of schools, without a specific end date.</p> <p>If a child is diagnosed with COVID-19, then the parent is eligible for special paid leave (Two-thirds to be covered by the employer and on third by the State: Law 4722/2020).</p>	<p>No special process shall be followed with trades union so long as employers implement the government measures to mitigate the COVID-19 pandemic.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
		<p>Yes.</p>	<p>Yes.</p>	<p>Yes.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>No.</p>	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>If the office is closed by an appropriate government direction or legislation, then the employer is not obliged to pay wages due for the days that the office is closed. The employer may unilaterally require employees to abstain from their jobs, however, and in such cases the salary shall be paid as usual.</p>	<p>The employer may unilaterally require employees to abstain from their jobs, however, and in such cases the salary shall be paid as usual.</p>	<p>In such cases, the employee shall make use of sick leave.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

Yes.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

The employer is obliged to notify the Ministry of Labor's electronic platform (ERGANI) of the remote working within the first ten days of the month following the commencement of remote working.

Employers could unilaterally request employees to work remotely for a period of time. This measure was extended until 30 June 2020. In addition, by virtue of the Legislative Decree dated 1 May 2020, the employer may unilaterally arrange the work schedule of employees in accordance with the working hours of the business.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Please see the comments mentioned in Q7(i).

The employee making use of the special leave shall be entitled to full remuneration, however one third of the remuneration cost for employees in the private sector shall be borne by the state.

The employer is obliged to notify the ERGANI system of the special paid leave taken by employees in the months of March, April and May 2020 and from 1 June to 15 June 2020. The special purpose leave has been extended for the duration of the operational ban on schools or the partial operation of schools, without a specific end date.

In addition, employees who are parents may, for the duration of the school year 2019-2020, work reduced daily working hours (up to 25%) without the reduction of their salary, following an application by the employee and provided that the employer consents.

Employees may also agree to shift work, including alternate working days, as long as the total hours worked are equivalent to the reduced working hours mentioned above. Such employment after their agreed working hours shall not be remunerated as overwork or overtime. The above measure of reduced working hours may be granted in addition to the special paid leave.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

SURE program - "SYN-ERGASIA" mechanism (No longer in operation)

The SYN-ERGASIA mechanism for the support of full-time employment entered into force on 15 June 2020 and lapsed on 31 December 2020. Companies were eligible to participate in the mechanism if they had a reduction of at least 20% of their VAT turnover cycle or a reduction of at least 20% in gross revenues.

Employers participating in the mechanism could unilaterally reduce the working hours of part, or all, of their personnel by up to 50%, according to their business needs. The mechanism could have been applied only to full-time employees who were employed under a full-time dependent employment contract with the company at 31 May 2020. Under the legislative Act dated 10/08/2020, the program was extended to cover any employee who had an active, full-time contract on 10 August 2020; Part-time employees were not eligible.

Employees whose working hours were reduced receive financial compensation from the state, which amounts to 60% of their net salary corresponding to the time period during which they were not at work. In the event that the total net salary of the employee, with the above-mentioned compensation, is lesser than the net national minimum salary, the difference was covered by the state.

The employer was obliged to pay the social security contributions for the employees calculated on their nominal salary at the time of the implementation of the mechanism. In specific sectors, for example the aviation industry, the state fully covered the employers' social security contribution budget.

For the duration of the implementation of the mechanism in the company, the employer could not terminate the employment contracts of the employees participating in the measure and any such termination was considered null and void. In addition, the employer could not amend the nominal salary of an employee for the time period that employee participates in the measure.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Private sector employers who are significantly affected due to the negative effects of the COVID-19 pandemic may suspend the employment contracts of part or all of their staff in order to adapt their functional needs to the current environment. (Note: The list of those 'significantly affected' is determined by a decision of the Minister of Finance.)

Private sector employers making use of this measure are under an obligation not to terminate employees. Employees whose employment contracts are suspended, either because of the prohibition on the operation of a publicly-owned company or because of the application of the above-mentioned measure, are entitled to exceptional financial assistance as a special purpose allowance. The special purpose allowance is tax-free and may not be offset by any debt.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Explanation of former measures in place (Discontinued)

In order for the employees to receive the special purpose allowance, the employer is obliged to submit a statement to the ERGANI, declaring the employees whose contracts are suspended.

In the event that employers do not submit the above-mentioned statement, they shall be excluded from being subject to instalment suspension measures or partial payment arrangements or facilities for any kind of certified debts towards the state.

Employers are required to notify the employee, in writing or electronically, on the same day the statement is lodged, stating the ERGANI registration number. Following the above process, the employees, in order to receive the special purpose compensation, should submit a respective statement on a dedicated electronic platform that shall operate for said purpose.

Note: The deadline for the submission of the above-mentioned statement by the employers was on 20 April 2020 and has not been extended.

(17) What is the legal framework for collective redundancies?

Collective redundancies are governed by Law 1387/1983 (as amended by Law 4472/2017). It is only applicable to companies with more than 20 employees and implemented for reasons unrelated to the employees' performance and/or for personal reasons. It also applies when the number of employees terminated exceeds the following specific thresholds per calendar month set by law:

- ▶ At least six employees in an undertaking or establishment with 20-150 employees
- ▶ At least 5% of the employees and up to 30 employees in an undertaking or establishment with more than 150 employees

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

The employer has the obligation during the consultation process to inform the impacted employees of the reasons for the redundancies.

(19) What are the consultation requirements with works councils/unions (if any)?

Consultation requirements with works council/unions

Before implementing the contemplated collective redundancy, the employer is required to enter into a consultation process with the relevant trade union(s) of the impacted employees in order to discuss the options to avoid or reduce the redundancies and its negative impacts. It is common practice in Greece that the trade union(s) of the impacted employees are usually assisted either by sectoral trades union or by representatives of the National Employees Federation.

The employer must provide employee representatives with all necessary information and notify them in writing of the following:

- ▶ Reason(s) for the collective redundancy
- ▶ Number and categories of the employees to be terminated
- ▶ Number and categories of all employees
- ▶ Period over which the implementation of the collective redundancy will be carried out
- ▶ Selection criteria

The employer is required to enter into a consultation process with the employee representatives in order to discuss the options to avoid or reduce the redundancies and its negative impacts. The consultation process begins upon the relevant notification by the employer to the employee representatives and must last for at least 30 days.

During the consultation procedure, the employer may provide employees with a Social Plan, including measures aimed at mitigating the negative effects of the termination.

Consultation requirements with other employee representatives

If there is no trade union, the employees need to form a special committee in order to participate in the consultation process.

Consultation requirements with employees

No legal barrier is set by law, the employer is free to communicate directly with employees on the contemplated collective redundancy.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

The result of the consultation is reflected in minutes signed by the parties to the consultation process and submitted by the employer to the competent Supreme Council of Employment.

If the parties have reached an agreement, the contemplated collective redundancies may take place after 10 days following the date of submission of the minutes to the Supreme Council of Employment.

If there was no agreement between the employer and the relevant trades union, the Supreme Council of Employment may, within 10 days from the date of submission of the minutes of the consultation process, either decide that the consultation obligations towards the employees were met, or extend the consultation process or request from the employer to provide additional information to the employees.

Once the Supreme Council of Employment decides that the information obligations of the employer towards the employees were respected, the termination may take place after 20 days following the issuance of the relevant decision. In any case, the termination of employment may take place following 60 days after the submission of the initial minutes reflecting the consultation procedure to the Supreme Council of Employment.

In the event of permanent closure of business following a court decision, the employer needs to follow only the 30-day consultation rule.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

As per established case law, the employer is required to apply 'social criteria' in selecting the employees to be terminated, so that redundancies are not deemed to be in violation of the provisions of the Civil Code (Art. 281) and therefore illegal.

The employer must take into consideration the following specific information about employees when deciding those subject to termination:

- ▶ Years of service (seniority)
- ▶ Family situation
- ▶ Financial status
- ▶ Productivity

The information must be considered in such a way as to keep occupying, among employees with the same abilities, those more senior and/or more financially disadvantaged and/or with greater family obligations (Supreme Court decision no. 653/1983). Further, the productivity of the employee is a critical factor for the selection. The termination of a less productive employee is not unfair.

The employer is also required to notify the employee representatives in writing with respect to the criteria applied for the selection.

The following categories of employees are afforded special protection from termination:

- ▶ Female employees cannot be terminated during pregnancy and up to one year after giving birth. However, the termination is valid if it is due to misconduct or severe negligence or poor performance
- ▶ Members of the trade unions (especially the founding members) cannot be terminated during the period of their office and one year thereafter. However, the termination is valid if it is justified by a specific reason indicated in the law and if it is approved by the Committee for the Protection of Trade Union officials

However, in the context of collective redundancy, such protected employees could be terminated when the business/undertaking ceases operations. In all other cases, the protected status of such employees must be taken into consideration.

(22) Are there any actions required to limit the negative impact of the redundancy?

Before implementing the contemplated collective redundancy, the employer is required to enter into a consultation process with the employee representatives in order to discuss the options to avoid or reduce the redundancies and the negative impacts of it.

Internal alternative employment/redeployment

The employer is only required to enter into consultation process and to provide specific information to employee representatives, as mentioned above. In practice, such options may include placement in another position within the same undertaking or within another undertaking of the same group, introduction of permanent part-time working or staggered shifts, freezing salary or cuts and postponement of redundancies.

Other measures

There is no legal requirement on the employer to draft a Social Plan.

(23) What is the estimated timeline for a collective redundancy process?

Preparation of any specific documentation required for the information and consultation process with the employee representatives on the contemplated collective redundancy may take about four months.

The legal timeframe for the information and consultation process with employee representatives and the competent authority on the contemplated collective redundancy may take at least 40 days or more, calculated as follows:

- The process begins with the invitation addressed by the employer to the employee representatives for the consultation process. This process must last at least 30 days
- If the parties reach an agreement, the employer can proceed after a 10 day period with the implementation of the contemplated collective redundancies according to the terms of the agreement
- If the parties fail to reach an agreement, the Supreme Council of Employment will issue a decision on contemplated collective redundancies within 10 days (following the submission of the consultation minutes), deciding either that the consultation obligations towards the employees were met, or extend the consultation process or request the employer to provide additional information to the employees.
- Once the Supreme Council of Employment determines that the information obligations of the employer regarding its employees were respected, the termination may take place within 20 days following the issuance of the relevant decision. In any case, the termination of employment may take place following 60 days after the submission of the initial minutes reflecting the consultation procedure to the Supreme Council of Employment.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are termination indemnity packages for the employees being made redundant.

