

COVID19 RELIEF FUND



Horwath HTL

Hotel, Tourism and Leisure

INDUSTRY REPORT: COVID-19 IMPACT

*Country Specific
Assistance benefiting
the Tourism and
Hospitality Sector*

JANUARY 2021 - Version 5

Introduction

The global economy is under enormous strain as it deals with the fallout from the COVID 19 virus. All industries and all sectors are affected, but none more so than hospitality. By its very nature, the hospitality business is entirely dependent on the movement of people and a fall-off in demand of this magnitude has never been experienced before. Hotels, restaurants, airlines, resorts, bars and all other businesses related to travel and tourism have come to a grinding halt.

What is positive about this crisis is that for the first time travel and tourism has been named specifically as an industry that is vital in any functioning economy and in fact many economies derive a considerable amount, if not the majority of their GDP from travel and tourism related activities.

Many governments recognise this and have put extraordinary measures in place to try and protect these businesses. There is a recognition that, certainly in the short term, these businesses need to be mothballed and supported as opposed to being closed down. This makes very good business sense as the expense and time spent ramping these businesses back up to efficient levels is a lot more expensive. This of course is predicated on the exceptional circumstances lasting around three months as opposed to 6 months or longer.

It will come as no surprise of course to see that some governments are more supportive than others. This is for a variety of reasons, not least of which some countries are unable to afford the levels of support required.

We decided to start collating these industry support measurements on a country by country basis so that we can create a best practice benchmark that shows the different approaches. We have made a comparative compilation of benefits extended by several nations for the hotel sector, and for tourism. The compilation will be updated for information from other countries as sector specific information becomes available.

James Chappell
Global Business Director, Horwath HTL

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Africa: South Africa

Policies & Benefits

The initial pandemic-induced assistance programs provided by the South African Government have all reached their respective end dates. It is thought that there is little prospect of these programs being extended or new assistance programs being developed in the near future. The Minister of Finance's annual budget speech, anticipated to be delivered in late February 2021, is likely to provide insight into the Government's ability to offer further assistance to corporate South Africa; however it is well documented that the economic outlook for South Africa is under significant pressure and this is likely to limit the ability of Government to deliver meaningful assistance program(s).

Asia Pacific: Australia

Policies & Benefits

There has been no new government stimulus packages. Previous packages remain in place until March. The various state governments have all announced large spending packages to help with the economy.

Asia Pacific: China

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> For tourism related companies that have not laid off associates or have fewer layoffs, the unemployment insurance will be refunded (within a certain period of time). Tourism related companies are allowed to delay paying social insurance for a certain period of time. The restriction on unemployment rate/layoff rate is loosened for tourism related companies.
Taxes	<ul style="list-style-type: none"> Time limit for carryover tax can be extended. Real estate tax and land tax can be reduced or exempted for a certain period of time. VAT from accommodation and catering industries can be exempted for a certain period of time. Wages, rental payment and other reasonable expenses can apply for pre-tax deductions.
Loans	<ul style="list-style-type: none"> Lower loan interest rates. Increase loan amount. Subsidized interest. Renew loans without repayment. Extend the repayment period of corporate loans.
Hospitality / Tourism	<ul style="list-style-type: none"> Lower land prices to encourage new tourism projects Preferential policies were introduced for frontline personnel in the fight against the pandemic, such as doctors and nurses. Discount/exemption for tourism attraction entrance tickets. The tourism bureau helped purchase insurance against COVID-19 for tourists and tourism practitioners to encourage travelling. Booking deposits were refunded to travel agencies. The membership fee for tour guide association is exempted for individual tour guides.

Asia Pacific: Hong Kong

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Additional annual funding of HKD30 million to develop more Labour Department programmes. Allocate HKD2.5 billion to the Employees Retraining Board to provide additional 100,000 training courses with allowances for the unemployed or underemployed. Allocate HKD200 million for training allowances for workers, and subsidising SME contractors and registered subcontractors with a ceiling of HKD20,000 each.
Taxes	<ul style="list-style-type: none"> Reduce salaries/personal tax 2019-20 assessment year by 100%, subject to ceiling of HKD20,000. Waive rates of domestic properties for 4 quarters of 2020-21, subject to HKD1,500 ceiling per quarter. Reduce profits tax for 2019-20 assessment year by 100%, subject to a HKD20,000 ceiling. Waive rates for non-domestic properties for 2020-21, subject to a ceiling of HKD5,000 per quarter in first two quarters and HKD1,500 per quarter for remaining two quarters.
Loans	<ul style="list-style-type: none"> Introduce a concessionary low-interest loan with 100% Government guarantee for enterprises, which will be open for application for 6 months. Max loan of HKD2 million with repayment period up to 3 yrs.
Hospitality / Tourism	<ul style="list-style-type: none"> The Catering Business Subsidy Scheme provides one-off subsidy ranging from HKD 50,000 to 250,000 to eligible licence holders of general restaurants, light refreshment restaurants, marine restaurants and factory canteens in operation according to the floor area of the premises, primarily to provide further relief to licensed catering outlets with seating areas. The scheme will benefit 17,000 catering outlets. Govt launched the Travel Industry Support Scheme under the third round of Anti-Epidemic Fund (AEF to provide: a) licensed travel agents with a cash subsidy, using a subsidy level of HKD 5,000 per travel agent staff member as the basis of calculation. Travel agents without staff will also be getting a one-off subsidy of HKD 5,000; b) each travel agent's staff a one-off subsidy of HKD15,000. Government allocated additional HKD 700M to Hong Kong Tourism Board to bolster promotion. Reduction of fees and rent for cruise lines and cruise terminal tenants for up to 6 months.

Asia Pacific: India

	Policies & Benefits
Loans	<ul style="list-style-type: none"> Emergency Credit Line Guarantee Scheme (ECLGS) was extended to the tourism and hospitality sector in November 2020. Under this scheme banks will provide collateral free, fully guaranteed loans to Micro, Small and Medium Enterprise (MSME) borrowers with outstanding dues as at 29 Feb '20 between Rs.500 and Rs.5k mn. Loan tenure is five years with a one year moratorium.
Hospitality / Tourism	<p>Benefits given by the Maharashtra State Govt (only for hotels in Maharashtra):</p> <ul style="list-style-type: none"> Partial waiver of excise license fee with the roll-back of the 15% annual fee increase for the year 2020 Awarding industry status to hospitality sector providing benefits of lower water and power charges Licenses required to operate a hotel reduced from 70 to 10

Asia Pacific: **Indonesia**

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Amidst the pandemic, the Minister of Manpower issued a regulation on guidelines for the granting of Government support in the form of Salary/Remuneration Subsidy for Workers/Manpower in handling the impact of COVID-19. The Government will grant support for eligible workers, in the form of salary/remuneration subsidy, of Rp600,000 per month for four months. The Pre-Employment Card Program benefited 5.6 million recipients across Indonesia, via eleven batches from April to November 2020. The Government plans to continue this program in 2021. Minister of Manpower issued a Circular on minimum wages directed to Governors and regional leaders, which stipulates that the minimum wage for 2021 will not be increased from 2020, citing the need to support businesses during the pandemic in the effort to support national economic recovery.
Taxes	<ul style="list-style-type: none"> No personal income tax for those who work in 11 industry pillars for 6 month in 2020 fiscal year. No penalty fee for late tax report submission for 2019 fiscal year. Ministry of Finance issued a Regulation on tax facilities for goods/services required in the handling of COVID-19 and an extension of income tax facilities which allows pharmaceutical companies to waive added value import tax for components or other goods and services. The regulation also extends the income tax incentives for companies buying and selling goods used to mitigate COVID-19 from September 2020 to December 2020.
Loans	<ul style="list-style-type: none"> The President issued a Regulation for the financing of development programs in boosting the national economy and/or for the national economic recovery program. The regulation provides financial institutions with guarantee of liquidity for financing programs that are related to national development and/or the government's national economic recovery program. The Indonesian central bank, BI, has reduced its reference interest rate by 25 basis points to 3.75%, the lowest since it began using the instrument as its benchmark in 2016.
Hospitality / Tourism	<ul style="list-style-type: none"> The Ministry of Tourism & Economy Creative prepared a budget of IDR 119 billion for the free CHSE certification program for the tourism industry in 34 provinces. This certification is to ensure cleanliness, health, safety, and environmental sustainability for industries related to the tourism sector. Government has allocated Rp 417.8 trillion (US\$29.73 billion) for infrastructure development in 2021. The budget would be used to fund "post-COVID-19 sustainable development" that specifically aims to strengthen the country's digital infrastructure as well as to improve logistic efficiency and connectivity. 2020 Tourism Grant Program amounting to IDR 3.3 trillion (US\$ 224 million) for tourism businesses and local governments. Grants provided to local governments are divided with a balance of 70% allocated for direct assistance to the hotel & restaurant industry. 30% for local governments is used for handling the economic and social impacts of the pandemic. A Circular was issued on guidelines for domestic travelling during the pandemic. Applies to all travel with explicit guidelines: use of masks by all travellers, a negative RT-PCR test result for anyone travelling by air except for children under 12; submission of travellers towards random checks using antigen rapid tests, along with a number of other provisions. Takes effect on January 9 until January 25, 2021 and will be re-evaluated as needed.
Other	<ul style="list-style-type: none"> President Joko Widodo launched the government's cash assistance program to jumpstart the government's social aid program in response to the COVID-19 pandemic for the year 2021 on January 4. As much as Rp 13.93 trillion (nearly a million dollars) in cash assistances will be delivered to families under three of the government's social aid programs throughout January according to newly appointed Minister of Social Affairs. The program specifically targets low-income families with a total of Rp 110 trillion earmarked for the cash assistance program in 2021.

