

Coronavirus relief packages

May 2020



Financial

Financial



Greece

- A special financial state subsidy is provided to the affected enterprises in the form of a fully or partially refundable prepayment. The financial support is exempted from tax, seizure and shall not be offset against any liability.
- An interest subsidy will be granted for a period of 3 months to business sectors which have mostly been affected. Businesses, that meet certain requirements may file an application from 15.4.2020 to 30.6.2020.
- State-guaranteed loans will be provided under certain conditions.
- A special subsidy to farmers of an amount up to 25.000€



Cyprus

- Announced a package of measures to support the country's economy. The package concerns €450m, which will have a net fiscal impact and another €250m to boost the liquidity in businesses in the next two months.



Bulgaria

- Anti-epidemic measures have been adopted. The Public Procurement Act shall not be applied for certain supplies related to the measures.

Financial



Turkey

- The loan principal and interest payments of the companies whose cash flows have deteriorated will be delayed for a minimum of three months, while additional financial support will be provided if necessary.
- Inventory financing support to exporters will be provided to maintain the capacity utilization rates during the temporary slowdown in exports.
- The Credit Guarantee Fund limit will be increased from TL25 billion to TL50 billion and it will be provided to small- and medium-sized enterprises (SMEs) and companies with liquidity needs and collateral deficit.
- The Government will encourage the introduction of loan packages for social purposes under favourable and advantageous conditions for citizens.



Romania

- The Public Finance Ministry implemented a multiannual program to support SMEs. The program includes the state guarantees for loans granted to companies, as well as the subsidies for the interests due for such loans. The maximum level of loans and of the guarantees depends on the size of the enterprise, as well as on the destination of the loan (i.e. loans for working capital or for investments).
- The state aid scheme has a budget of 161 mil EUR and the threshold for state guarantees is 3.1 mld EUR.
- By way of exception from the budgetary discipline, the state budget could be rectified, in order to ensure the financial resources for the management of the pandemic.

Financial



Albania

- Bank of Albania has decided to reschedule all loan instalments with payment dates within 13th of March 2020 till 31st of May 2020. Individuals and businesses may postpone up to three months the installments of their loans.
- The government will provide financial loan guarantee to banks, to sustain entities established and operating in Albania in all sectors and activities of the economy.
- The scheme aims to incentivize crediting for enabling payments of salaries to employees of commercial entities whose activity has been affected by the measures taken by the government in the management of the situation created by COVID-19. and does not apply to taxpayers with an annual turnover of up to 14 million ALL, whose employees are beneficiaries of the special salary according to DCM no. 254 dated 27 March 2020.



Republic of North Macedonia

- The legal interest is reduced by 50% (from 10 to 5% for legal entities and from 8 to 4% for natural persons). The banks and savings houses will offer more favorable contract terms. The reference rate for calculating the penalty interest rate is 1.75%.
- Banks will offer more favorable terms to legal entities such as prolongation of repayments, reprogramming, grace period, favorable interest rate etc., while for the natural persons the banks will postpone repayments in installments.
- The Development Bank of North Macedonia will provide an additional 8 million denars interest-free loans to micro, small and medium enterprises, depending on the number of employees. The maximum amount of loan that will be approved to the borrower cannot be higher than 5,535,000.00 denars (90,000 euros), and the minimum amount of loan cannot be lower than 184,500.00 denars (3,000 euros).
- The Development Bank will offer low rate loans to companies through commercial banks, while the Ministry of Finance will subsidize the interest rate.

Corporate

Corporate



Greece

- The publication deadline of the annual financial statements of companies whose shares are listed in the Athens Stock Exchange as per the financial year ending at 31/12/2019 is extended until 30/06/2020.
- Suspension of the repayment of loan capital until 30th September 2020 upon borrower's request for businesses under certain conditions.
- Discount of 40% on rent for months March, April and May 2020 for commercial residence leases under certain conditions.
- For the period from 30/03/2020 to 31/05/2020, the deadlines for the expiry and payment of cheques and other securities issued by enterprises whose business activity has been suspended or are included in the list of affected businesses, is suspended for 75 days.



Cyprus

- Government guarantees up to €2bn for subsidies of interest rates and granting new low-interest loans to Corporations and Independent Employees.
- Special Benefit Plans for the suspension (or partial) of Business operations.
- Suspension of payments under existing credit facilities for nine (9) months. This measure applies to legal entities and natural persons (including self employed individuals). The suspension is effective from 30 March 2020 up to 31 December 2020.