Customary additional costs

There is no additional customary HR legal cost.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

No specific legal barriers are set by law for hiring new employees following the implementation of collective redundancy. However, as per case law, it could be considered as an evidence of illegitimate terminations. If so, the initial terminations may be ruled as null and void and the employer will be obligated to re-hire the terminated employees.

In addition, the law prohibits hiring temporary workers when the employer has proceeded with termination of employees of the same specialty within the past three months or has proceeded with collective redundancies of employees of the same specialty within the past six months.

(26) What are the risks of litigation caused by the redundancy process?

Any collective redundancies implemented in violation of the provisions of Law 1387/1983 (as amended by Law 4472/2017) are invalid. As a result, once the employer serves the termination document on the impacted employees, the employees may bring lawsuits related to the redundancy process.

Impacted employees may bring claims (individually or collectively) against the employer asking the court to rule on validity of the terminations.

Impacted employees can base their claims on certain grounds, such as:

- ▶ Violation of obligation to inform and consult with the representatives
- ▶ Failure to apply the social criteria
- ▶ Non-payment of the severance due
- ▶ Abusive nature of the terminations

There is a three-month statute of limitation.

(27) What are the risks of damages or other remedies due to the redundancy process?

Damages for unfair dismissal

Employees may claim the payment of salaries from the date of unfair dismissal until reinstatement. In addition, and if the employees have raised a relevant claim, the employer must also pay moral damages. The amount of damages awarded may vary depending on the employees' claim. However, in practice, damages may amount to €10,000 per impacted employee.

Reinstatement

Employees are entitled to reinstatement within the company when the redundancies are declared invalid and the employer shall pay salaries from the date of unfair dismissal. In addition, and if the employees have raised a relevant claim, the employer shall pay moral damages.

Criminal sanctions

The law regarding collective redundancies does not currently include criminal sanctions related to non-compliance. However, this may not exclude criminal sanctions based on other laws, such as where the protection of maternity is at stake.

Guatemala

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

Following are some of the measures which may be implemented by the employers to prevent the spread of COVID-19 at the workplace:

- Screening employees for any COVID-19 symptoms
- Checking employees' temperature before entering the workplace
- Properly clean and disinfect workspaces and tools of work
- Provide spaces for workers to regularly wash their hands
- Maintain a distance of at least one-and-a-half meters between workers, clients and vendors, and wear face masks at all times
- Mandatory provision of masks to employees
- Provide employees with personal protective equipment
- Inform the Ministry of Labor regarding suspected cases of COVID-19 in the workplace
- Closing of workplace for 24 hours if the employer suspects a case of COVID-19
- Inform the Ministry of Health regarding diagnosed cases of COVID-19 in the workplace
- Include in the Occupational Safety and Health Plan the measures and precautions to prevent COVID-19 in the workplace

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

Yes.

The employer may prohibit the entry of a worker to the workplace if they consider that the employee displays symptoms of infection. In that case, the employee must undergo a medical examination to rule it out.

In the case of a diagnosis of COVID-19, the employer must notify the Ministry of Health via the special hotline so that the necessary tests may be carried out and the employee may be appropriately isolated.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

Yes.

It is necessary to inform the workers who had contact with the potentially diagnosed employee, and keep them informed about the testing process and its results. These employees must be treated with the due care by their colleagues and family members until the results of medical tests are known.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

Yes.

It is recommended that employers initiate a written document, signed by each worker, in which they declare their travel/activity history. The employer may choose to obtain the same information via interview, which may be more intimidating.

It is also important to note within the internal policies or protocols that if the employees provide false information, there could be disciplinary consequences for them. This process must be regulated by the policies accepted by the workers and within the Internal Work Regulations.

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(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

Yes, the employer has the duty to notify to the government if an employee has been diagnosed with COVID-19 or with symptoms showing a potential diagnosis.

For suspected cases of COVID-19 in the workplace, the employer must to inform the Ministry of Labor.

Regarding diagnosed cases of COVID-19, the employer must inform the Ministry of Health.

(6) Other remarks

Not applicable.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes, there are regulations that may be taken into account by the employer to ensure flexible working days.

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?

According to the regulations issued by the government, companies are encouraged to work remotely, especially for high-risk employees, to avoid putting them at greater risk of severe illness from COVID-19.

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<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>			<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>
<p>The company must consult and agree on the measures to be applied with the members of the Joint Board of the Workers' Union for this purpose.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>	<p>The employer has an obligation to conclude a written agreement with the relevant employees regarding the postponement of their employment start date(s).</p>
<p></p>	<p>Due to new regulations against discrimination, it is recommended to have a written agreement between the parties about the postponement of an employment start date.</p>	<p>Due to new regulations against discrimination, it is recommended to have a written agreement between the parties about the postponement of an employment start date.</p>	<p>The Ministry of Labor recently issued Governmental Agreement 79-2020, in which it was established that employers are not permitted to discriminate against employees with diagnosed cases of COVID-19 when it comes to hiring or dismissal.</p>	<p></p>

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(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?		
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.
<p>The employer should confirm a total suspension of the contract on an individual basis. This must be communicated to the Ministry of Labor.</p> <p>In this case, the obligation to pay wages is not generated during the term of the suspension, but other benefits are accumulated, including Christmas bonus, Bonus 14 (extra month's salary paid at year end) and vacations.</p>	<p>It is suggested that the new employee work remotely, if their employer permits them to do so. Otherwise, a suspension should be instituted (please refer to comments in Q10(i)).</p> <p>Should remote working be an option, the employer retains the obligation to pay a monthly salary. If the alternative taken was the suspension of the contract, there would be no obligation to pay wages but the payment of the benefits would still accrue (please refer to comments in Q10(i)).</p>	<p>In this case, the employer does not assume the obligation to pay wages and it would be Social Security who will assume the responsibility for paying the subsidy for the duration of the illness.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
<p>Employees cannot be forced by the employer to take a leave, but they can, by mutual agreement, suspend the individual employment contract completely and, after that, notify the Ministry of Labor. If the number of people affected by the closure represent more than 51% of the total population, the employer may request authorization for collective suspension. Notwithstanding the foregoing, in the event of accumulated vacations, taking these may be ordered by the employer.</p> <p>Please refer to comments at Q10(iii), regarding the employer's ability to request the employee undergo a medical examination. If the test result is positive, sick leave is automatic. If the test result is negative, it can be negotiated by mutual agreement whether to suspend the individual employment contract in full and subsequently notify the Ministry of Labor.</p> <p>If the number of people affected by the closure represents more than 51% of the total employees, the employer may request authorization for collective suspension. Notwithstanding the foregoing, in the event of accumulated vacations, taking these may be ordered by the employer.</p>

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(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

A suspension prevents the employer dismissing the suspended employees for at least three months. Dismissals are allowed if severance of one salary per worked year (without limit), is fully paid.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

Between the parties, by mutual agreement, they can suspend the individual employment contract completely and, after that, notify the Ministry of Labor. If the number of people affected by the closure represents more than 51% of the total employees, the employer may request authorization for collective suspension. If granted, during the suspension period, the employer is not obliged to pay wages, but the inalienable benefits continue to accumulate, such as the Christmas bonus, Bonus 14 and vacation.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

No, there are no governmental programs supporting companies' operations.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

There is no support for companies from the government.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

No, there is no governmental regulation available to aid companies.

(17) What is the legal framework for collective redundancies?

The employer can use its discretion for dismissal of its workers in any number they choose to, as long as the employer observes their legal obligations, which are as follows:

- ▶ Pay pending wages and bonuses on the effective date of termination of contracts
- ▶ Pay accrued vacation, if any
- ▶ Pay Bonus 14 and proportional Christmas bonus
- ▶ Pay one month's salary for each year worked, as severance pay
- ▶ Prepare the calculation of the aforementioned benefits and settlement, to be confirmed by the worker's signature at the time of receiving the respective payment
- ▶ Provide the worker with a letter of proof of work
- ▶ Give notice of the termination of the employment relationship to the General Labor Inspectorate

Regarding the suspensions of employment contracts, these may happen individually (i.e., less than 51% of the employer's active employment contracts) or collectively (more than 51% of active employment contracts). In the case of the collective, the employer must obtain approval from the Ministry of Labor.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

No, the employer does not require a legal justification as long as it complies with the payment of the benefits under law and corresponding compensation, as well as the issuance of the relevant documents (please refer to comments in Q17).

(19) What are the consultation requirements with works councils/unions (if any)?

In this case, it is necessary to consult and agree firstly on the dismissals with the Joint Board of the Workers' Union and also it is suggested to review what has been established in the applicable collective agreement.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

If the company complies with the requirements established in Q17, it does not need to meet any other requirements.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

No.
There is no specific criteria. Please refer to comments in Q17 for more details.

(22) Are there any actions required to limit the negative impact of the redundancy?

No.
Employers should work with their internal HR departments to sensitively make the necessary announcements and manage the process.

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(23) What is the estimated timeline for a collective redundancy process?

In a non-unionized company, it will depend on the company's time to complete the process.

In a unionized company, the employer should review the relevant provisions of the collective agreement and take into account the meetings that must be held with the Joint Board of the Workers' Union.

(24) What are the estimated costs?

A redundancy procedure always has an economic impact, which will depend on:

- ▶ The number of employees to be dismissed
- ▶ Seniority level of the employees dismissed
- ▶ The benefits accrued by them
- ▶ The financial compensation of which must be made at the time the employment relationship ends

(25) Are there any hiring/re-hiring restrictions post-redundancy?

No. There is no restriction on rehire.

Recruitment is not common in Guatemala and therefore in the event of a breakdown in the 'new' employment relationship, it may be understood that the original labor link was never broken and therefore the employer may face paying higher value compensation or claims.

(26) What are the risks of litigation caused by the redundancy process?

If all the compensations and legal benefits due are paid, the risk of litigation is low.

This does not exempt a person's right to request the revision of the calculations of the benefits paid, which can be done administratively or judicially.

(27) What are the risks of damages or other remedies due to the redundancy process?

In the case of litigation, and if the judge rules in favor of the worker, the company will be ordered to pay damages that represent up to 12 monthly wage instalments, plus court costs.

Honduras

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- Providing disinfectants
- Technical possibilities as an alternative to physical meetings (e.g., video conferencing)

An employer has the obligation to adopt all necessary health and safety measures to create and maintain the best health and safety conditions possible at work, for example, mandating the use of masks.