Asia Pacific: Malaysia

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> • 3,500 new health workers to be recruited. • MYR24 million for delivery riders to fund contribution to public health insurance. • Human Resource Development Fund exempts employer levy for companies unable to operate.
Taxes	<ul style="list-style-type: none"> • MYR2,500 tax relief on purchase of mobile phones, computers & tablets. • Tax relief for full health screening including covid19 screening. • Tax deduction for companies that provides at least 30% rental deduction until June 30, 2021.
Loans	<ul style="list-style-type: none"> • Banks to continue offering restructurings and repayment moratoriums. • 3-month moratorium on student loans. • Inability to perform contractual obligations extended to March 31, 2020.
Hospitality / Tourism	<ul style="list-style-type: none"> • One-off MYR500 payment to 14,000 tourist guides. • 10% discount on electricity bills.
Other	<ul style="list-style-type: none"> • MYR100 million for private hospitals to treat covid19 and non-covid19 patients. • MYR2.38 billion disbursements to 11.1 million recipients (one-off). • MYR50 million Food Basket to eligible households.

Asia Pacific: New Zealand

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> • Employees and self-employed receive income if they cannot work from home whilst self-isolating
Taxes	<ul style="list-style-type: none"> • Greater flexibility for taxpayers in respect of statutory tax deadlines • Changes to the tax loss continuity rules • A tax loss carry-back scheme • measures to support commercial tenants and landlords
Loans	<ul style="list-style-type: none"> • Organisations and SMEs, including sole traders/self-employed, may be eligible for a one-off loan of \$10,000 + \$1800 per employee. Loans will be interest-free if they're paid back within 2 years. Interest rate will be 3% for a maximum term of 5 years. Repayments are not required for the first 2 years. • Banks can lend to businesses outside normal lending criteria, without requirement for personal guarantees, supported by the Govt, which takes up to 80% of the scheme loan's default risk. • Business Debt Hibernation Scheme: allows businesses to place their existing debts on hold for up to 7 months to help them start trading normally again.
Hospitality / Tourism	<ul style="list-style-type: none"> • Commercial Lease Dispute Services: Arbitration services will be subsidised up to \$6,000 for each dispute. Mediation services will be fully funded, up to a value of \$4,000 for each dispute
Other	<ul style="list-style-type: none"> • Apprenticeship Boost Initiative: financial support will be available to employers of first-year and second-year apprentices in an approved Apprenticeship programme.

Asia Pacific: Singapore

		Policies & Benefits				
Wages & Employment	<ul style="list-style-type: none"> Jobs Support Scheme (JSS): To protect jobs, the government has extended JSS for additional 7 months up to March 2021. The Government co-funds between 25% to 75% up to \$4,600 gross monthly salary for 10 months from October 2019 to August 2020 and 10% to 50% from September 2020 to March 2021. The wages support level and duration vary depending on the sectors affected by COVID-19. The computations for the respective tiers and payout timeline are shown below: 					
			TIER 1 Tourism, Aviation & Hospitality	TIER 2 F&B, Retail Marine, Land Transport & Entertainment	TIER 3A (Updated) Others	TIER 3B* (Updated) Financial Services, IT, etc.
	Computation of Payout: Capped at first \$4,600 of gross monthly wages.					
	Payout 1	April '20	75% of wages Oct - Dec'19	50% of wages Oct - Dec'19	25% of wages Oct - Dec'19	25% of wages Oct - Dec'19
	Apr 2020 Advance (from Payout 2)	April '20	Top up to 75% of Oct'19 wages as advance in Apr '20 for all sectors	25% of wages	+50% of Oct'19	+50% of Oct'19
	May 2020 Advance (from Payout 3)	May '20	75% Nov'19 wages as advance in May '20 for all sectors	75% of Nov'19	75% of Nov'19	75% of Nov'19
	Payout 2	July '20	75% Feb-Mar'20 75% Apr'20	50% Feb-Mar'20 75% Apr'20	25% Feb-Mar'20 75% Apr'20	25% Feb-Mar'20 75% Apr'20
	Adjustment to Apr 2020 advance		No adjustment	-25% of Oct'19	-50% of Oct'19	-50% of Oct'19
	Payout 3	Oct '20	75% May'20 75% Jun-Aug'20	75% May'20 50% Jun-Aug'20	75% May'20 25% Jun-Aug'20	75% May'20 25% Jun-Aug'20
	Adjustment to May 2020 advance		The payout in Oct '20 is adjusted for payout given in advance in May '20.			
	Payout 4	Mar '21	50% Sep-Dec'20	30% Sep-Dec'20	10% Sep-Dec'20	10% Sep-Dec'20
	Payout 5	Jun '21	50% Jan - Mar'21	30% Jan - Mar'21	10% Jan - Mar'21	None
	<p>Note*: Tier 3B comprises supermarkets, convenience stores, online retail, postal and courier, media, financial services, information and communications technology, biomedical sciences, precision engineering, and electronics. Sector Tier 3B is less affected by COVID-19 than other sectors, therefore JSS will cover up to only December 2020 wages. No payout will be made to employers in Tier 3B for January to March 2021. A 10% wage support will be until March 2021 for all other sectors (Tier 3A).</p>					
<ul style="list-style-type: none"> Jobs Growth Incentive (JGI): \$1B programme to support hiring of local workers from Sept '20 to Feb '21. Govt will pay up to 50% of one year salary for each new local hire above 40 years old and person with disabilities and 25% for those aged below 40. Cap is \$5,000 gross monthly wage/\$30,000 annual. COVID-19 Support Grant (CSG): Extended to Dec '20 to assist citizens/permanent residents who are unemployed/suffered from income loss. Up to \$700 p/m for 3 months to help with loss of job or involuntary No-Pay Leave (NPL). \$500 for 3 months for employees losing more than 50% salary for 3 consecutive months and/or self-employed persons facing more than 50% of net trade income loss. Temporary redeployment programme to help redeploy aviation workers to other sectors, such as hospitals. Around 4,000 new jobs are created in the healthcare sector. \$4.6 billion cash payments to help Singaporeans cope with household expenses under Care and Support Package. All Singaporeans above 21 years received a cash payout of \$900, \$600, or \$300, depending on their income. In addition, \$300 cash is provided to Singaporean parents and \$100 is provided to Singaporeans aged 50 and above in June. One-off payment \$3,000 in July and October 2020 to support lower-wage Singaporean workers whose earnings are below \$2,000 per month through Workfare Special Payment. 						

Asia Pacific: Singapore cont.