Corporate



Bulgaria

- The deadline for filling the annual financial statements into commercial register, consolidated financial statements and annual reports of the enterprises shall be extended up to 30 September 2020. The signing of the annual financial statements for 2019 could be made by means of qualified electronic signatures.
- Otherwise, public entities shall submit their annual financial statements to the Financial Supervisory Commission and Bulgarian Stock Exchange until 31 July 2020.
- Insurance company are obliged to report before the Financial Supervisory Commission until the beginning of June according to the terms as advised by EIOPA Guidelines.



Turkey

- April, May and June principal and interest payments to Halkbank by tradesmen and artisans who declare that their businesses have been negatively affected during this period will be postponed for three months.

Corporate



Romania

- The enterprises with total or partial interruption of the activity because of the pandemic may request, under certain conditions, emergency certificates issued by the Ministry of Economy, to be used in relations with public institutions for obtaining incentives / support measures, or in commercial relationships, according to the law.
- Postponement of payment for loans installments, utilities, rent for certain categories of taxpayers is allowed.
- Meeting the obligations to declare the real beneficiary under the AML regulations was postponed for 3 months.
- The statutes of limitation and any other time limits do not start to elapse and, if they started to elapse, they are suspended for the entire duration of the state of emergency.



Albania

- The deadline for the submission of the Financial Statements by uploading on-line onto the e-filing tax system, which was originally on 31 March 2020, has been extended by a four-month period, i.e. by 31 July 2020.
- For taxpayers reporting turnover of up to Albanian Lek 14 million that have stopped having activity and have a lease contract for business purposes, the payment for April and May 2020 can be postponed or paid proportionally, after May 2020, as mutually agreed between the lessor and the lessee.

Corporate



Republic of North Macedonia

- The Council of the City of Skopje adopted a Decision starting from 01.01.2020, which reduces the utility fee for a company, for the taxpayers that perform activity on the territory of the 10 municipalities in Skopje.
- The Decree enacts the application of the Bankruptcy Law, i.e. it is determined that the initiated bankruptcy proceedings are terminated, and no new ones are initiated, for the duration of the state of emergency.
- Special regulation for the deferment of the rent payment for companies.

Tax

Tax



Greece

- The payment deadline of tax liabilities (including VAT liabilities), which become due from 11 March 2020 until 30 April 2020, is extended to 31st August 2020 for businesses affected by the pandemic. The deadline for such businesses has been extended to 30 September 2020, regarding tax liabilities of May 2020
- A 25% discount applies to instalments of assessed liabilities to the tax authorities, which are due from 30/03/2020 to 30/04/2020, in case of timely payment. If the liabilities fall under a settlement scheme, a 25% discount applies to the installments of the settlement.
- For VAT tax liabilities paid timely in April, taxpayers have the possibility to get a 25% offset of future liabilities.
- VAT tax rate on hygiene products has been reduced from 24% to 6%. This measure will apply to the end of 2020.



Cyprus

- Extension of the obligation to submit tax returns for two (2) months.
- Non payment of the increased contribution to GHS (General Healthcare System) for three (3) months.
- Temporary deferral of VAT Payable up to November 2020 (subject to conditions and exceptions).
- Special Arrangements for overdue tax liabilities;
- Merchant Shipping (Fees and Taxing Provisions)
- (as amended) Law of 2010 - extend the date of payment of the Cyprus Registry Maintenance Annual Fee and the tonnage tax of Cyprus ships.

Tax



Bulgaria

- The deadlines to file annual tax returns under the Corporate Income Tax Act (CITA) and the Personal Income Tax Act (PITA) (only for individuals with business activities) for 2019 and to pay the taxes, including tax on expenses, are extended until 30 June 2020.
- The due advance CIT prepayments for 2020 shall be determined by a declaration until 15 April 2020, in case the enterprises did not file an annual tax return prior to 13 March 2020. The deadlines for payment of the down payments remain unchanged.
- The same deadline applies for usage of 5% discount when pre-paying the tax on real estate and/or vehicle for the whole year. The deadline for usage of 5% discount when filing the annual tax return under PITA and the term for additional payment of the due tax shall be extended until 31 May 2020.



Turkey

- The deadline of submission of the Withholding Tax (WHT) and Value Added Tax (VAT) declarations required by all taxpayers included in the shield package in April, May and June has been extended until the end of July 27, 2020.
- Payment periods of the taxes accrued based on these declarations were extended by six months and payments will be able to be made within the last week of October, November and December.
- The VAT rate for domestic air transportation is reduced from 18% to 1% for three months.
- According to the Tax Procedural Code Circular No. 125 published on 17 March 2020, the submission date of the income tax return for individuals and the first installment payment date of the same have been extended by the Revenue Administration until 30 April 2020.