- Every employer or company must supply and fit out workplaces and equipment that ensure the safety and health of workers
- In locations where tropical or endemic diseases exist, the employer must provide prophylactic medicines as determined by the local health authority
- The government has established a biosecurity protocol for companies. The use of masks, checking the temperature of each employee and other measures are part of that protocol

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy work environment and employees must follow all the preventive and hygienic rules given by the authorities and employers for a safe workplace. If the employees do not follow the guidelines given, the employer can deny the entrance to the workplace, especially if employees have not had a medical examination to verify that they are not suffering from a permanent disability or an occupational disease, contagious or incurable, that endangers the safety of the workplace.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken to alert other employees if a co-worker is diagnosed:

- Ensure remote working is standard
- Suggest a medical examination to verify the other employees are not affected with COVID-19
- Adhere to the government's biosecurity protocol for companies

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

Yes, an employee must give the information asked, in order to prevent anything that might endanger their own safety or of their fellow co-workers and other people.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

Yes.

The employer must report to the authorities if one of its employees has been diagnosed with COVID-19.

The employer must allow and facilitate the inspection and surveillance to be carried out by the labor, health and administrative authorities of its business and provide necessary reports, when requested, in compliance with the corresponding legal guidelines.

In case any employee is diagnosed with COVID-19 at the workplace, its necessary to report this to the authorities, who should take the corresponding actions.

(6) Other remarks

Not applicable.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Employers may institute remote working for their employees if there are cases of COVID-19 at the workplace.

However, government has no shutdown policies, therefore private companies may ask their employees to attend the workplace.

<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>Shutdown or suspension in Honduras must be authorized by the Honduran Labor Ministry for sickness or <i>Force Majeure</i> (Art. 100, part B, of the Labor Code).</p> <p>The government also established biosecurity guidelines that need to be adopted in every workplace.</p>	<p>There is a special process for informing the Honduran Labor Ministry, which must authorize the shutdown or suspension.</p> <p>In practice, the employer sends notification of shutdown or suspension to the employee. According to Labor Code, it can usually be from one to 120 days.</p> <p>Currently, there is a government Decree that mentions what category of companies can use the shutdown/suspension during the spread of the COVID-19 pandemic. Once the Labor Ministry is open, the employer has three days to file the shutdown permit.</p>	<p>(8(i)) The office is closed due to the COVID-19 pandemic;</p>	<p>(8(ii)) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>(8(iii)) The new hire has been diagnosed with COVID-19.</p>
		<p>Yes, although the employer carries the risk of not obtaining subsequent authorization from the Labor Ministry.</p>	<p>Yes, although the employer carries the risk of not obtaining subsequent authorization from the Labor Ministry.</p>	<p>Yes, although the employer carries the risk of not obtaining subsequent authorization from the Labor Ministry.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>It will depend on a case-by-case basis. In Honduras, there is a 60 day period at the beginning of the labor relationship in which the employer can terminate a contract without responsibility, except paying for the time an employee worked. The employer is obliged to have a well-drafted termination notice.</p>	<p>(10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>(10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>(10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>The employer must pay the salaries of the workers, make the tax deductions and social security obligations.</p>	<p>The employer must pay the salaries of the workers, make the tax deductions and social security obligations.</p>	<p>The employer must pay the salaries of the workers, make the tax deductions and social security obligations.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

Yes.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

If an employee is quarantined, remote working is a choice for employer. However, if employee is ill, they must notify employer and according to Honduran law, the employer must still pay employee's salary.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

The employer needs to pay the salary as usual.
Schools are using digital means to educate.

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(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

No.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Some specific areas have state aid, such as a financial bonus (e.g., for public transport drivers and owners).

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Not applicable.

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<p>(17) What is the legal framework for collective redundancies?</p>	<p>(18) Does the employer need to have a legal justification to carry out redundancy dismissals?</p>	<p>(19) What are the consultation requirements with works councils/unions (if any)?</p>	<p>(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?</p>
<p>The labor code establishes the procedure to make a collective redundancy.</p>	<p>Yes. CBAs usually set out all of the steps that need to be followed.</p>	<p>The agreement must be made by mutual consent with the works council or unions.</p>	<p>Yes, collective redundancies need approval of the Labor Ministry.</p>

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(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

They will need the approval of the work council/union in order to perform a redundancy. The criteria will depend on the contract.

(22) Are there any actions required to limit the negative impact of the redundancy?

It depends on the CBA.

(23) What is the estimated timeline for a collective redundancy process?

It depends on the collective agreement.

(24) What are the estimated costs?

It depends on the CBA.

(25) Are there any hiring/re-hiring restrictions post-redundancy?

No.

(26) What are the risks of litigation caused by the redundancy process?

It will depend on a case-by-case basis.

(27) What are the risks of damages or other remedies due to the redundancy process?

As there are high risks due to the spread of the COVID-19 pandemic, it will depend on the CBA.

Hong Kong

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

Employers bear a general common law obligation to take reasonable care regarding their employees' health and safety, including a duty to provide and maintain a reasonably safe workplace. Failure to comply with such obligation may expose employers to potential tortious and/or contractual claims.

Under the Occupational Safety and Health Ordinance (OSHO), employers must, so far as reasonably practicable, ensure the safety and health at work of all employees.

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

If an employee contracts (or is suspected of contracting) COVID-19, it is prudent for the employer to require them to stay at home and refrain from coming to the workplace in order to minimize the risk of other employees getting infected. This is in line with the employer's general obligation to provide a safe working environment.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

An employer may request that the affected employee stay away from the workplace or may take precautionary measures, such as requesting that all employees work remotely or closing the workplace if the circumstances require.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

Employers are obliged to maintain a safe place of work, and cannot allow an employee who is infected (or who might be infected) into the workplace. It is acceptable to require employees to report if they are infected or have been exposed. However, such information should be used for only maintaining the health and safety of the workplace and not for any other purpose. The collection of the information by the employer should not be excessive (e.g., it is not necessary to collect information concerning how the employee came into contact with a confirmed/suspected case) and the information should not be kept for an excessive period.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

The reporting obligation is imposed on medical practitioners rather than employers. Thus there is no obligation on employers to notify public health authorities if an employee is suspected or confirmed to be infected with the COVID-19. However, employers are expected to cooperate with the health authorities if an employee is suspected or confirmed to be infected with COVID-19 when implementing infection control measures.

(6) Other remarks

Employers can unilaterally reduce the work hours of the employees by allowing them to attend the office at a later time or leaving work at an earlier time. This may enable the employees to avoid the busy hours of public transports and thereby reducing their risk of infection.

On the other hand, the employer does not have a unilateral right to suspend employment, force employees to take unpaid leave or change the work hours to the effect that the employees have to attend earlier or stay later at the office to work unless there is an express provision in the contract permitting the employer to do so or express agreement.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Not applicable.

(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?

Not applicable.

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

Not applicable.

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(8) Can an employer unilaterally decide to postpone an employment start date in cases where;		
8(i) The office is closed due to the COVID-19 pandemic;	8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	8(iii) The new hire has been diagnosed with COVID-19.
<p>This depends on the terms of the employment contract. In general, any change to the employment terms needs to be agreed between the employer and the employee.</p>	<p>This depends on the terms of the employment contract. In general, any change to the employment terms needs to be agreed between the employer and the employee.</p>	<p>This depends on the terms of the employment contract. In general, any change to the employment terms needs to be agreed between the employer and the employee.</p>

(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
<p>Not applicable.</p>

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(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
10(i) The office is closed due to the COVID-19 pandemic;	10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	10(iii) The employee has been diagnosed with COVID-19.	
<p>This depends on the terms of the employment contract. In general, the employer's obligations remain the same unless with express agreement to vary between the employer and the employee.</p> <p>However, according to the guidelines issued by the Centre for Health Protection, if the office is closed because an employee who attended the workplace contracts the COVID-19 infection, then it is recommended the employer closes the premises as soon as possible and advises staff to work remotely, and sanitizes the workplace. The workplace might have to be closed until further advice is received from the Centre for Health Protection.</p> <p>In these circumstances, it would be lawful and reasonable for employers to prevent existing employees from attending the workplace for any reason.</p>	<p>This depends on the terms of the employment contract. In general, the employer's obligations remain the same unless with express agreement to vary between the employer and the employee.</p> <p>However, employers have a common law duty to provide and ensure a safe workplace. In addition, under the Occupational Safety and Health Ordinance, employers must ensure the safety and health at work for all its employees as is reasonably practicable.</p> <p>It is prudent for employers to implement various measures at the workplace to prevent employees being exposed to COVID-19. It is reasonable for employers to prohibit any employee who has visited a quarantine city/area from returning to work for a reasonable period to ensure the safety of all employees.</p>	<p>This depends on the terms of the employment contract. In general, the employer's obligations remain the same unless with express agreement to vary between the employer and the employee.</p> <p>However, employers have a common law duty to provide and ensure a safe workplace. In addition, under the Occupational Safety and Health Ordinance, employers must ensure the safety and health at work for all its employees as is reasonably practicable.</p> <p>Employers are therefore obliged under the law to prevent an employee who has been diagnosed with COVID-19 from attending workplace. It is therefore prudent for employers to implement various measures at the workplace if an employee has been diagnosed. Such employees must be quarantined and hospitalized.</p> <p>However, the Disability Discrimination Ordinance prohibits less favorable treatment of an employee on the ground of disability, which will include an employee who has recovered from COVID-19. If such employees satisfy the discharge criteria issued by the Centre for Health Protection, this is sufficient evidence that they have recovered. If employers prevent such employees from returning to the workplace or require further proof of fitness to work before allowing the employee to return to work, this might constitute unlawful disability discrimination.</p>	<p>No, an employer must obtain the employee's consent.</p> <p>However, if any employee has been diagnosed with COVID-19 they are entitled to sickness allowance under Employment Ordinance. They must be on sick leave for at least four consecutive days and have accumulated statutory sick leave.</p> <p>Sickness allowance is payable at the rate of four-fifths of the employee's average daily wages unless expanded otherwise in the employment contract.</p> <p>In addition, the Employment Ordinance permits employers to designate the dates on which employees take annual leave so long as the employer gives 14 days advance notice (Sec. 41AA(4) of Employment Ordinance).</p>

<p>(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?</p>	<p>(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?</p>	<p>(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?</p>	<p>(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.</p>
<p>No.</p>	<p>With schools in Hong Kong SAR closed and children at home, many families have had their usual routines disrupted. Employers should be aware of their obligations under the Family Status Discrimination Ordinance, which prohibits discrimination because of an employee's family status (caring responsibilities).</p> <p>Employers should consider whether the employee's request to work remotely can be reasonably accommodated. If not, the employer should be prepared to justify why it is a genuine occupational requirement for the employee to attend the workplace.</p>	<p>Not applicable.</p>	<p>The government previously launched the Employment Support Scheme (ESS) under the second round of the Anti-epidemic Fund to provide time-limited financial support to employers to retain employees who may otherwise be made redundant.</p> <p>Eligible employers were required to provide an undertaking:</p> <ul style="list-style-type: none">▶ Not to make redundancies during the subsidy period▶ To spend all the wage subsidies on paying wages to the employees <p>https://www.ess.gov.hk/en/#section1</p> <p>Applications for the ESS have now closed.</p>

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Information regarding the ESS is available here:
<https://www.ess.gov.hk/en/>

(17) What is the legal framework for collective redundancies?