	Policies & Benefits
Loans	<ul style="list-style-type: none"> • Increase the SME Working Capital Loan's quantum to \$1 million (from \$600,000) and the Government's risk share of loans to 90% (from 80%) from Apr'20 to Mar'21. • Raise the Trade Loan quantum for Singapore enterprises from \$5 million to \$10 million and the Government's risk share to 90% (from 50% - 70%) from Apr'20 to Mar'21. • The Temporary Bridging Loan was launched in March 2020 to support tourism sector with additional cashflow. The program is enhanced in four ways: one is to expand beyond the tourism sector to all sectors; two is to extend the loan application period till September 2021; three is to increase maximum loan quantum up to \$5 million until March 2021 and \$3 million from April to September 2021; and lastly to raise the risk-share to 90% from April 2020 to March 2021 and 70% for loans initiated from April to September 2021. The interest rate is capped at 5% per annum. • Singapore Parliament passed the COVID-19 Temporary Measures Act 2020 bill in April 2020 to assist those unable to fulfil contractual obligations. The Bill was amended in June and September with the updates relating to the tourism and hospitality industries such as loan/mortgage and commercial lease payments, and protects deposits for function events and tours cancelled due to the circuit breaker measures (i.e. wedding banquets) until 31 December 2020. • The bill prohibits landlords from terminating a lease, or lenders from foreclosing on mortgaged property due to non-payment because of the COVID-19 outbreak and allows for deferment of lease and loan payments from 31 July to 31 December 2020 (from 30 November 2020).
Taxes	<ul style="list-style-type: none"> • 100% property tax rebate (normally 15-30%) for commercial properties including hotels, serviced apartments, MICE, airport, ferry terminals, cinemas, tourist attractions and eateries for 2020 • 60% property tax rebate for Marina Bay Sands and Resorts World Sentosa from 10% • 25% corporate income tax (CIT) rebate, capped at \$15,000 per company for 2020 • Automatic deferment of CIT tax payments from April-June '20 to July, August, and September 2020 • 60% property tax rebate (from 10%) from Integrated resorts for 2020
Other	<ul style="list-style-type: none"> • Vaccinations will be administered for free to all Singapore citizens and residents by end of 2021 on a voluntary basis. The first batch of Pfizer shipment arrived in Singapore end of December 2020 and given to the priority healthcare and frontline workers and vulnerable groups. • \$150 million is set aside to cultivate innovative start-ups in Singapore through the Startup SG Founder Programme. The enhanced features are the increase of start-up capital grant from \$30,000 to \$50,000 and learning programs to help launch the business. • Several capability-building grants are available for businesses seeking to internationalise, transform, and digitalise. Examples are: <ul style="list-style-type: none"> • Market Readiness Assistance Grant up to \$100,000 per company per new market (from \$20,000) to expand overseas over three years until 31 March 2023 • Enterprise Productivity Solutions Grant up to 80% of costs in adopting IT solutions, equipment or consultancy service to improve productivity • Enterprise Development Grant to transform business by strengthening core capabilities, and new processes through automation and technologies. The government will support businesses affected by COVID-19 up to 90% of qualifying third-party consultancy fees, software and equipment, and internal manpower cost until 31 December 2020 and 80% from 1 April 2020 to 30 September 2021 • PACT program to encourage collaboration between companies in projects that will improve the supply chain, innovate new product, pursue new international projects, or achieve economies of scale. Support for SMEs will be capped at 70% of qualifying costs and 50% for non-SMEs.

Asia Pacific: Singapore cont.

Policies & Benefits																														
Hospitality / Tourism	<ul style="list-style-type: none"> • Tourism: \$320 million stimulus package to boost domestic tourism. Each Singapore Citizen is entitled to a \$100 SingapoRediscovered Voucher to be used as credits on hotels, attractions, and tours from 1 December 2020 to 30 June 2021. • Rental waivers for commercial tenants in government-owned/managed facilities to increase from half a month to two months. Eligible tenants include those providing commercial accommodation, F&B, retail, recreation, and entertainment services. • Maritime Sector: 50% port dues concession extended to passenger vessels till Dec '20 (fm 31 Aug '20) <ul style="list-style-type: none"> • 5% additional rebates on overnight berthing of vessels & counter rental fees at Tanah Merah Ferry Terminal, bringing total rebates to 50% for regional ferry operators for 3 months fm March to June '20 • 100% waiver of public license fees granted to cruise passenger terminal operators for one year. • Aviation Sector: \$187 million fund called "Enhanced Aviation Support Package" is extended to the aviation industry as it continues to be hard hit by the pandemic. The support aims to help defray business costs from November 2020 to March 2021 (extended from April-October 2020) for airlines, ground handlers, cargo agents, and airport tenants. 																													
	Enhanced Aviation Support Package (November 2020 - March 2021)																													
	<table border="1"> <thead> <tr> <th>Rebate</th> <th>Sector</th> <th>Quantum</th> <th>Rebate Description</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Landing</td> <td>Airlines</td> <td>10%</td> <td>Landing charge rebate for all scheduled passenger flights landing in Singapore</td> </tr> <tr> <td>Charge</td> <td>10%</td> <td>Landing charge rebate for all scheduled freighter flights landing in Singapore</td> </tr> <tr> <td>Aircraft Parking Charge</td> <td>Airlines</td> <td>100%</td> <td>Aircraft parking charge rebate at Changi Airport and Seletar Airport</td> </tr> <tr> <td rowspan="3">Rental</td> <td>Airlines</td> <td>50%</td> <td>Rental rebate paid for airlines' lounges and offices within Changi Airport and Seletar Airport terminal buildings</td> </tr> <tr> <td>Rental</td> <td>20%</td> <td>Rental rebate paid by cargo agents tenanted in the Changi Airfreight Centre</td> </tr> <tr> <td>Ground Handlers</td> <td>50%</td> <td>Rental rebate paid for ground handling companies' lounges and offices within Changi Airport and Seletar Airport terminal buildings</td> </tr> <tr> <td>CAAS Regulatory Fees</td> <td>Airlines</td> <td>50%</td> <td>Civil Aviation Authority Singapore (CAAS)'s regulatory fees for new and renewed "Certificates of Airworthiness" paid by Singapore carriers</td> </tr> </tbody> </table>	Rebate	Sector	Quantum	Rebate Description	Landing	Airlines	10%	Landing charge rebate for all scheduled passenger flights landing in Singapore	Charge	10%	Landing charge rebate for all scheduled freighter flights landing in Singapore	Aircraft Parking Charge	Airlines	100%	Aircraft parking charge rebate at Changi Airport and Seletar Airport	Rental	Airlines	50%	Rental rebate paid for airlines' lounges and offices within Changi Airport and Seletar Airport terminal buildings	Rental	20%	Rental rebate paid by cargo agents tenanted in the Changi Airfreight Centre	Ground Handlers	50%	Rental rebate paid for ground handling companies' lounges and offices within Changi Airport and Seletar Airport terminal buildings	CAAS Regulatory Fees	Airlines	50%	Civil Aviation Authority Singapore (CAAS)'s regulatory fees for new and renewed "Certificates of Airworthiness" paid by Singapore carriers
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Asia Pacific: **Thailand**

	Policies & Benefits
Overview	<p>Phase 1: (dated March 4, 2020) – total THB 100 billion</p> <p>Phase 2: (dated March 24, 2020) – total THB 117 billion</p> <p>Phase 3: (dated April 7, 2020) – total THB 1.9 trillion</p>
Financial Aid	<p>Phase 1:</p> <ul style="list-style-type: none"> THB 20 billion for providing disinfection equipment and face masks and supporting the unemployed and the treatment of infected people. <p>Phase 3:</p> <ul style="list-style-type: none"> THB 600 billion to ease people's plight for 6 months, to help farmers & support public health services. THB 400 billion to strengthen the community's economy, and boost local infrastructure development. <p>Additional:</p> <ul style="list-style-type: none"> Increased monthly allowances for state welfare cardholders for 3 months. Total THB 21 billion.
Wages & Employment	<p>Phase 1:</p> <ul style="list-style-type: none"> Social Security System will pay 50% of wages for the unemployed (insured under the social security scheme) for up to 6 months. <p>Phase 2:</p> <ul style="list-style-type: none"> THB 5,000 per month for Apr-Jun 2020 paid to workers not covered by the Social Security Fund. <p>Additional:</p> <ul style="list-style-type: none"> THB 210 billion allocated to support 30 million people, mostly informal sector workers and farmers (Jan-Feb 2021). With a budget of THB23 billion, the government will bear 50% of new graduates' salaries for 12 months (Oct onwards) on the condition that employers must not lay off more than 15% of their current workforce.
Taxes	<p>Phase 1:</p> <ul style="list-style-type: none"> Reducing withholding tax e-payments (Apr 2020 - Dec 2022). For qualified SMEs, 1.5-time tax deduction can be made for interest expenses (Apr-Dec 2020). SMEs can deduct 3 times the salary expenses of employees insured under the social security scheme (Apr-Jul 2020). <p>Phase 2:</p> <ul style="list-style-type: none"> Exemption of custom duty for products related to the treatment and prevention of Covid-19 Exemption of VAT for Covid-19 materials donated to hospitals, government agencies or charities (Mar 2020-Feb 2021). Deductions for health insurance premiums increased to THB 25,000 from THB 15,000. Tax exemptions for medical workers involved in the treatment and prevention of Covid-19. Tax relief measures for debt restructuring by non-financial institutions (e.g. credit card issuers, personal loan operators, finance companies, hire purchase/leasing).

Asia Pacific: Thailand cont.