Tax



Romania

- 5% bonus for large taxpayers and 10% bonus for the others that pay the corporate income tax related to the 1st quarter of 2020 until April 25, 2020 (also applicable for taxpayers with a fiscal year different by the calendar one).
- During state of emergency and 30 days after its termination, late payment interests and penalties will not be computed for the taxes and contributions not paid at the due date (exception cases of criminal offence)
- During state of emergency and 30 days after its termination VAT exemption for importation of protective equipment / medical devices /equipment/ sanitary materials used in COVID-19.
- The payment for tax on buildings is postponed until 30 June 2020.



Albania

- Extension of deadline for submission of Personal Income Tax Return which is originally on 30 April 2020, is now set as at 31 July 2020.
- Extension on deadlines of the second and third quarter prepayment instalments in 2021, for taxpayers reporting annual turnover above Albanian Lek 14 million.
- For taxpayers reporting turnover of up to ALL 14 million, subject to income tax or simplified income tax prepayments are abolished for year 2020.
- The above-mentioned change does not apply to taxpayers who carry out economic activities in the field of banking, telecommunications, trade in pharmaceuticals, food, whose deadlines remain unchanged.
- Extension on deadlines for payment of income tax prepayments in 2021 for special sectors as tourism, loaned product processing (fason) and call centers .
- For taxpayers operating in Tirana, the payment of instalments for local taxes and fees are postponed with two months.

Tax



Republic of North Macedonia

- Personal income taxpayers, who earn income from self-employment and who have suffered losses in their operations due to the spread of coronavirus, are exempted from paying the amount of personal income tax advance payments for the months of March, April and May 2020.
- Exemption from advance payment of corporate income tax for the months of March, April and May 2020, for taxpayers who have suffered losses due to the spread of coronavirus.
- The activities that have a right to reduction are: catering, tourism and transport. The right to reduction also applies to other taxpayers who earn income from self-employment, and who have suffered damages in their operations due to the coronavirus.
- The amount of interest charged on the amount of more or less paid tax and secondary tax charges, for each day of delay, which will be applied during the duration of the state of emergency is 0.015% for each day of delay.
- The deadline for submitting the tax return on the value added tax that is submitted on the form "VAT-04" and for payment of the value added tax for the tax period from April 1, 2020 to April 30, 2020 is postponed during the state of emergency. until May 31, 2020.

Social and healthcare

Social and healthcare



Greece

- Transport restrictions valid from 23rd March 2020 until June 2020.
- Special parental leaves for working parents.
- Special benefit and social security insurance for unemployed.
- A 25% discount for freelancers and self-employed persons in case of timely payment of social security contributions of months February and March 2020.
- Special provisions to receive remote healthcare services from a doctor.



Cyprus

- Special Sickness Benefit to employees of the private sector falling under certain categories.
- Special Leave to parents for the care of children up to the age of 15 years old due to the suspension of attendance in schools, public and private, in nurseries and childcare.
- Amendments to the Statutory Tenants Law. Any eviction process shall be suspended (and new eviction orders will not be issued) until 31 May 2020.
- Under special plans, businesses are restricted from employee lay-offs due to financial reasons throughout this period.
- Benefit for students remaining abroad during the Easter Holidays.

Social and healthcare



Bulgaria

- While the Act is in force, but for a period not exceeding three months, the National Social Security Institute will pay 60% of the insurance income and SSHIC of affected employees for January 2020 to employers who meet the criteria which are determined by an act of the Council of Ministers.
- In case the residence term expires for a foreigner with a long-term
- residence permit for residence in Bulgaria during the period of the state of emergency, he/she may apply for a continuation of residence within 14 days after the state of emergency is lifted. Furthermore, a foreigner who is a long-term resident and whose long-term residence permit expires during the state of emergency may enter the territory of the country without a visa within 14 days after the state of emergency is lifted.



Turkey

- The minimum retirement salary will be increased to TL1,500.

Social and healthcare



Romania

- Schools, all pre-university and university educational establishments will be closed.
- The prices for public utilities services, medicines and medical equipment, necessity goods or fuel could be capped at the level of the average price for last three months before the state of emergency declaration.
- All Romanian citizens who are infected with COVID-19 will benefit from treatment in the public health insurance system, free of charge, even if they are not insured according to the law.
- The settlement of the medical leave indemnity granted to the quarantined persons for COVID-19 will be carried out with priority.