The definition of redundancy is wide and includes (among others) situations where an employer ceases or intends to cease business operations, or where business requirements for work of a particular kind ceases or diminishes.

There is no regulatory framework in Hong Kong SAR that governs the redundancy process nor are employers required to consult their employees prior to making them redundant. In general, employers can select which employees to terminate so long as the employee has not been selected due to discriminatory reasons (e.g., due to their disability, gender, race or family status) or where it is otherwise unlawful to do so.

Employees who have been made redundant may be entitled to statutory severance payment, in addition to other payments.

When considering contractual entitlements on redundancy, both employees and employers should be aware of what is provided for in employment contracts as well as employee handbooks and/or any redundancy payments made by way of custom and practice.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

Please refer to the comments in Q17.

(19) What are the consultation requirements with works councils/unions (if any)?

Not applicable.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

Please refer to the comments in Q17.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

Not applicable.

(22) Are there any actions required to limit the negative impact of the redundancy?

It is usually best practice for employers and employees alike, to discuss options about how redundancy may be avoided and, if so, this may produce 'win-win' situations. These may include:

- ▶ Employees who agree to be redeployed in alternative roles could keep their jobs and may be able to develop a wider range of skills and opportunities
- ▶ Employers may be able to retain experienced employees in different roles

Consultation may not resolve all situations. Employers may therefore have to consider selecting certain employees to be made redundant. In these circumstances, it is suggested that employers should:

- ▶ First determine a pool of employees from whom to select certain employees for redeployment and/or redundancy
- ▶ Identify fair and objective selection criteria against which to assess these employees
- ▶ Treat employees equally
- ▶ Ensure that employees are not selected on a discriminatory basis (e.g., sex, marital status, pregnancy, disability, family status, race, color, descent, or national or ethnic origin), which may breach anti-discrimination laws

(23) What is the estimated timeline for a collective redundancy process?

To be assessed on a case-by-case basis.

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(24) What are the estimated costs?	(25) Are there any hiring/re-hiring restrictions post-redundancy?	(26) What are the risks of litigation caused by the redundancy process?	(27) What are the risks of damages or other remedies due to the redundancy process?
To be assessed on a case-by-case basis.	Not applicable.	Not applicable.	Not applicable.

Hungary

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- Providing disinfectants
- Technical possibilities as an alternative to physical meetings (e.g., video conferencing)

Employees must also be informed about the current health and safety status and the on-going preventive and risk mitigation measures taken by the employer. Such measures should include, among others, a consultation with the GP engaged by the company concerning available risk mitigation measures, especially with regard to protected groups of employees and high risk employees (e.g., pregnant employees, client-facing employees).

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a symptomatic employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace. In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee should be put on garden leave with full benefits.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic.

Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people.

Health data can be processed in accordance with the GDPR and supplementary domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

The employer should warn its employees to stay away from high risk areas and request them to report such travels to the GP engaged by the employer, in order to prevent potential spread to other employees.

Although there is an underlying duty of cooperation and obligation of the parties on informing each other concerning all facts, information and circumstances which are considered essential from the point of view of employment relationships, it may be challenged whether the employee must comply with such warnings and the power of the employer to sanction non-compliant employees. The generally accepted position is that the employee reveals this information to the GP engaged by the company and follows the GP's instructions to self-isolate (if required).

<p>(5) Does the employer have a duty to alert the government if an employee has been diagnosed?</p>	<p>(6) Other remarks</p>	<p>(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?</p>
<p>No.</p>	<p>Please notice the importance of cooperation with the GP engaged by the company (please refer to comments in Q4).</p> <p>While there is no employer obligation to report any COVID-19 diagnosis amongst the employees to the authorities, an anonymous notification and cooperation with the Public Health Centre is advisable, including the request for assistance with preventive measures to protect employees and clients of the organization (reasonable preventive measures which can avoid claims for damages in the future).</p>	<p>No current regime.</p>

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(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?

Not applicable.

(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.

The Government Decree superseded the potentially conflicting provisions of the CBA which may be applied by employers. However, in all other topics, employers must consult their works councils (if operating at the employer) concerning the initiatives/actions planned by them affecting a large group of employees.

(8) Can an employer unilaterally decide to postpone an employment start date in cases where;		
(8(i) The office is closed due to the COVID-19 pandemic;	(8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;	(8(iii) The new hire has been diagnosed with COVID-19.
<p>No, the start date of employment would not change in the above circumstances.</p> <p>However, in the above case, the employer would be exempted from the obligation to provide work/employment or the new employee would be exempted from attending work (depending on circumstances) on the start date of employment.</p>	No.	No.

(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.
Not applicable.

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(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?			(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?
(10(i) The office is closed due to the COVID-19 pandemic;	(10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;	(10(iii) The employee has been diagnosed with COVID-19.	
<p>If the office is closed due to quarantine, the employer may be exempted from the obligation to employ/provide work for the employees and therefore may be exempted from paying the base salary (although this must be assessed on a case-by-case basis). If closing the office is due to the decision of the employer as a preventive measure, the base salary must continue to be paid to the employees even if they cannot attend work.</p>	<p>The employee may be able to perform work remotely during the 14-day quarantine period and receive salary as usual. If this is not possible, either annual leave or sick leave may apply depending on the circumstances (paid leave in both cases).</p>	<p>The employee will be on sick leave and therefore they will be entitled to sick pay.</p>	<p>Sick leave is dependent on the decision of the GP, not the employer.</p>

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

Working from Home office arrangement is a reasonable compromise in the current circumstances and all employers are encouraged to consider this option as a preventative measure.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

If schools and kindergartens are closed due to COVID-19, the employees who have children requiring care may be exempted from the obligation to be available for work due to unavoidable external reasons. It is treated as justified but unpaid leave.

The employer may also consider allocating annual leave for the affected employees, or the parties may consider agreeing on a temporary arrangement to perform work remotely (where possible) so the operation of the employer is less affected by the employee's taking such leave.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

No, currently there are no governmental support programs which specifically address the closure of a company.

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(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Not applicable.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Not applicable.

(17) What is the legal framework for collective redundancies?

Collective redundancies are governed by Sec. 71-76 of the Labor Code. Collective redundancy obligations are triggered if an employer, within 30 days, dismisses:

- ▶ At least 10 employees, in businesses which employ between 21-99 employees
- ▶ At least 10% of its employees, in businesses which employ 100-299 employees
- ▶ At least 30 employees, in businesses which employ 300 or more employees

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

The reason for a collective redundancy must relate to the operations of the employer and be unrelated to the employee (i.e., it is not connected with the abilities or behavior of the employee). The grounds must be valid, justified and reasonable.

(19) What are the consultation requirements with works councils/unions (if any)?

Works council

The employer, shall inform the works council, in writing, of all relevant information on the collective redundancy at least seven days before the consultation, including:

- ▶ The reasons for the projected collective redundancies
- ▶ The number of employees to be made redundant (broken down by categories or the number of employees employed during the preceding six-month period)
- ▶ The period over which the proposed redundancies are to be effected, and the timetable for their implementation
- ▶ The criteria proposed for the selection of the employees to be made redundant
- ▶ The conditions for, and the extent of, benefits provided in connection with the termination of employment relationships, other than what is prescribed in employment regulations

After that, the employer shall initiate consultation with the works council which must last at least 15 days, unless an agreement is reached earlier.

The employer is not obliged to conclude an agreement but to consult in good faith, with the purpose of concluding an agreement. The employer may not carry out its planned measure (such as a collective redundancy) during the time of negotiations, or for up to seven days from the first day of negotiations, unless a longer time limit is agreed upon.

In the absence of an agreement the employer may terminate negotiations when the said time limit (15 days) expires.

Trades union

The employer is not obliged to initiate a consultation with trades union. However, trades union have the right to initiate consultation in connection with any planned measure of the employer affecting employees, such as a collective redundancy. If a consultation is initiated, the employer may not carry out its planned measure (such as a collective redundancy) during the time of consultation, or for up to seven days from the first day of consultation, unless a longer time limit is agreed upon. In the absence of an agreement the employer may terminate consultation when the said time limit expires.

Consultation requirements with other employee representatives

The Labor Code does not require specific consultation requirements with other employee representatives.

Consultation requirements with employees

There is no legal barrier to open communication with employees on a collective redundancy. After consultation with the works council, the employer can decide to implement the collective redundancy. Moreover, the employer must notify the affected employees about the decision on mass redundancy in writing at least 30 days prior to delivering the notice of dismissal.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

The employer must, simultaneously with the notification to the works council, notify the Labor Authority of its intention regarding collective redundancies, and of the following details and aspects:

- ▶ The reasons for the projected collective redundancies
- ▶ The number of employees to be made redundant (broken down by categories or the number of employees employed during the preceding six-month period)
- ▶ The period over which the proposed redundancies are to be effected, and the timetable for their implementation
- ▶ The criteria proposed for the selection of the employees to be made redundant
- ▶ The conditions for, and the extent of, benefits provided in connection with the termination of employment relationships, other than what is prescribed in employment regulations

A copy of the agreement concluded in the course of negotiations between the employer and the works council, along with a copy of the notification sent to employees, must be sent to the Labor Authority. Further, the employer shall also notify the Labor Authority in writing of its decision regarding collective redundancies at least 30 days prior to delivering the notice of dismissal to the employees.