	Policies & Benefits
Loans	<p>Phase 1:</p> <ul style="list-style-type: none"> • Low interest loans by financial institutions, originated from Government Savings Bank (GSB). Total THB 150 billion, and THB 10 billion allocated for the travel and tourism sector. • Suspending the principal repayment and reducing the interest rate for debtors of the GSB and Government Housing Bank. • THB 30 billion soft loans by the GSB for self-employed individuals and entrepreneurs. • Low-interest credit measures issued by the GSB to help small debtors with credit loans and easing/hire purchase. Total THB 10 billion. • THB 30 billion soft loans by the Social Security Office for registered entrepreneurs. <p>Phase 2:</p> <ul style="list-style-type: none"> • Low-interest loans for tourism SMEs i.e. travel agency, spa, transport, tour guide, hotel and restaurant businesses. Total THB 5 billion. • Emergency loans (both with and without collateral) according to Ministry of Finance. Total THB 60 billion. <p>Phase 3:</p> <ul style="list-style-type: none"> • THB 400 billion liquidity stabilization fund to backstop the corporate bond market and provide bridge financing. • Low interest SME loans by financial institutions, originated from Bank of Thailand. Total THB 500 billion. • A 6-month debt moratorium on principal and interest for SMEs, for loans not exceeding THB 100 million. • Enact legislation to transfer THB 80-100 billion from 2020 fiscal budget to finance measures to handle the COVID-19 outbreak <p>Additional:</p> <ul style="list-style-type: none"> • State banks including The Bank for Agriculture and Agricultural Cooperatives (BAAC), The Export and Import Bank of Thailand, SME Development Bank, will provide loan support to their debtors.
Other	<ul style="list-style-type: none"> • Reducing Social Security Fund contribution, electricity and water bills, land and building taxes and suspending Provident Fund contribution. • The co-payment scheme, with a budget of THB 52.5 billion, is aimed at stimulate domestic consumption through spending with independent vendors, convenience stores and shopping malls.
Hospitality	<ul style="list-style-type: none"> • THB 20 billion under the “We Travel Together” stimulus package to subsidize hotel stays, services and facilities in tourist destinations as well as airline tickets paid by registered travelers. • THB 2.4 billion under the “Moral Support” stimulus package to fund the holiday travel expenses of 1.2 million health workers and volunteers from sub-district hospitals.

Europe: Albania

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Employees having terminated the employment from 1 March -17 May 2020 and being employed by companies having closed or reduced the activity during the pandemic situation would be entitled to benefit an one-off payment of ALL 40,000. This compensation will be attributed to the employees who have worked for employers/companies having an annual turnover exceeding ALL 14 million. Employees working for legal entities or sole entrepreneurs registered for CIT or as small businesses and having realized an annual turnover not exceeding ALL 14 million during 2019, would be supported by payment of the minimum salary of ALL 26,000 per month. Double employed individuals shall benefit only one payment regardless of being simultaneously in two payroll lists. Self-employed realizing an annual turnover not exceeding ALL 14 million and their family members working against no payment in the same business, entitled to minimum salary of ALL 26,000 each. Govt approved 2nd Financial Package of US\$70,4 million on April 13, 2020. 176,000. Workers will receive US\$400 in April '20: 66k from big businesses; 100k from small businesses; - 10k employees from tourism sector
Taxes	<ul style="list-style-type: none"> Legal entities/taxpayers registered for Corporate Income Tax (CIT) entitled to submit the Annual Financial Statements of 2019 by 31 July 2020. Taxpayers annual turnover less than 14 million not be obliged to pay CIT advance payments for 2020.
Loans	<ul style="list-style-type: none"> The state guarantees a max of EUR 88M will be allocated to banks for disbursement of loans to legal entities suspended or reduced the activity. The state guarantee is not compulsory; will be activated only if borrower is not able to pay total/partial amount borrowed to cover the monthly salaries. The Govt of Albania approved second "Sovereign Guarantee Fund" of US\$150 million as collateral for banks in support of big businesses for investment in their companies. The interest rate will be covered by the Government of Albania. Financial assistance by the government is expected to benefit around 3,641 entities in the field of tourism, specifically: a) 2,694 Accommodation structures: b) 148 Tour operators: c) 536 Travel agencies: d) 245 Tourist guides: e) 18 Agro-tourism subjects.

Europe: Andorra

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Government & companies to assume responsibility of suspended employment contracts/reduced hours Self-employed will receive guaranteed minimum wage. In Dec '20, if social security contribution was 25% (560,74€), if between 50% & 137,5%, the amount to benefit from is 1121,47€. Reimbursed leave to take care of children when schools etc cannot carry out their activities normally Employees/self-employed who have been isolated or diagnosed with COVID-19 and are unable to work are entitled to financial compensation (100% in healthcare field, 66% in others).
Taxes	<ul style="list-style-type: none"> Tax debts arising from the provision of declarations may be deferred and divided. Government to announce new deadline for Tax on the Registration of Holders of Economic Activities. Shop owners that have reduced rent costs, will be able to request reduction of the base of the taxation of the IGI and of all the taxes for the leases.
Loans	<ul style="list-style-type: none"> Employees/self-employed affected by suspended contracts or made redundant, don't have to pay the monthly mortgage/vehicle loan, where the bill is greater than 30% of household income. For businesses closed by decree, the rental price is reduced by 75%.
Hospitality / Tourism	<ul style="list-style-type: none"> Restaurants open from 11.30-16.00, and from 19.00 until 00.00; Max 4 persons per table Bars open between 7.00-12.00, and 16.00-19.00; Max 2 per table (outside), 4 per table (inside)
Other	<ul style="list-style-type: none"> Workers with working hours reduction/or have been dismissed are entitled to a 10% rent reduction, 20% for self-employed and 20% on households that have a reduction of over 10% in their income.

Europe: Bosnia & Herzegovina

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Time spent in isolation/self-isolation treated as sick leave. Will be paid by employer but will be refunded by the Cantonal Health Fund within 45 days from the request. Sick leave certificate can be issued in a state-run healthcare institution or private practice. Recommendations for employers: reduction of working hours and organization of remote work
Taxes	<ul style="list-style-type: none"> Deadline for submission of tax returns due by the end of March extended until 15 April 2020. Tax Administration of the Federation is instructed to accept taxpayers' requests for debt rescheduling.
Loans	<ul style="list-style-type: none"> Govt announced creation of a guarantee fund to provide guarantees to banks for working capital loans to most affected sectors.

Europe: Croatia

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Supporting employees with fixed salary of \$580 per month tax free (March 2020 until Feb 2021) Government pays contributions on this amount (pension and health insurance)
Taxes	<ul style="list-style-type: none"> Companies with >20% revenue decline, VAT liabilities were postponed until July 2020 with possibility of payment in 24 instalments with penalty interest at the rate of 5.89% p.a. Payment of tourist tax repealed, for duration of crises Income tax repealed – for duration of crises – for companies with > 50% revenue decline For companies with >20% revenue decline, tax payments and payroll contributions postponed until July 2020 with possibility of payment in 24 instalments with penalty interest at the rate of 5.89% p.a. Amendments to Tax Regulations: <ul style="list-style-type: none"> Increase of the threshold for application of VAT taxation procedure upon payment of invoices from HRK 7.5 million generated revenue to HRK 15 million revenue (valid as of 1st July 2021) Reduction of the corporate profit tax rate from 12% to 10% for taxpayers who generate revenues up to HRK 7.5 million (valid as of 1st Jan 2021) Reduction of withholding tax rate on payments of dividends and shares in profits from 12% to 10% (valid as of 1st Jan 2021) Reduction of personal income tax rates: 24% to 20%, 36% to 30%, 12% to 10% (valid 1st Jan '21)
Loans	<ul style="list-style-type: none"> Favourable working capital (incl. VAT) loans to micro, small and medium entrepreneurs (approx. EUR 50,000, interest rate 0.25%, grace period up to 12 months, maturity up to 5 years incl. grace period)
Hospitality / Tourism	<ul style="list-style-type: none"> Vouchers for residents to spend on local F&B and hotels (Employers can pay an annual tax-free amount up to \$390 per employee via a special purpose card (so-called Croatian Tourist Card or CRO card) for payments which include catering, tourist and other services that will be consumed by an employee during vacation in Croatia)

Europe: Cyprus

	Policies & Benefits
Operations Restrictions	<ul style="list-style-type: none"> Max 25% of total staff is allowed to be physically present at office. The remaining staff has or can work from home.
Staff Subsidies	<ul style="list-style-type: none"> Revenue/Turnover reduction - subsidies on staff (& self-employed) payroll given (on average 60%) Hotels and Restaurants and other companies are all closed down with subsidies up to 95%.
Loans	<ul style="list-style-type: none"> Prolonging of Loan instalments for the Hotel industry; and subsidies on rents Under plan state guarantees for Bank Loans.