Albania

- Citizens who lost their jobs due to the crisis will benefit a financial aid from the state at the amount of Albanian Lek 40,000.
- Starting form 13 of March, schools, all pre-university and university educational establishments have been closed.
- Public transport has been suspended.

Social and healthcare



Republic of North Macedonia

- The employer is subsidized for each insured person for the months of April, May and June 2020, in the amount of 50% of the calculated contributions from compulsory social insurance by the taxpayer, not greater than 50% of the compulsory social insurance contributions calculated on the average gross salary per employee in the Republic of North Macedonia, according to the data of the State Statistical Office published for January 2020.
- For the citizens who lost their jobs due to the crisis, the state will pay a monthly salary of 50% of the average monthly net salary of the employee for the last 24 months.
- Freezing of the prices of basic products, medicines and disinfectants from the day of the declaration of the pandemic by the World Health Organization (WHO), as well as 100 percent exemption from customs duties for certain products.

Employment

Employment



Greece

- Financial state benefit of 800 Euro for employees, whose employment contract has been suspended.
- Discount of 40% on rent for months March, April and May 2020 for primary residence leases under certain conditions.
- A special benefit of 600€ is granted to specific professionals (lawyers, doctors, engineers, accountants etc.).
- Possibility to continue operations by adopting an alternative organizational plan, such as by operating the business with safe operation staff. The employer may decide by himself to employ half of the personnel for two weeks per month.
- Possibility to transfer personnel to other companies of the same group.



Cyprus

- Special Sick leave allowance benefit for workers who belong to vulnerable categories as published by the Ministry of Health and must be absent from work.
- Special Scheme for Self Employed Workers who have fully or partially suspended their operations.
- Special Benefit Scheme for Self Employed, who have suspended (or partially) their operations (on the basis of Order issued by the Ministry of Health and relevant decisions of the Council of Ministers). Weekly benefit will equal to 60% of the weekly insurable earnings.

Employment



Bulgaria

- Employers may grant up to one-half of the paid annual leave without the consent of their employees or workers. Employers may issue an order to assign work from home or telework to their workers and employees without their consent.
- The employer may establish in the enterprise or its unit a part-time work for the full-time employees and workers for the whole or part of the state of emergency period.
- In the event of a state of emergency, the employer may issue an order to suspend the work of the entire, or part of, the enterprise or of individual employees for the whole, or part of, the period (until the state of emergency is lifted). The employer is obliged not to admit the employees or workers to their workplaces for the period determined in the order. In such cases, the employee is entitled to his gross remuneration.



Turkey

- The Short Work Allowance will be implemented, and the processes required to benefit from it will be facilitated and expedited. Thus, while temporary income support to the workers in the workplaces that suspend their activities will be provided, the cost to the employers will also be reduced.
- Minimum wage support will be continued, and it will be ensured that the flexible and remote working legislation becomes more effective.

Employment



Romania

- During the technical unemployment, the allowances that the employees receive (at least 75% of the basic salary corresponding to the job occupied), are covered by the state (capped to 75% of the average wage on national economy).
- Employees from strategic sectors (e.g. army) where work from home is not possible will benefit from salary increases.
- The collective labour contracts maintain their validity during the state of emergency.
- Employees infected with Covid-19 benefit from sick leave allowances without condition of previous insurance period.
- Employees are entitled to be paid free days for the supervision of their children in the situation of temporary closure of the educational units.



Albania

- Employees working at taxpayers reporting annual turnover up to Albanian Lek 14 million that directedly have been affected, will benefit special salary at the amount of Albanian Lek 26,000 for March, April and May.
- Employees, which their work contracts have been terminated before 10th of April, will benefit financial assistance at the amount of Albanian Lek 40,000.
- Employees working at taxpayers reporting annual turnover up to 14 million that not directedly have been affected, will benefit financial assistance at the amount of Albanian Lek 40,000.

Employment



Republic of North Macedonia

- The subject of the financial support intended for the Private Sector affected by Covid-19 is the payment of workers' salaries to the employer for the months April and May 2020, in the amount of up to 14,500 denars per month per employee.
- For the employees employed in the private sector covered by the temporary measures for protection against the spread and prevention of Coronavirus COVID-19, the unused part of the annual leave, i.e. the unused annual vacation leave from the 2019 calendar year, to be used until 31 May 2020, i.e. the part of the annual vacation leave for 2020 year which must be used for two consecutive working weeks, employees to use until 30 June 2020.
- The payment of rent on social housing will be postponed for all users, i.e. the payment of rent will be postponed for the citizens.
- Payment of financial resources for the months of April and May 2020, in the amount of 14,500 denars per month for the natural self-employed- applicant for financial support.



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