This notification shall contain the following information about the employees to be made redundant:

- ▶ Identification data
- ▶ Position
- ▶ Qualification

Generally, approval of the Labor Authority is not required for the implementation of the collective redundancy. However, certain sector-specific regulations and/or strategic agreements with the government may set out certain prohibitions or approval requirements.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

When choosing which employees to dismiss in a collective redundancy process, the employer must comply with the following:

- ▶ Relevant rules regarding the selection process in the CBA, if such an agreement applies to the employer
- ▶ Guidelines for the selection process agreed with the works council (if any)

Further, as per general labor rules, certain employees are afforded special protection against termination during the redundancy process, such as:

- ▶ Pregnant employees
- ▶ Female employees on maternity leave
- ▶ Employees on leave of absence without pay to care for a child
- ▶ Employees on military service
- ▶ Female employees within six months of the beginning of fertility treatment

(22) Are there any actions required to limit the negative impact of the redundancy?

There is no explicit legal obligation for the employer to limit the impact of the collective redundancy, but during the negotiations between the employer and the works council they shall, at least, cover the following:

- Potential options for avoiding collective redundancies
- Principles and reasons for redundancies
- Means of mitigating the consequences
- Efforts to limit the number of impacted employees

Internal alternative employment/redeployment

There is no statutory obligation to offer internal alternative employment/redeployment to the impacted employees.

Other measures

There are no statutory obligations to implement any other measures.

(23) What is the estimated timeline for a collective redundancy process?

The legal timeframe to fully implement a collective redundancy may take approximately two months.

However, the time required to fully implement a large-scale redundancy may vary depending on the number of redundancies, the applicable CBA and the unique circumstances of the employer.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- Compensation for the notice period: A minimum of 30 days (for termination of indefinite-term employment contracts with notice), extended based on the impacted employee's years of service with the employer (e.g., a total of 35 days in the case of at least three but less than five years of service, a total of 45 days in the case of at least five but less than eight years of service)
- Severance payment: The impacted employee's absentee payment (as defined by the Labor Code) subject to their years of service with the employer. This amount is increased from one to three months for impacted employees close to retirement age, subject to the length of their service with the employer
- Compensation for unused vacation
- Customary additional costs
- Customary additional HR legal costs may include payments such as bonuses, non-compete compensation, or additional payments (longer notice periods, higher severance) if stipulated in the employment contract or CBA

(25) Are there any hiring/re-hiring restrictions post-redundancy?

Although there are no explicit regulations, the employer should take the utmost care before hiring any employee to the terminated employees' position, or to a similar position, within a reasonable time after the collective redundancy (such "reasonable time" is not defined in the Labor Code and requires a case-by-case analysis). Otherwise, the terminated employees affected may challenge the lawfulness of the collective redundancy.

(26) What are the risks of litigation caused by the redundancy process?

Interested parties

The following interested parties may bring lawsuits related to the redundancy process:

- ▶ Impacted employees could challenge the lawfulness of the collective redundancy before a court, as long as its within the limitation period of three years
- ▶ Similarly, the works council is also entitled to challenge the lawfulness of the collective redundancy before a court within the same limitation period

Litigation does not stop or slow down the collective redundancy process by virtue of law.

(27) What are the risks of damages or other remedies due to the redundancy process?

Successful challenges by the employees may lead to payment of compensation for damages or the obligation of reinstatement by the employer, in accordance with the general rules concerning the consequences of unlawful termination by the employer.

Successful challenges by the works council may lead to payment of compensation for damages by the employer to the works council.

Damages for unfair dismissal

The employer shall be liable to provide compensation for damages resulting from the wrongful termination of an employment relationship. Compensation for loss of income from employment payable to the employee may not exceed the employee's absentee payment due for 12 months (as defined by the Labor Code, see comments in Q24).

Reinstatement

If the termination of employment was unlawful for certain reasons (e.g., because it impacted a protected employee or it violated the requirement of equal treatment), the labor court may reinstate the employment relationship at the request of the employee.

Criminal sanctions

The law does not impose criminal sanctions in connection with collective redundancies.

India

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. The COVID-19 pandemic is an obvious risk for many businesses. Accordingly, appropriate occupational health and safety measures must be taken. Examples of this include:

- ▶ Providing disinfectants
- ▶ Technical possibilities as an alternative to physical meetings (e.g., video conferencing)

The employer may provide the vaccines to its employees through vaccination drive as permitted through the Liberalized Pricing and Accelerated National COVID-19 Vaccination Strategy dated 21 April 2021, issued by the Ministry of Health and Family Welfare (MoHFW).

As per the advice from MoHFW dated 25 April 2021, the Ministry of Home Affairs, Government of India (MHA) issued an order dated 29 April 2021 directing state/union territory governments and its authorities to consider the containment measures for COVID-19 for offices (Workplace Guidelines) and other activities (Revised Guidelines).

The Revised Guidelines were to remain in force until 31 May 2021, which were subsequently extended until 30 June 2021 and were further extended till 31 August 2021 vide MHA order dated 28 July 2021. The Revised Guidelines impose a cap on the maximum number of employees at the workplace of 50%. It also included the National Directives for COVID-19 management for workplaces.

As per the Revised Guidelines, in offices, the employers must ensure that it follows staggering business / work hours. Further, the employers, among other things, must ensure that all employees are required to wear face masks, practice social distancing, maintain good hygiene practices (screening, regular sanitization) and strictly follow respiratory etiquette (such as covering one's mouth while coughing and sneezing) at the work place.

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace.

In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee should be put on garden leave with full benefits.

It should also be noted that certain state governments in India have made it mandatory for the employer to keep the diagnosed employee on paid medical leave for a certain period.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle personal medical information disclosed in connection with the COVID-19 pandemic.

Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people.

Health data can be processed in accordance with relevant domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In spite of the right to privacy, the employer bears the ultimate responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.

(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

No.

In addition to the comments provided in Q1 above, as per the Workplace Guidelines, if there is a small number of cases reported, the disinfection procedure will be limited to places/areas visited by infected employee(s) within the past 48 hours.

However, if there is a large scale infection, the building/block will have to be closed for 48 hours after thorough disinfection, and the staff will have to work remotely until the building/block is adequately disinfected and is declared fit for re-occupation.

(6) Other remarks

The MHA had, under the Revised Guidelines, directed state/union territory governments and its authorities to consider the containment measures for COVID-19 for offices (Workplace Guidelines) and other activities, while maintaining specific restrictions on certain activities. The Revised Guidelines have been further extended until 31 August 2021. The states have introduced measures in its respective territories with Standard Operating Procedures (SOPs) provided in the Revised Guidelines (e.g., discussion on the guidelines adopted by the states of Maharashtra, Delhi and Karnataka).

- ▶ Maharashtra: By order dated 4 June 2021, the State Government has imposed five levels of restrictions in various administrative units in different districts of the state as per COVID-19 positivity rate and oxygen bed occupancy effective 7 June 2021, where the restrictions at Level 1 being the lowest and Level 5 being the highest. Districts with Level 1 restrictions provide for reasonably full operations of both essential and non-essential sectors (including function of private offices) at full capacity and Level 5 imposes strict restrictions on almost all activities with specific timelines and limitations, with the maximum number of employees being 15%
- ▶ Delhi: The Government of the National Capital Territory, by orders dated 4 and 5 June 2021, has allowed essential and non-essential activities outside the containment zone with specific timelines and limitations effective 7 June 2021, including private offices, operations manufacturing and production units in approved industrial areas, construction activities within the work sites have been permitted to function at 50% attendance
- ▶ Karnataka: The State Government, by orders dated 7 May 2021 (along with subsequent addenda) and 3 June 2021 has allowed essential and certain non-essential activities outside the containment zone, including mining activities and operation of Employees' Provident Fund Organization with 50% of its capacity
- ▶ General observation: There are no provisions providing for part-time or state aid employment for employees of private enterprises. They may be allowed to work either from home or from the workplace (subject to applicable restrictions)

Certain activities, such as international air travel (except as permitted by MHA) are prohibited throughout India until 31 August 2021. Shopping malls, commuter rail services or restaurants are now permitted to open in limited capacity and subject to certain conditions as laid down in the SOPs issued by respective bodies and also the permission from the respective State/Union Territory Government. In addition, various state governments in India such as Uttar Pradesh, Madhya Pradesh, Maharashtra, Haryana continue to provide various exemptions for factories in relation to compliances under applicable labor laws.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes.

<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.,) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>MHA has, by order dated 29 April 2021, issued the Revised Guidelines in order to contain the spread of the COVID-19 pandemic. The Revised Guidelines provide additional directives for workplaces, such as practice of remote working and staggering of work/business hours.</p> <p>Additionally, various state governments in India such as Uttar Pradesh, Madhya Pradesh, Maharashtra and Haryana have announced certain exemptions to factories from applicable labor laws, including increasing working hours from eight to 12 hours per day. Accordingly, the employer may avail the benefit of the said exemptions while operating the business. However, there have been no provisions made for state-funded leave for employees in the private sector.</p> <p>Further, certain state governments have announced financial support for daily wage earners and construction workers through the direct benefit transfer system of the government.</p>	<p>Trade union consultation maybe required for wage or hour reduction, depending on the individual case.</p>	<p>8(i) The office is closed due to the COVID-19 pandemic;</p>	<p>8(ii) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>8(iii) The new hire has been diagnosed with COVID-19.</p>
		<p>Yes.</p>	<p>Yes.</p>	<p>Yes.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>While there is no specific regulation in this regard, this would depend on the terms of the contractual arrangement existing between the employer and such employees.</p> <p>Please note that the Indian government is, given the current state of the COVID-19 pandemic, recommending that employers should adopt a more employee-friendly approach in such situations but there is no regulatory obligation in this regard.</p>	<p>10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>If employee has joined, all applicable statutory and contractual benefits shall have to be paid.</p>	<p>If employee has joined, all applicable statutory and contractual benefits shall have to be paid as relevant to the leave period.</p>	<p>If employee has joined, all applicable statutory and contractual benefits shall have to be paid as relevant to the leave period.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

Yes, if the new hire has been diagnosed with COVID-19, the employer may require such employee to either take sick leave or work remotely.

If the organization is closed and the employees are given holiday or are required to work remotely, no question of leave arises. However, employers and employees may mutually agree on requirement to take a pre-stipulated number of unpaid leave days.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

The MHA has, by order dated 29 April 2021, issued Revised Guidelines in order to contain the spread of the COVID-19 pandemic.

As per the Revised Guidelines, the lockdown is limited to containment zones, which are demarcated by district authorities after taking into consideration the guidelines from the MoHFW in this regard. No commercial activities are allowed in such zones apart from provision of essential goods/services. States/Union Territories may also identify buffer zones outside the containment zone where new cases are more likely to occur and put in place such restrictions as considered necessary by the district authorities.