Europe: Greece

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Subsidy of up to 100% of insurance contributions after the expiration of contract suspensions and special allowances, with the aim of maintaining jobs.
Taxes	<ul style="list-style-type: none"> Extension of reduced VAT rate 13% after expiration in April and possibly until the end of the year. It is pointed out that, based on the current regime, 13% VAT on tourism is valid for accommodation invoice with breakfast or half board. For accommodation with full board only 5% of the single price is subject to the normal VAT rate of 24% and the remaining 95% is charged with 13%, while for accommodation with the all-inclusive system at 90% of the single price VAT is reduced at a reduced rate 13%. For catering, the reduced VAT of 13% applies to coffee, beverages (tea, chocolate, etc.) and non-alcoholic beverages served by catering companies. The transfer of VAT to the rate of 6% as requested by the institutions is rejected by the Ministry of Finance as it requires special permission from the EU and the consent of the institutions which are negative in such a regulation. Enhancement of liquidity through repayable advance, (700M euros), expected in March. According to sources in the Ministry of Finance, the largest amount of the new cycle of cheap government loans will be channeled to tourism & catering and payments will be made by express procedures. The retroactive write-off of 50% of the aid given through the first three rounds of the repayment is also considered. "Haircut" or complete abolition of the tax advance in 2021.
Loans	<ul style="list-style-type: none"> Gradual subsidy of interest on loans for a period of 9 months under "Bridge 2" program. Special financing programs from the funds of the Recovery Fund and the NSRF. Favorable arrangements of debts from taxes and insurance contributions.
Hospitality / Tourism	<ul style="list-style-type: none"> Complete exemption from rent payment in March and, depending on the course of the pandemic, in the coming months. The measure has been 'locked' for January & February and concerns all businesses that were closed by state order until January 15. The State will continue to compensate property owners, paying 80% of the total rent.

Europe: Hungary

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> State will pay 50% of gross wages, (capped at approximately around EUR 640 / person) currently extended until February 2021 The state will pay 70% of net wages for hours that employees cannot work if companies show a 10-15% reduction in man-hours (capped at approximately EUR 210/person) State will pay wages of employees working in research, development, and innovation (capped at approximately EUR 893 / person)
Taxes	<ul style="list-style-type: none"> Social contribution tax decreased from 17.5% to 15.5%; tax for smaller business decreases 11% SZÉP-card (employee benefits) contribution tax erased until 31 December 2020
Loans	<ul style="list-style-type: none"> All currently running loans and credits, whether for private individuals or companies, are given a grace period / payback and admin cost freeze until 1 July 2021. Loans and credits, whose agreement would terminate during this period, are to be automatically prolonged Over EUR 5.5 million of low-interest corporate loans, with a state guarantee of EUR 1.8 billion
Hospitality / Tourism	<ul style="list-style-type: none"> Tourism tax exemption until the end of state emergency (currently until 8 February 2021); Approximately EUR 2 billion (total governmental contribution to help tourism industry) special loan for hotel and tourism developments (to improve infrastructure by the time standard operation resumes) Exemption from social contribution tax for employees working in the hospitality (and various other) sector from November 2020
Other	<ul style="list-style-type: none"> EUR 140 billion investment to support Hungarian health sector with a focus on manufacturing medical equipment and material

Europe: Ireland

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> • Employment Wage Subsidy Scheme (EWSS) replaced the Temporary Wage Subsidy Scheme (TWSS) from 1 September 2020. It is expected to continue until 31 March 2021. • COVID-19 Pandemic Unemployment Payment (PUP) is available to all employees/self-employed who have lost their job. PUP will be paid at 4 rates, up to a maximum €350 per week. • Employees are eligible if they are in receipt of weekly gross wages between €151.50 and €1,462 • Illness benefit for Covid-19 absences (Enhanced Illness Benefit) €350 per week.
Taxes	<ul style="list-style-type: none"> • Reduction in the standard VAT from 23% to 21% for a six-month period effective of 1 Sept 2020 • Reduction in the reduced VAT rate reduced from 13.5% to 9% from 1 Nov '20 to 31 Dec 2021 • 'Warehousing' of deferred VAT and PAYE (Employer) debts, administered by Revenue.
Loans / Grants	<ul style="list-style-type: none"> • COVID Restrictions Support Scheme (CRSS) provides a weekly cash payment, based on certain criteria including turnover, closed premises, up to a maximum payment of €5,000 per week. • The Strategic Banking Corporation of Ireland (SBCI) provides low-cost credit available to Irish SMEs. • COVID-19 Business Loans up to €25,000 available through Microfinance Ireland with zero repayments/interest for first 6 months and additional 6-months interest-free • General grant supports available from a range of organisations to support eligible firms with strategies to access finance, commence or ramp-up online trading activity, reconfigure business models, cut costs, innovate, diversify markets and supply chains and to improve competitiveness.
Hospitality / Tourism	<ul style="list-style-type: none"> • VAT for Tourism & Hospitality sector temporarily reduced from 13.5% to 9% from 1 November 2020. • Stay & Spend Scheme available for '20 & '21. Used against Income Tax (IT) or Universal Social Charge (USC). Includes holiday accommodation and 'eat in' F&B incurred between 1 Oct '20 and 30 April '21. Maximum tax credit available under the scheme is €125 pp for a spend of €625 pp. • €55m strategic business continuity funding (grant) for tourism businesses.

Europe: Italy

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> • Layoffs suspended until end of March • Extension of Covid-19 social safety nets and workers' allowance for a total of 12 weeks to be redeemed by June 2021 • Parental leave expanded for as long as children have to stay home, and when the job cannot be done remotely (50% pay for parents with kids 13 years old or younger) • Additional 1,000 euros una-tantum compensation for seasonal workers
Taxes	<ul style="list-style-type: none"> • Taxes reduction including: <ul style="list-style-type: none"> - Suspension of VAT payments & payroll taxes (INPS) payments - Deducibility of donations for COVID-19 - 50% tax credit for business branch rental - Exemption (first tranche 2021) from property tax (IMU) for both Owner and Operator (Conditions apply) - Payment deferral of Regional tax (due in Nov 2020) on productive activities (IRAP) up to April 2021 - Suspension of tax payments expiring in November and December.
Loans	<ul style="list-style-type: none"> • Government's Risk Share for loans up to €800,000 – 70-80%
Hospitality / Tourism	<ul style="list-style-type: none"> • 8 billion Euros Tourism Recovery Package (Recovery Plan to be approved) • Tourism fund of 200 million Euros (2021) for properties acquisitions, renovations or enhancement • 350 million Euros for MICE sector • Establishment by Cassa Depositi e Prestiti (CDP) of the "Patrimonio Rilancio" (Relaunch Program), for the support of the Italian productive economic system.

Europe: **Kosovo**

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Monthly salaries coverage will be covered at the amount of EUR 170 per employee for the period of March – April 2020 (initially for April-May 2020). The total amount of this measure is EUR 41 million. In addition to the salaries covered, the government will pay also the related pension contributions for the period of March – April 2020, at the total amount of EUR 8 million. Monthly salaries coverage of EUR 130 will be awarded for the first two months to any new hired employee during the COVID-19 situation with a defined term contract of at least one year. The total coverage amounts to EUR 6 million.
Taxes	<ul style="list-style-type: none"> Deadline for submission of corporate/individual income tax returns and payment of tax liabilities is extended until 30 April 2020. Tax refund review/approval procedure suspended until 30 April 2020. Submission of consolidated financial statements, management & consolidated management reports, audit reports on the financial statements of legal entities has also been suspended to 30 June 2020.
Loans / Grants	<ul style="list-style-type: none"> Rental subsidy for small and medium sized enterprises up 50% of the monthly rentals, for the period of March – April 2020 (initially for April-May 2020), at the total amount of EUR 12 million. Financial liquidity support will be extended to microenterprises and self-employed at the amount of EUR 10 thousand for a maximum period of 24 months, which measure amounts in total of EUR 15M.

Europe: **Montenegro**

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Grants for salaries for April and May for the tourism sector will be given to entrepreneurs, SME companies in the field of tourism, whose work is not prohibited, but the scope of activities is significantly reduced. An entity may receive, on-request, subsidies for salaries of employees for the months of April and May 2020. Additionally, an economic entity can receive a subsidy if it does not reduce the number of employees during the duration of the measure, compared to the number of employees recorded in February 2020. Subsidies to companies for new employment are given to businesses that: - did not reduce the number of employees compared to February 2020; - record new employees in a period of six months starting from April 1, 2020 Subsidies are also provided for salaries of employees in quarantine or isolation
Taxes	<ul style="list-style-type: none"> Tax relief includes measures for the deferral of payments of individual (personal) income tax and social security contributions. In addition, the tax authorities extended the deadline for filling financial statements and corporate income tax returns from 31 March 2020 to April 15, 2020. However, this relief does not extend the deadline for the payment of corporate income tax.
Loans	<ul style="list-style-type: none"> Creation of a new IRF credit line intended to improve the liquidity of entrepreneurs, micro, small, medium-sized and large enterprises up to a maximum amount of EUR 3 million per beneficiary. By a simplified procedure, no approval fee and an interest rate of only 1.5%. These funds are intended for companies operating in the field of procurement of medicine, medical equipment and vehicles; tourism and catering; traffic; services; food production and processing.