Violation of the Revised Guidelines may lead to proceedings under Sec. 51 to 60 of the Disaster Management Act 2005, Sec 188 of the Indian Penal Code 1860 and other applicable legal provisions.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

The MHA had, by Order No. 40-3/2020-DM-I (A) dated 30 September 2020, permitted States/Union Territories to reopen schools and coaching institutes after 15 October 2020 in a graded manner in areas outside containment zones. States/Union Territories are required to prepare their own SOPs regarding health and safety precautions for reopening of schools and coaching institutes. In this regard the Delhi government has allowed reopening of schools located in Delhi in limited capacity for students of class X to XII and Karnataka government has only allowed reopening of academic institutes in health and medical sector in limited capacity.

At present, other schools and coaching institutions are to remain closed and are to encourage online/distance learning as the preferred mode of teaching.

Given the current scenario, the employer may permit its employees, including teaching staff, to work remotely (such as providing online teaching sessions). In case such services are rendered, the relevant employees will not be considered to be on leave during this period. Further, the employer may also check the relevant employee contract and policies regarding providing paid leave during this period, if required.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

Certain state governments have announced wage support for daily wage earners, including building and other construction workers, through the direct benefit transfer system of the government.

The central government has expanded the ₹3 tn Emergency Credit Line Guarantee Scheme to help businesses hit by the second wave of the COVID-19 pandemic. It provides 100% guarantee coverage by National Credit Guarantee Trustee Company Limited to Money Lending Institutions on Guaranteed Emergency Credit Line of up to ₹3 tn to compensate eligible MSMEs/ Business Enterprises and individual borrowers if the original loan was for a business, as well as interested Pradhan Mantri Mudra Yojana (PMMY) borrowers. Certain compliance related relaxations have also been announced.

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

Certain state governments have announced wage support for daily wage earners through the direct benefit transfer system of the government and have also increased allocation of rations and, in certain cases, announced distribution of food grain for free. While most of these announcements are to support daily wage earners, the pre-requisites to qualify for such aid differs from state to state and case-specific analysis will be required.

The Government of India has also introduced a special economic and comprehensive package under the *Atmanirbhar Bharat Abhiyan* scheme, with measures such as:

- ▶ Introduction of the statutory concept of a 'National Minimum Wage'
- ▶ Universalization of the right to a minimum wage and timely payment of wages for all workers, including unorganized workers
- ▶ All occupations opened for women and permission to work at night with safeguards
- ▶ Provision for a Social Security Fund for unorganised workers
- ▶ Gratuity for fixed term employment, i.e., provision of gratuity on completion of one year service as against five years
- ▶ Portability of welfare benefits for migrant workers
- ▶ Extension of Employee State Insurance Corporation (ESIC) coverage pan-India, to all districts and all establishments employing 10 or more employees, as opposed to those in notified districts/areas only
- ▶ Extension of ESIC coverage to employees working in establishments with less than 10 employees on a voluntary basis
- ▶ Mandatory ESIC coverage via notification by the central government for employees in hazardous industries with less than 10 employees
- ▶ Further, certain measures relating to provisioning of working capital loans/facilities have also been introduced

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

Most of the relevant announcements are to support daily wage earners who are registered with the relevant state government. Financial aid shall be provided to those who are enrolled under the direct benefit transfer system of the government. The same may also differ from state to state and case-specific analysis may be required.

(17) What is the legal framework for collective redundancies?

In India, employees are broadly classified into two groups:

- ▶ Blue-collar employees (also referred to as workmen)
- ▶ White-collar employees

The distinction is based on, among other things, the kind of work performed by the employees and their remuneration.

Workforce transformation triggered by the termination of the services of workmen is governed by the Industrial Disputes Act, 1947 (ID Act). Redundancy of workmen, known as retrenchment under the ID Act, involves the compliance with certain procedural requirements as set out in the ID Act. The procedures required to be followed in the case of redundancy of workmen will vary on the basis of factors including the nature of the organization and the number of workmen employed in the organization.

The termination of service of white-collar employees is dealt with in accordance with their respective employment contracts and the local shops and establishment laws, to the extent applicable. Each state in India has a separate shops and establishment laws. These laws have broad applicability and cover any premises where any profession, business or trade or any activity that is incidental or ancillary to any profession, trade or business is carried out and any premises where goods are sold or services are made available to customers.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

No specific justification is required to be given under law, and redundancy can be for any reason. However, the notice required to be given to the workmen whose services are being made redundant must set out the justification for such redundancy. This notice is mandatorily required to be given in all cases of termination except:

- ▶ Voluntary retirement
- ▶ Retirement upon reaching the age of superannuation or pursuant to a contract
- ▶ Termination as a result of non-renewal of the contract of employment between the employer and the workman on its expiry, or of such contract being terminated under a stipulation in that regard contained in the contract
- ▶ Termination on the ground of continued ill health

(19) What are the consultation requirements with works councils/unions (if any)?

There are no statutory prescribed consultation requirements in the case of termination of services of workmen. However, there may be certain notification and consultation requirements with trades union – the requirements in this regard vary from case to case. For example, if there are any CBAs, the procedure for termination of workmen set out therein needs to be followed.

There are no statutorily prescribed consultation requirements in the case of termination of services of white-collar employees.

Consultation requirements with other employee representatives

There is no specific consultation requirement with other employee representatives.

Consultation requirements with employees

There are no statutory prescribed consultation requirements with employees/workmen in the case of termination of their services. The employer is only required to give notice to the employees/workmen being made redundant.

(20) Does the employer need to notify labor authorities or other government authorities? Is approval required before moving forward with any redundancies?

There are no statutory prescribed information or notification requirements in the case of termination of service of white-collar employees.

The ID Act requires the employer to notify the central government, labor commissioners and employment exchanges when any workman is being retrenched.

Generally, approval of any labor or government authorities is not required for employees whose services are being made redundant except in the case of factories, mines and plantations where more than 100 workmen were employed at any time during 12 months preceding the retrenchment.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

Unless otherwise agreed with the workman, the termination of services of workmen is governed by the 'last in, first out' principle, which is that the most recently-hired worker in a particular category shall be the first to be made redundant. This principle is not required to be followed for white-collar employees, for whom there are no specific rules.

Certain employees are afforded special protection, including under the following circumstances:

- ▶ A female employee who is on maternity leave cannot be dismissed during, or because of, the maternity leave
- ▶ Workmen who are office bearers of a trade union cannot be dismissed from service without prior permission of labor authorities
- ▶ Employees who are receiving sickness benefits under the Employee State Insurance Act, 1948, cannot be dismissed during the time they are entitled to such benefit

<p>(22) Are there any actions required to limit the negative impact of the redundancy?</p>	<p>(23) What is the estimated timeline for a collective redundancy process?</p>	<p>(24) What are the estimated costs?</p>
<p>No.</p>	<p>There is no timeline prescribed under the ID Act within which the redundancy procedure is to be completed. It depends on the number of workers/employees whose services are being made redundant, the compliance required to be made under applicable laws and the nature of the establishment in which such workers are employed.</p> <p>Depending on the number of employees and other specifics of the process, it usually takes up to a month to prepare for the redundancy process.</p>	<p>Mandatory costs</p> <p>The key components of mandatory HR legal costs are as follows:</p> <ul style="list-style-type: none"> ▶ Every workman who has been in employment for a minimum period of one year (effectively 240 days in the preceding year) shall be entitled to compensation (i.e., an emolument for the services rendered). The compensation has to be equivalent to 15 days' average pay for every completed year of continuous service, or any part thereof in excess of six months, pursuant to the ID Act ▶ In addition, every employee who has completed five years of continuous service is entitled to payment of gratuity, at the rate of 15 days' salary or wages for every completed year of service, pursuant to the Payment of Gratuity Act 1972. Gratuity is a form of monetary benefit in which a lump sum amount is paid to employees at the time of their retirement, resignation, death or disablement ▶ Every employee shall be entitled to receive the amount set aside in their favor and for their benefit in a Provident Fund (pension/superannuation account) pursuant to the Employee Provident Fund Act ▶ Every employee is entitled to receive a payment for leave accrued but not taken ▶ Employees will receive other benefits and entitlements as may accrue pursuant to their employment contracts or other agreements <p>Customary additional costs</p> <p>There are no fixed additional costs with respect to redundancy of workmen and white-collar employees. Any such costs will largely depend on the terms on which the redundancy is carried out. It shall also depend on local and/or market practice.</p>

(25) Are there any hiring/re-hiring restrictions post-redundancy?

If the employer proposes to employ any person post-redundancy, the employer must give preference to the workman who was made redundant (if appropriately qualified), if they are willing to be re-employed. There is no specific prescribed time period on the duration of the right of preference.

There is no such requirement in the case of white-collar employees.

(26) What are the risks of litigation caused by the redundancy process?

Interested parties

The following interested parties can bring lawsuits related to the dismissal process:

- The impacted workmen either individually, or through a union, may resort to litigation in case the procedural requirements set out in the ID Act are not complied with. A workman can raise an industrial dispute claiming reinstatement and back-pay against wrongful termination. The dispute should be raised within three years from the date of termination of employment. However, this period is often extended in practice
- The impacted white-collar employees may resort to litigation if there is a contravention of the terms of their respective employment contracts. A white-collar employee can file a suit for damages against wrongful termination. The period of limitation for such a suit is three years. However, this period is often extended in practice. Remedies include reinstatement and damages
- Litigation may adversely affect the redundancy process as the courts in India tend to be very labor-friendly and have wide-ranging powers

(27) What are the risks of damages or other remedies due to the redundancy process?

Challenges could lead to two types of civil remedies.

Damages for unfair dismissal

The workmen and/or white-collar employees can file a suit for damages against wrongful termination. The period of limitation for such a suit is three years, however, in practice, this period is often extended.

Reinstatement

The workmen and/or white-collar employees may claim reinstatement and back-pay against wrongful termination. The dispute should be raised within three years from the date of termination of employment, however, in practice, this period is often extended.

Criminal sanctions

Criminal sanctions are not imposed unless actual wrongdoings of a penal nature (such as fraud or harassment) are proved against the employer.

Italy

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Last updated:

16 September 2021

(1) What are the employer's obligations due to the spread of the COVID-19 pandemic?

An employer has the obligation to continuously evaluate the work environment and act on potential risks. COVID-19 is an obvious risk in many businesses. Accordingly, appropriate occupational health and safety measures must be taken and be updated on the basis of the new developments.