Europe: Netherlands

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Supporting measures are extended until at least 1 July 2021 Temporary emergency bridging measure for sustained employment, which compensates max. 85% salary costs for businesses that expect a min. 20% decrease in revenues in three consecutive months. Certain conditions must be met with regards to keeping employment.
Taxes	<ul style="list-style-type: none"> Deferral of tax payments for most taxes, including payroll taxes, corporate income tax, VAT, insurance premium tax, betting tax, excise duty, consumer tax and environmental taxes (e.g. energy tax, waste tax). The repayment of the tax debt is planned to start October 1st, 2021 with a payment plan of 36 months. Most municipalities offer deferral of city taxes. Beneficial measures to compensate losses with profits from 2019 Reduced recovery interest to approx. 0%
Loans	<ul style="list-style-type: none"> Increase of the business loan guarantee scheme (GO facility): 80-90% guarantee for loans of min. €1.5 million and max. € 150 million.
Hospitality / Tourism	<ul style="list-style-type: none"> Per Q1 2021 fixed charges (rent, utility costs) are compensated at a fixed rate of 85% if turnover decrease is over 30%. The subsidy adheres to maximum of €330K per quarter for businesses with less than 250 employees. The maximum for businesses with more than 250 employees is €400K per quarter. Travel agencies can apply for an extra loan to reimburse clients for their cancelled package holidays.

Europe: North Macedonia

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Unemployment benefit for the citizens who lost their jobs due to the crisis, amounting to 50% of the employee's average salary, and up to 80% of the average salary in the country. For those who are left without work or were part of the informal economy, quick access to the social protection system for April and May. They will receive an average of US\$ 125 per household. Financial support for the private sector, by providing a minimum wage of US\$ 260 per employee for April and May, or alternatively, subsidized 50% of mandatory social contributions, conditional to saving the same number of workers by September 2020.
Taxes	<ul style="list-style-type: none"> Exemption from monthly income tax advance payments. Cancelling advance VAT payments for three months (April-June) for most affected companies, to facilitate liquidity problems. Reallocating surpluses on public agencies' accounts to Budget for COVID-19 response. Decreasing legal penalty interest rate by 50%
Tourism	<ul style="list-style-type: none"> Establishment of a Tourism Fund to support the tourism industry, a request to ZAMP to put a stop to claims on restaurants and hotels. The Tourism Fund currently estimates about MKD 74 million out of which MKD 44 million denar are under the Ministry of Economy programs that will not be used and MKD 30 million denar are from the Agency for Promotion and Support of Tourism.

Europe: Portugal

	Policies & Benefits
Wages & Employment	<p>Simplified Layoff: Extraordinary Measure to Support the Maintenance of Employment Contracts Initial duration of up to one month. Can be extended monthly as long as the business remains closed. Beneficiaries: Employers</p> <p>Support: Exclusively for wage payment; 100% of normal gross monthly or €665, with a limit of €1,995.</p> <p>Resumption Support: (Extraordinary Support for Progressive Resumption of Activity) 1 Jan to 30 June '21 Beneficiaries: Employers/members of statutory bodies exercising management functions. Support: Exclusively for the purpose of paying remuneration to workers covered by reductions of normal working hours, corresponding to 4/5 of gross remuneration</p> <ul style="list-style-type: none"> • Supported 70% by Social Security; no additional social security charges • In cases of fall in sales of 75% or more, 35% gross to be paid with total amount not more than €1,995
Taxes	<p>Simplified Layoff: Extraordinary Measure to Support the Maintenance of Employment Contracts</p> <ul style="list-style-type: none"> • Exemption from social security contributions payable by the employer; 11% contribution maintained <p>Resumption Support: (Extraordinary Support for Progressive Resumption of Activity)</p> <ul style="list-style-type: none"> • Micro, small or medium-sized companies entitled to 50% exemption from social security contributions • Employee contributions unaffected
Loans	<p>Working Capital Funding; Treasury line of credit Beneficiaries: Micro, Small and Medium Enterprises (with SME Certification); Individual entrepreneurs with organized accounting (ENI) & large companies</p> <p>Support:</p> <ul style="list-style-type: none"> • Maximum financing per company: € 1.5 million • Repayment of Capital: monthly, quarterly or half-yearly instalments • Maximum operation term: 4 years (Working Capital); 3 years (Treasury) • Maximum capital repayment grace period: up to 12 months
Hospitality / Tourism	<p>SUPPORT.PT: €600 million Beneficiaries: Micro/small companies with decrease in turnover of at least 25% in the first nine months of 2020 compared to 2019 Financing: 20% of the reduction in turnover, not refundable Maximum limit: Micro companies (€7,500 - €11,250); Small business (€40,000 - €60,000)</p> <p>SUPPORT RESTAURANTS: €1,500 million Beneficiaries: SMEs in catering sector etc with fall in average daily turnover during enforced suspension of activities, in comparison with average recorded on weekends from 1 Jan -31 Oct 2020 Financing: 20% of the amount of the reduction in turnover; not refundable</p>
Other	<p>COVID-19 Economy Support Lines, created by Banco Português de Fomento (BPF) Goal: To support 3 sectors strongly affected by the pandemic: Industry, Tourism and Events</p> <ul style="list-style-type: none"> • €1,050 million is intended to support exporting companies in Industry and Tourism • €50 million aimed at companies with at least 30% of turnover in 2019 from an activity related to event organisation

Europe: Serbia

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> • Direct payments to the companies, through payment of three minimum wages. It is measure set to pay minimum wage for entrepreneurs, micro, small and medium-sized enterprises in the private sector; subsidy of 50 % of minimum wage to large enterprises whose employees were sent on forced leave due to reduced volume of business or complete shutdown. • State will pay three minimum wages for each employee to all entrepreneurs, lump sums and small businesses. State will pay over 90,000 dinars directly into the account of these companies, about 750 Euros. Government proposes to pay 50% of earnings to those who have lost work in large companies. • A program of financial support for economic entities has been created to help maintain liquidity and working capital. Business entities in the period from 15th March 2020 until the expiration of three months after the release of funds may not reduce the number of employees more than 10%.
Taxes	<ul style="list-style-type: none"> • No tax law changes have been implemented • Several measures addressed tax reliefs, arranging deferred tax payment due delaying paying taxes through instalments (earliest beginning of 2021). The total value of these measures is RSD 161 billion.
Loans	<ul style="list-style-type: none"> • Affordable loan program with 1% interest, for liquidity/working capital for entrepreneurs, micro, small and medium-sized economic entities, agricultural households and cooperatives, which are registered in the relevant register through the Development Fund of the Republic of Serbia. • Guarantee schemes for loans for maintaining liquidity and working capital for companies in the segment of entrepreneurs, micro, small and medium-sized economic entities, as well as agricultural households, negotiated with commercial banks, loans backed by the state. The total value of the programs provided under this measure amounts to 264 billion dinars, which is about 2.2 billion euros. • Tourism, catering and passenger traffic companies can obtain loans from the Development Fund for current liquidity and working capital, which includes a repayment period of up to five years, a grace period of up to two years, total loan duration of up to 24 months and up to 36 months of repayment. the interest rate is 1% annually, and the funds are approved and returned in Serbian dinars. • The maximum loan amount for entrepreneurs and micro legal entities is up to 20 million dinars (approx. up to 170,000 EUR), for small enterprises up to 80 million dinars (approx. up to 680,000 EUR), and for medium enterprises up to 180 million dinars (approx. up to 1,530,000 EUR). Depending on the loan amount, users submit different collateral (bill of exchange, surety, pledge). • Direct grants to individual hotels at the level of 350 euros per bed and 150 euros per room.
Hospitality/ Tourism	<p>Voucher for subsidized domestic vacation which can pay for accommodation (only) for five nights with the maximum amount of 45 euros. The possibility of obtaining vouchers has:</p> <ul style="list-style-type: none"> • Beneficiaries of pension rights; • Unemployed persons from the records of the National Employment • Beneficiaries of the right to an allowance for assistance and care of another person • Employed persons with incomes that do not exceed 70,000 dinars pm • War/Civilian invalids with incomes that do not exceed 70,000 dinars pm • Beneficiaries of the right to compensation for family disability benefits per fallen fighter; • Holders of an active family agricultural farm who have declared that they are engaged exclusively in agriculture, entered in the Register of Agricultural Farms in accordance with the Law on Agriculture and Rural Development "Official Gazette of RS", No. 41/09 and 10/13 - others. law and 101/16); • University students of the first, second and third degree. • Special decree on "alternate travel arrangement" has been implemented in order to save the travel agency sector that is based on mass outgoings to summer holiday destinations. "Alternative option arrangements" can be chosen by travellers by January 2022, while agencies are obliged to provide services as paid in initial arrangement.