Examples of this include:

- ▶ Providing disinfectants
- ▶ Technical possibilities as an alternative to physical meetings (e.g. video conferencing)
- ▶ Applying the provisions of the Protocol to regulate measures to control the spread of the COVID-19 pandemic in the workplace, signed on 14 March 2020 between the government and the trades union and last updated on 6 April 2021

(2) Can the employer prohibit an employee who is diagnosed with COVID-19 from entering the workplace?

The employer is responsible for providing a safe and healthy working environment. To deny a potentially infected employee access in order to protect other employees is a valid reason for prohibiting this person access to the workplace. In practice, this will usually be resolved by allowing employees to work remotely. If this is not possible, the employee might be suspended from work with full benefits.

(3) What steps need to be taken by the employer to alert other employees if there is a diagnosed individual at the workplace?

As the employer is responsible for providing a safe and healthy working environment, adequate actions need to be taken in order to safeguard the workplace so that other individuals are not infected. Employees' privacy in respect of any infection should be maintained to the extent appropriate and without risking the harm of other employees in the organization. To the extent privacy or health information legislation applies, such legislation should be followed to correctly handle information disclosed in connection with the COVID-19 pandemic.

Individual information regarding illness must always be handled carefully. Accordingly, information regarding one diagnosed individual shall not be spread to a larger group than necessary. However, if there is a valid reason, i.e., the extent of the infection's spread needs to be identified, this can be communicated to such larger group of people.

Health data can be processed in accordance with the GDPR and supplementary domestic legislation. However, it should be noted that such data triggers extra precautions, which means that sufficient security measures need to be taken, including control of access to data and that the data is deleted when no longer required.

(4) Does an employee need to answer the employer's questions about whether the employee has recently spent time in high-risk or restricted areas?

In spite of the right to privacy, the employer bears the responsibility for a healthy and safe working environment. Thus, this type of question must be raised by the employer and the employee must reveal this information in accordance with the underlying duty of loyalty which forms part of the employment.

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(5) Does the employer have a duty to alert the government if an employee has been diagnosed?

No.

(6) Other remarks

Since in Italy various strict measures have been adopted and updated, it is strongly recommended to follow the indications directed by the government and their updates as well as the provisions of the Protocol to regulate measures to contrast the spread of the COVID-19 pandemic in the workplace. This was signed on 14 March 2020 between the government and the trades union and was last updated on 6 April 2021.

(7) Are there any regulations in place providing an employer with the possibility for flexible workforce planning, such as part-time/temporary leave which would be triggered in a situation similar to the COVID-19 pandemic?

Yes.

<p>(7(i)) If 'Yes' on Q7, please describe what type of regulations. Please confirm if, and to what extent, such leave can be supported by state aid (including sick pay, etc.) and/or other extraordinary governmental support?</p>	<p>(7(ii)) If 'Yes' on Q7, please specify if there is a need to initiate communication with trades union and/or works councils. Also specify if there are any special procedures that need to be followed.</p>	<p>(8) Can an employer unilaterally decide to postpone an employment start date in cases where;</p>		
<p>The CBA applied by the employer at national, territorial and/or company level, might provide special flexibility measures, such as bank hours and multi-period working hours that, depending on the case, might be unilaterally activated by the employer, or with prior union consultation or approval. Currently, these measures do not benefit from state subsidies.</p> <p>As of 1 July 2021, it is no longer possible to take advantage of parental leave, the babysitting bonus and remote working as expressly defined by previous decrees and emergency legislation. Due to the ongoing COVID-19 pandemic, there may be further assessments and/or specific regulatory provisions enacted in future.</p> <p>In any case, it is likely that the current situation of the COVID-19 pandemic will lead to new assessments and specific regulatory provisions.</p>	<p>CBAs may define the appropriate union consultation measures for the relevant employer, industry or territory.</p> <p>Special parental leave, as well as additional paid leave for the care of disabled, do not require specific procedures to be implemented by trades union and/or work councils.</p>	<p>(8(i)) The office is closed due to the COVID-19 pandemic;</p>	<p>(8(ii)) The new hire has visited a 'quarantine city/area' during the last 14 days;</p>	<p>(8(iii)) The new hire has been diagnosed with COVID-19.</p>
		<p>It depends on a case-by-case basis.</p> <p>The start date may be postponed due to urgent circumstances such as:</p> <ul style="list-style-type: none"> ▶ If the company is closed by virtue of government provision ▶ If the work activities cannot be executed from remote locations, and the parties have not yet signed the employment contract <p>If there is already a contract signed between the parties, this might create an issue, since the employee might require salary payment in any case or benefit from a wage integration fund.</p>	<p>Please refer to comments in Q8(i).</p>	<p>Please refer to comments to Q8(i), but if the start date is not postponed, the employee must stay at home during the sick leave.</p>

<p>(9) If 'Yes' on Q8(i)-(iii), please confirm if the employer has any obligations with respect to employees prior to the employment start date.</p>	<p>(10) If existing employees are prevented from attending the workplace, what are the employer's obligations in the below cases?</p>		
<p>Yes, there are a number of employment obligations including maintaining health and safety of employees. It should be considered whether the employee can be accommodated (e.g. working from home) during the illness.</p> <p>The employer has to promptly communicate to the employee the reasons for postponing the employment start date. The employer has to also communicate to the labor offices the start date of the particular employee.</p>	<p>(10(i) The office is closed due to the COVID-19 pandemic;</p>	<p>(10(ii) The employee has visited a 'quarantine city/area' during the last 14 days;</p>	<p>(10(iii) The employee has been diagnosed with COVID-19.</p>
	<p>If the activity can be performed from remote locations, the employer can ask the employees to work remotely (i.e., smart working) and pay the normal wage salaries.</p> <p>If this is not possible, and/or the employee has not yet accrued any holiday, the employer might ask for the intervention of temporary wage funds, if the requirements are met by the company. In this case, the employees receive part of their salaries directly through state subsidies.</p>	<p>Please refer to the comments in Q10(i).</p>	<p>Generally, in the case of absence for sickness, part of the wage/salary is paid directly by the National Institute for Social Security to the employee, starting from the fourth day of absence.</p>

(11) Can an employer force an employee to use sick leave (or other types of leave) for any of the reasons set out in Q10(i)-(iii)?

If the existing employee is ill they must stay at home. Otherwise, if the employee is a newly-recruited employee, it is not clear if the employer can impose that the employee must use their holidays and permits which have not yet accrued.

(12) Other: Anything else that should be highlighted for this jurisdiction regarding state aid?

A new urgent decree has been introduced with some specific exceptions to the general ban of dismissals for economic reasons during the COVID-19 pandemic and the utilization of the specific wage guarantee funds.

(13) What are the employer's obligations in situations where schools and kindergartens are closed due to the COVID-19 pandemic (i.e., allowing leave of absence and paying salary/benefits throughout such period)?

It is possible to discuss at company level the applicability of regulatory incentives and the forms of flexibility already available, also with the aim of supporting employees with school-age children to be looked after, in situations where schools and kindergartens are closed due to the COVID-19 pandemic.

(14) Are there any governmental programs announced to support a company if it needs to close totally or partially for a certain time period?

Special temporary wage guarantee funds, connected to the COVID-19 pandemic, have been implemented by the government in order to integrate the salaries of the employees in the case of temporary contractions of the activities and/or shutdown of the companies due to the risk of contagion. In particular, these are the following:

- ▶ New 'Ordinary' Temporary Wage Guarantee Fund
- ▶ New 'Ordinary' Temporary Wage Guarantee Fund for companies already benefiting of an extraordinary temporary wage guarantee fund
- ▶ New Temporary Wage Guarantee Fund 'In Derogation'

In addition, the Law Decree No. 73/2021 also introduced two further measures, to be used from 1 July 2021:

- ▶ The "solidarity contract"
- ▶ The "re-employment contract"

(15) Describe the necessary prerequisites to qualify for state aid and/or other extraordinary governmental support, if applicable.

New 'Ordinary' Temporary Wage Guarantee Fund:

- ▶ Companies: Industrial companies (manufacturing, transport, building and others), production and employment cooperatives which carry out activity similar to industrial companies, and to craft firms in the building sector
- ▶ Employees: Those employees employed on the date of entry into force of Law Decree 23 February 2020, n. 6, even if they have not yet performed 90 days of work

New 'Ordinary' Temporary Wage Guarantee Fund for companies already benefiting of an extraordinary temporary wage guarantee fund:

- ▶ Companies that, at the date of entry into force of Legislative Decree 23 February 2020, no. 6, were benefiting from an extraordinary temporary wage guarantee fund treatment
- ▶ Companies that are benefiting from a solidarity subsidy
- ▶ Employees: Those employees already benefiting from extraordinary temporary wage guarantee fund treatment

New Temporary Wage Guarantee Fund 'In Derogation':

Companies: Companies operating in the private sector (including agricultural, fisheries and non-profit sector, including religious organizations, and regardless of the

number of employees), for which the treatments provided for by the current provisions regarding safety treatments are not applicable.

Solidarity contract:

Companies: Companies that suffered a 50% drop in revenues and working activity in the first half of 2020 (compared to the same period in 2019) are eligible

Re-employment contract:

Generally provided to support employment and work. This measure promotes the integration of unemployed people in a company, providing an incentive for the employer to hire them.

(16) If applicable, describe the application procedure for such state aid and/or other extraordinary governmental support (e.g., application details and filing requirements)?

New 'Ordinary' Temporary Wage Guarantee Fund

There is a simplified trade union consultation procedure to request the treatment, which can also take place after the request of intervention and through digital means. Union agreement is not requested in these cases. The duration of the temporary wage guarantee fund will not be calculated in the maximum overall duration provided by the normal provisions, and the treatment is exempted from the additional contribution.

New 'Ordinary' Temporary Wage Guarantee Fund for companies already benefiting from an extraordinary temporary wage guarantee fund

The granting of 'Ordinary' treatment is subject to the prior suspension of the effects of the previously authorized extraordinary intervention. The simplified procedure should be the same provided for the New "Ordinary" Temporary Wage Guarantee Fund.

New Temporary Wage Guarantee Fund 'In Derogation'

Except for companies with no more than five employees, this treatment requires prior union agreement from the appropriate trade union, which can also be concluded electronically. The intervention is authorized by decree of the concerned Italian Regions and the Italian Autonomous Provinces, to be sent electronically to National Social Security Institute (INPS), along with the list of beneficiaries.