Europe: Spain

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> • €440 to temporary workers who lose their jobs • Furlough scheme provides for 70% of workers' wages during first six months (50% after that) • In return, companies must keep their jobs for 6 months from the lifting of the state of emergency • January 2021: the Spanish Government agrees to extend the furlough scheme until 31 May 2021
Taxes	<ul style="list-style-type: none"> • The main fiscal measure adopted is an adjusting of the deadlines for tax procedures • SMEs with trading volume up to €6M: Deferral of Tax Debts for companies up to €30,000 for 6 months
Social Security	<ul style="list-style-type: none"> • Moratorium of 6 months for social security contributions payment – applicable to SMEs and self-employed workers; no interest on delayed payments • September 2020: Minimum living wage scheme: monthly economic aid for most vulnerable families – between €461 and €1,015/month (850,000 homes).
Loans	<ul style="list-style-type: none"> • Government guarantee covers, in the case of the self-employed and SMEs, 80% of new loans and loan renewals • For other companies, 70% of new financing and 60% of renewals are guaranteed • Initial €100 billion of state loans were taken up and an additional line of credit has been launched with a value of €40 billion • Government has extended up to June 2021 the possibility to request state loans with a two-year, interest-only period (before only 12 months)
Hospitality / Tourism	<ul style="list-style-type: none"> • Initial €400 million financing for the tourism sector and related activities. • Flexible furlough scheme conditions for tourist companies severely affected. • December 2020: €4,220M Reinforcement Plan for the Tourism, Hospitality and Trade Industries: • Leasing of commercial premises (€324M): 50% discount on rents or moratorium during state of alarm • Liquidity and financial measures (€520M): additional state-guaranteed loans and deferral of repayment of principal and interests. • Tax measures (€2,809M): 6 months moratorium payment of tax liabilities and further tax reductions. • Employment and social security (€567M): further deferral of contribution payments to social security bonus system to boost employment of fixed discontinuous employees. New hospitality activities included within the furlough scheme • Regulatory measures: softening of requirements for maintaining regional incentives

Europe: Turkey

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> • Short-Term Work: Govt pays up to 60% of average gross income of employees to compensate for working hours that have been reduced due to the pandemic. It makes direct transfers (TL 1,752 to TL 4,381) into the employees' bank accounts. Valid until 28.02.2021, however it is expected that this support will extend until the end of the year. • Layoff Restrictions: A new provisional article 10 had been added to Labor Law stating that the termination of any labor contract whether under the scope of the or not; is prohibited except for termination regarding immoral, dishonorable or malicious conduct or other similar behavior. End of employment contract due to end of the term of the contract for employment contracts for a defined period, closing of a workplace and suspension of business, and completion of procurement of services and construction works had been further excluded from termination restriction.
Taxes	<ul style="list-style-type: none"> • VAT was reduced from 18% to 8% in business renting services & will remain at 8% until the end of the first half of 2021. • For hotels 8%, VAT rate decreased to %1 until the end of the first half of 2021. • Withholding rate, was reduced to 10% from 20% by the end of 2020 - will continue until June 1, 2021.
Loans	<ul style="list-style-type: none"> • The Turkish Banks Association (TBB) is set to initiate a Tourism Support Package to ease the economic fallout from the pandemic that stalled the tourism sector. • The package aimed at meeting the institutional credit expenditures and cash needs of the tourism firms and suppliers of those firms, along with the rent and salary expenditures in a bid to cushion the COVID-19 pandemic's negative impact on the sector and economy in general while preserving employment and production values. • The banks will allocate a TL 10 billion (\$1.26 billion) credit under the guarantee of the Treasury and Finance Ministry and Credit Guarantee Fund. The credits will have a maturity term of 48 months with a 12-month nonpayment period on the condition of not exceeding Nov. 1, 2021. • The government recommends to the private banks not to take over hotels which are in default of dept service. There is no valid law to prevent banks doing this.
Hospitality / Tourism	<ul style="list-style-type: none"> • There are many hotels established on government owned-land on a fixed-leased and/or a revenue percentage basis for 49 years. The Turkish government has postponed all land-based payments until the end of 2021. The government charges 925 mln TL (125mln USD) for this purpose per year from hotels owned by private companies.
Other	<ul style="list-style-type: none"> • Shop owners negatively affected can benefit from financial support that will see the government paying TL 1,000 for first three months of 2021 to nearly 1.24 million people, including 806,871 citizens and 432,657 shop owners who are directly affected by the lockdowns. This will be extended as a grant and businesses such as taxi, minibus and service vehicle managers, bazaar vendors, tailors, auto mechanics, hostels, dorms and kindergartens will benefit from it. • In metropolitan cities, shop owners will be given TL 750 worth of rent support, while other cities will receive TL 500. • Within the framework of these two support items, it is planned to provide a total of TL 5 billion of grant support to our tradesmen over the next three months of 2021.

North America: **Canada**

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Wage subsidy from 15.3.'20 to 30.5.'21. Up to 75% of wages/salaries, not in excess of \$58,700 annual salary, in relation with monthly gross revenue decrease. Benefits not included. Decrease greater than 70%: Maximum rate of 75 % (40%+35%) Decrease between 50 % and 69 %: Maximum base rate of 40 % + revenue decrease differential from the 50% threshold, multiplied by 1.75. E.g. Decrease in registered income is 60 %, the calculated rate would be: $40\% + ((60\% - 50\%) * 1.75) = 57.5\%$ Decrease in income multiplied by 0.8. EG. 35% drop in revenues equals a subsidy rate of 28%.
Taxes	<ul style="list-style-type: none"> Up to 65% subsidy for payment of taxes from 27.09.2020 to 30.05.2021. In relation with monthly gross revenue decrease. Decrease greater than 70%: Maximum rate of 75% (40%+25%) Decrease between 50% and 69%: Maximum base rate of 40% + decrease differential from the 50% threshold, multiplied by 1.25. E.g. Decrease in registered income is 60%, the calculated rate would be: $40\% + ((60\% - 50\%) * 1.25) = 52.5\%$ Decrease less than 50%: Decrease in income multiplied by 0.8. E.g. 35% drop in income. Subsidy rate is 28%. Taxes, Insurance and rent are covered up to 65%, subject to a limit of 75,000\$ per month.
Loans	<ul style="list-style-type: none"> Up to 65% interest subsidy from 27.09.2020 to 30.05.2021. In relation with monthly gross revenue decrease. Decrease greater than 70%: Maximum rate of 75% (40%+25%) Decrease between 50% and 69%: Maximum base rate of 40% + decrease differential from the 50% threshold, multiplied by 1.25. E.g. Decrease in registered income is 60%, the calculated rate would be: $40\% + ((60\% - 50\%) * 1.25) = 52.5\%$ Decrease less than 50%: Decrease in income multiplied by 0.8. E.g. 35% drop in income. Subsidy rate is 28%.
Hospitality / Tourism	<ul style="list-style-type: none"> Financial assistance of \$38 million is granted to hotels with 4 to 299 rooms, bed and breakfasts and outfitting establishments. Decrease of at least 30% in the amount of the accommodation tax (TSH) collected for the second and third quarters of 2020 combined, compared to the same period in 2019. Support is based on the difference in the HST paid for the second and third quarters of 2020 compared to the HST paid for the second and third quarters of 2019, and will cover the entire difference.
Other	<p>Subsidy for lockdown. Up to 25% of fixed expensed. Certain criteria must be met:</p> <ul style="list-style-type: none"> Be eligible for the Emergency Canada rent subsidy. Have closed or stopped some or all of activities representing at least 25% of overall income for at least one week, as part of a specific public health order issued following the COVID epidemic-19. However, the Containment Support Grant would not be available to organizations that have reduced their hours of operation or have been affected by travel restrictions or physical distance, among other things. where organizations are subject to a public health restriction and cease operations for only part of their eligibility period, the grant would be pro-rated based on the number of days of the period during which the site was affected. The application for the containment subsidy is made in conjunction with that for rent and is considered by the government to be a complementary subsidy, aimed at alleviating the fixed expenses of organizations that are experiencing declines in income as a result of the pandemic and health restrictions.