Solidarity contract

This measure is only available to companies that have suffered a 50% decrease in revenues and work in the first half of 2020 compared to the same period in 2019. This measure allows access to an extraordinary wage guarantee fund until 31 December 2021. The maximum allowable assistance from the wage guarantee fund is equal to 26 weeks. Before accessing the mentioned wage guarantee fund, a collective company agreement must be signed to reduce working activity (up to a maximum of 80% of the beneficiary workers' weekly or monthly working time). The wage supplement for workers, subject to reduction of working time, is 70% of the remuneration they would receive for the hours not worked.

Re-employment contract

From 1 July 2021 to 31 October 2021, unemployed workers may be hired with a specific project of six months. The employer, in turn, will receive an incentive (i.e., contribution exemption) up to a maximum of €6,000 per year, provided that they do not dismiss this employee during or after the project period and has not dismissed - in general - other workers in the six months preceding the hiring of the new employee. At the end of the relevant period, the relationship continues as an open-ended contract.

(17) What is the legal framework for collective redundancies?

The Law Decree No. 99/2021 (Labor Decree) extends the ban on dismissals (collective and for economic reasons) for companies operating in the textile, clothing, fur and leather sectors until 31 October 2021.

For other companies, dismissals are possible with some exceptions. In fact, as per Decree No. 73/2021, the companies which continue to use the wage guarantee fund until 31 December 2021 have to respect the ban of dismissal for the whole duration of such treatments and up to the mentioned date of 31 December 2021.

Currently, collective and individual dismissals can be made immediately in three cases:

- ▶ Definitive cessation of business activity, with liquidation of the company
- ▶ Bankruptcy without provisional exercise of the business
- ▶ Under CBAs, stipulated by the appropriate trades union at the national level, which provides for incentivized exits to a new employer, limited to workers who adhere to such an agreement. This option remains valid for the exception to the ban, already envisaged, with respect to the change of contract with and the re-employment of the employees by the new contractor

Collective dismissals are mainly governed by 'Law 23 July 1991, no. 223, 'Rules on the Wages Guarantee Fund, redundancies, unemployment benefits, enforcement of European directives, job placement, and other labor market provisions' (Law 223/1991).

A collective dismissal occurs when an employer with more than 15 employees intends to dismiss at least five employees in the same establishment, or in different establishments located in the same province, within a period of 120 days. If the aforementioned threshold and conditions are met, the employer must follow the collective dismissal procedure established by Law 223/1991.

(18) Does the employer need to have a legal justification to carry out redundancy dismissals?

The employer's decision on collective dismissal must be based on valid reasons - financial, reorganizational (e.g., organizational and management rationalization to reduce business inefficiencies) or restructuring (e.g., significant changes to business structures). Arbitrary or discriminatory reasons for dismissal are prohibited.

(19) What are the consultation requirements with works councils/unions (if any)?

To initiate the first consultation phase of the collective dismissal procedure, the employer must send a prior notice to the internal work councils/trades union (i.e., workers' representation at plant level, known as RSA or RSU, as well as to the representative unions at territorial level, including those representing executives) and to the competent local labor authority (*Ispettorato Territoriale del Lavoro*, henceforth ITL), whereby detailed information must be given on:

- ▶ Reason(s) for the proposed dismissals
- ▶ Number of employees to be dismissed (including executives)
- ▶ Positions and professional profiles of the entire workforce, including those of the employees proposed to be dismissed
- ▶ Proposed timing for the collective dismissal
- ▶ Any proposal or measure to reduce the possible social consequences of the collective dismissals (Social Plan)

There is no mandatory or specific time period prescribed by law for providing notice. In any case, if required by the unions, the consultation phase must start after seven days from the receipt of the notice by the unions. The first consultation phase with the unions must be completed within 45 days from the receipt of the notice.

No specific consultation requirements with other employee representatives exist.

Consultation requirements with employees

There is no legal barrier to open communication with employees, subject to the prior notification to the unions of a collective dismissal.

After the collective dismissal negotiation process is complete with the unions, the employer may communicate individually to the affected employees about the outcome of the process.

In any case, the dismissal letter must be delivered by the employer to the affected employees. The dismissal shall be communicated within 120 days after the conclusion of the procedure, unless different terms are agreed upon with unions.

(20) Does the employer need to notify Labor Authorities or other government authorities? Is approval required before moving forward with any redundancies?

Approval of the labor authorities or other government authorities are not required to dismiss any employees in a collective dismissal process. However, after the completion of consultation with the unions, the employer is required to notify (in writing) the competent local labor authority (ITL or Ministry of Labor) of the outcome of the consultation process with the unions.

If no agreement is reached with the unions during the first phase of consultation, an additional conciliation procedure may take place before the ITL or Ministry of Labor upon its request. The conciliation procedure (second phase) must be completed within 30 days from commencement.

(21) Are there any selection criteria that need to be followed by the employers when choosing the employees to be made redundant?

Unless the dismissal involves all of the company's employees, the criteria for the selection of the employees to be dismissed are usually agreed upon and indicated in the agreement with the unions (if any).

The law provides that, upon commencement of the collective dismissal procedure, the employer is required to identify, in the prior written notice, the redundant professional profiles and the relevant number. Upon conclusion of the procedure, the employees to be actually terminated must be identified by the employer by virtue of a comparison among all the company's personnel, based on the following legal criteria:

- ▶ Organizational, technical and productive reasons
- ▶ Years of service
- ▶ Number of dependents of the affected employee (family responsibilities)

In the case of collective dismissal, unrelated to closure of the company, some restrictions apply with respect to:

- ▶ Mandatory percentages of employees with disabilities
- ▶ Maternity leave: until the child is one year old, or in the first year after the marriage
- ▶ Grace period for illness
- ▶ Fixed term employment contracts

These limits operate differently in the case of closure of the company or in the case of collective dismissal with continuation of the business.

(22) Are there any actions required to limit the negative impact of the redundancy?

The employer is not obligated to propose or devise a Social Plan. Nevertheless, the employer and the unions can negotiate and agree, during the negotiation phase, on alternative measures (like re-assignment to lower positions, incentive for voluntary resignation, etc) to mitigate the negative impact of the proposed collective dismissal.

Internal alternative employment/redeployment

No mandatory requirement to provide any internal alternative employment or redeployment exists.

Other measures

No other measures are required.

(23) What is the estimated timeline for a collective redundancy process?

Approximately one month is required to prepare for the collective dismissal process. However, the timeframe may vary depending on the complexity of the contemplated collective dismissal.

After the prior notice to the unions, the first phase of joint consultation must be completed within 45 days. In the case of a disagreement, it may take additional 30 days for the conciliation process (second phase) initiated by the IRL or Ministry of Labor. The second phase must be completed within 30 days from the date of its initiation. Therefore, the whole procedure must be concluded within 75 days from the date of receipt of first notice addressed to the unions. This time period is reduced by half if the number of employees to be dismissed is less than 10. The dismissal shall be communicated within 120 days after the conclusion of the procedure, unless different terms are agreed with unions.

The aforementioned timeframe is only an indication of the minimum mandatory requirement and it does not include the timeframe required for the preparation of the contemplated collective dismissal and/or any possible extensions agreed with the unions.

(24) What are the estimated costs?

Mandatory costs

The key components of mandatory HR legal costs are as follows:

- ▶ Notice, or an indemnity in lieu of, if the employee is released from work during the notice period
- ▶ Severance payment (*Trattamento di Fine Rapporto*)
- ▶ Other severance indemnities in accordance with the individual or collective agreement
- ▶ Payment to the INPS for each dismissed employee of a 'dismissal ticket', whose amount is a variable percentage (82% or 41% in certain cases) of the New Social Insurance for Employment (NASpI indemnity) for each working year of the employee, with a maximum of three years
- ▶ The NASpI indemnity is also funded by the employers for each dismissed employee upon termination of employment

Customary additional costs

The employer may budget an exit package additional to the mobility indemnity but is not obligated to propose or devise a Social Plan. It is important to note that in any case, the mobility indemnity is paid by the INPS and not by the employer to the employees.

Notwithstanding this, the employer and the unions can negotiate and agree on measures like outplacement and incentive for voluntary resignation in order to limit the negative impact of the collective dismissal during their joint consultation(s).

(25) Are there any hiring/re-hiring restrictions post-redundancy?

There are no legal barriers restricting an employer from hiring new employees after implementation of a collective dismissal in positions or establishments different from those involved in the collective dismissal. However, according to the case law, a hiring restriction is applicable if the employer decides to hire new employees for the same position or plant/establishment where it implemented collective dismissal. There is no specific time period prescribed for such restriction as it can vary depending on whether an agreement in this regard has been reached with the unions within the closure of the consultation process.

The law does not provide the affected employees the right to be rehired. However, this right can be agreed during the negotiation with the unions.

(26) What are the risks of litigation caused by the redundancy process?

Interested parties

The law establishes that if a collective dismissal is implemented in violation of the procedure and there is an agreement with the unions that recognizes the correct implementation of the procedure, the affected employees cannot challenge the dismissals for violation of the procedure. In other words, the agreement with the unions will validate the incorrect procedure.

The following interested parties can bring lawsuits related to the redundancy process:

- ▶ Unions: If they were not involved in the procedure and/or there was any violation in the procedure (on condition that they did not enter into an agreement with the employer)
- ▶ Impacted employees: If the dismissals were implemented verbally, in violation of the legal criteria (or those agreed with the unions) and/or for breach of the procedure established by law

Impacted employees can challenge the dismissal in writing directly with the employer within 60 days from the date of notification of dismissal. This should be followed by a judicial challenge before the labor courts within 180 days of the date on which the employee first challenges the dismissal, otherwise the entire challenge process would be ineffective.

Litigation can stop or slow down the collective dismissal process. A labor court may suspend the process if it is being challenged by the unions (under Article 28 St. Law, also known as Law 300/1970) for anti-union behavior of the employer.

(27) What are the risks of damages or other remedies due to the redundancy process?

The legal consequences in the case of unfair dismissal can vary (depending also on the contractual category of the unlawfully dismissed employees) and might include reinstatement into the previous job and position and/or compensation.

In the case of invalidity of the collective dismissals, the affected employees are entitled to the following:

Damages for unfair dismissal

A labor court may order economic compensation, up to 36 months gross salary in the case of invalidity of the collective dismissal, as amended by Judgment No. 194/2018 of the Italian Constitutional Court.

Reinstatement

A labor court may grant an award for reinstatement (in limited cases, i.e., if an employee was dismissed either verbally or in violation of the criteria established by law).

Criminal sanctions

No criminal sanctions apply in Italy for noncompliance with the collective redundancy procedure.

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Albania to Italy

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EYG no. 007230-21Gbl

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