North America: USA

	Policies & Benefits
Wages & Employment	<p>CARES ACT of March 27, 2020</p> <ul style="list-style-type: none"> • Initial direct stimulus payment of up to \$1,200 per qualifying individual, \$2,400 per qualifying couple and \$500 for each dependent (up to age 17). • Via the CARES Act of March 27, 2020, laid off employees received standard weekly unemployment wage/salary benefits (based on a percentage of historical salary) plus a \$600 per week additional benefit until the end of July 2020 (which provides total unemployment benefits for some that are in excess of their pre-Covid 19 wages). • Provides the option of extending unemployment compensation to independent contractors and other workers who are ordinarily ineligible for unemployment benefits. • Waives certain restrictions/penalties on employee retirement fund early withdrawals. • Provides mortgage, foreclosure, and eviction relief for certain residential and multi-family borrowers with Federally-backed mortgages, subject to various restrictions. Multi-family borrowers, who can document hardship from COVID-19, may request forbearance for one, 30-day period. Upon request, that period can be extended for two, additional 30-day periods. Residential borrowers may request forbearance (a suspension of payments) for one, 180-day period and the Act also establishes a 120-day moratorium on residential evictions, whose mortgages are Federally-backed. Other residential and commercial forbearance acts have been initiated on a state by state basis and vary considerably. • Free COVID-19 testing. <p>COVID-19 Economic Relief Bill of Dec 27, 2020</p> <ul style="list-style-type: none"> • The second round of economic relief includes stimulus checks of \$600 per qualifying individual, \$1,200 per qualifying couple, and an extra \$600 per dependent (up to age 17). Payments will be based on 2019 taxes, although payments will still be distributed to those who did not have income in 2019 under certain pretenses. • The Federal Pandemic Unemployment Compensation (FPUC) program will be extended through March 14, 2021, will provide \$300 per week for all workers actively receiving unemployment benefits. • The Pandemic Unemployment Assistance (PUA) & Pandemic Emergency Unemployment Compensation (PEUC) provides coverage when state unemployment runs out, to March 14 through April 5, 2021. These programs increase the max number of weeks an individual may claim benefits through regular state unemployment to 50 weeks. An additional \$100 per week is provided to qualifying workers. • Adjustments to the Child Tax Credit (CTC) and Earned Income Tax Credit (EITC): Individuals will be able to use 2019 income to determine their tax credit eligibility for the 2019 tax year. • Employee-side Payroll Tax Deferral: Individuals who have opted into or will opt into the employee-side tax deferral will have the repayment deadline extended to December 31, 2021. • Businesses meal deduction to cover 100% of expenses for 2021 and 2022. • Extends until January 31, the eviction protection set to expire at the end of 2020. It provides \$25 billion in rental assistance for individuals who lost their sources of income during the pandemic. The Department of Housing & Urban Development separately issued a moratorium that also protects homeowners against foreclosures on home mortgages and runs until Feb. 28. The bill provides \$25 billion in rental assistance & can be used for past-due and future rent payments. • Provides \$82 billion in aid for K-12 schools and colleges. An additional \$10 billion is included to support childcare providers that have struggled because of the pandemic. • Provides for vaccine and hospital funding. It provides \$20 billion for the purchase of vaccines so they can be available at no charge for those who need it, as well as another \$8 billion for vaccine distribution. It also gives states \$20 billion to assist with testing, and it adds \$3 billion for hospitals and health care providers for reimbursement of health care-related expenses or lost revenue resulting from the pandemic.

North America: USA cont.

	Policies & Benefits
Taxes & Loans	<p>CARES ACT of March 27, 2020</p> <ul style="list-style-type: none"> • Paycheck Protection Program (PPP): To encourage small businesses to avoid layoffs/furloughs and to rehire employees already laid off, businesses with 500 or fewer employees and businesses with more than 500 employees that meet SBA standard, are eligible for forgivable loans up to \$10 million to be used for payroll and other operating expenses. For businesses that retain employees and maintain payroll for an eight-week period following the receipt of the loan, up to the full amount of these loans is eligible for forgiveness. At least 75% of the forgiven amount must have been used for payroll costs. Businesses are eligible to submit applications through June 30, 2020. For the portions of loans that are not forgivable, there is a fixed interest rate of 0.50% per annum and terms of 2 years. The Coronavirus Economic Stabilization Act provides the largest potential impact to provide liquidity to businesses. • SBA Economic Injury Disaster Loans (EIDL Program): An eligible small business located in a region designated by the SBA as a Disaster Area can apply for up to \$2 million in SBA Disaster Loans. These loans can have terms up to 30 years and provide low interest rates. • 50% Employee Retention Credit for Employers Closed Due to COVID-19: CARES Act provides eligible employers with a refundable payroll tax credit equal to 50% of certain “qualified wages” (and is capped at \$5,000 per employee) paid to its employees beginning March 13, 2020 through December 31, 2020 if the employer is engaged in an active trade or business in 2020. • Payroll Tax Payment Extensions: CARES Act postpones the deadline for payment of the employer portion of Social Security tax (but not Medicare tax) from the March 27, 2020 through Dec 31, 2020. The deferred amounts would be payable over the following two years, with 50% payable by December 31, 2021 and the remaining 50% by December 31, 2022. • SBA Debt Relief Program: Businesses with existing SBA loans that take out new SBA loans within six months of March 27, 2020, SBA will cover all loan payments (principal, interest, and associated fees) for six months, including principal, interest, and fees, beginning on the next payment due date. <p>COVID-19 Economic Relief Bill of Dec 27, 2020</p> <ul style="list-style-type: none"> • PPP Coronavirus Relief Package: Borrowers can set covered periods to be any length between 8-24 weeks. Forgiveness eligibility requires borrowers to spend no less than 60% of the PPP loan on payroll over the period. The PPP forgiveness categories include operations expenditures, property damage costs, supplier costs, and worker protection expenditures. Another benefit is the simplified PPP loan forgiveness application for loans under \$150,000. PPP loan eligibility will also include 501(c)(6) organizations, housing cooperatives, and direct marketing organizations (DMO). Existing borrowers can apply for the second round of loans of up to \$2 million. • Small Business Coverage: A substantial benefit of the new bill is the ability for Small Businesses who received the PPP loan will be able to take tax deductions for the expenses covered by forgiven loans, which would allow for “double dipping”. New provisions include: \$20 billion for new Economic Injury Disaster Loan Grants for businesses in low-income communities. \$15 billion in funding for live venues, independent movie theaters, and cultural institutions such as museums that have lost at least 25% of their revenues. The initial grant can total up to \$10 million per eligible business. A second grant, worth half the amount of the first, may also be available. The money will be for specified expenses such as payroll costs, rent, utilities and personal protective equipment. \$3.5 billion for continued SBA debt relief payments. \$2 billion for enhanced SBA lending.
Other	<p>A third stimulus bill is being proposed under the new administration, which could add some of the benefits proposed under the previous HEROES Act and CASH Act. Highlights of the previous Acts included:</p> <ul style="list-style-type: none"> • Additional direct payment of up to \$2,000 per individual; • Providing for an extension of unemployment insurance benefits; • Modified and expanded the Paycheck Protection Program • A fund to award grants for employers to provide pandemic premium pay for essential workers; • Expanding several tax credits and deductions; • Extended and expanded the moratorium on certain evictions and foreclosures; and • Required employers to develop and implement infectious disease exposure control plans.

LatAm: Dominican Republic

	Policies & Benefits
Wages & Employment	<ul style="list-style-type: none"> Modification of the Employee Social Assistance Fund (FASE I) for self-employed, low income generating workers, extending the program from January to April 2021, applying for those who by December 2020 were still registered in the FASE I program, receiving a minimum of RD\$5,000 or maximum of RD\$8,500, equivalent to 70% of the worker's ordinary salary reported to the Social Security Treasury Department (TSS) for February 2020 and not receiving any subsidy from the State of the Dominican Republic. No necessity of being registered previously. A possible modified renewal of the FASE II program is currently under revision, focusing on micro, small and medium-sized companies for maintaining operations and jobs.
Taxes	<ul style="list-style-type: none"> Exemption from the payment of income tax advances for micro and small businesses for the months of January, February, March and April 2021. Eligible are those, whose gross sales amount presented in the "total income" box of their Income Tax Affidavit (IR-2) for the fiscal year 2019, does not exceed an annual RD\$ 58,314,600. Those who do not apply for the exemption but have suffered a significant reduction of income compared to the same period in 2019 may request the total or partial exemption of tax advances.
Loans	<ul style="list-style-type: none"> Financial support to key sectors of the economy such as tourism, exports, construction, manufacturing, agricultural activity and Micro, Small and Medium Enterprises. Since the beginning of the Pandemic, the Central Bank has made available to the productive sectors and households a total of RD \$ 190,814.4 million (more than 4.0% of GDP). Stimulus plan assuring the significant reduction in loan interest rates of multiple banks of more than 300 basis points, some 68 thousand loans have been granted to the productive sectors and households.
Hospitality / Tourism	<p>In collaboration with private sector entities, the government is promoting the "Responsible Recovery of the Tourism Sector" plan, including:</p> <ul style="list-style-type: none"> Investment program of more than RD\$ 420 Mn; Temporary elimination of the advance payment for 6 months and the payment of the 1% annual tax on assets until June 2021; Reduction of the Advance Price Agreement Rate at 35% between September and November 2020; Internationally certified health security protocols to be followed by tourism companies and travelers entering the country, basic health insurance in the case of being affected by the coronavirus during a stay, among others. On January 25, the tourism office had just delivered 400,000 tests to the Dominican Hotel Association to be distributed, and at no cost to tourists. Throughout the last months after the first hotel reopenings, hotels could successfully implement the official sanitary protocols and source from the domestic market, reaching high room occupancies. Travel and tourism companies are subject to an automatic exemption of 100% of advances from Income Tax (ISR) from January to April 2021 (four months).
Other	<ul style="list-style-type: none"> The Vice President reported on 15th of January 2021 that the government signed an agreement with the pharmaceutical companies Pfizer and BioNTech through which they secure 7.9 million doses of the BNT162b2 vaccine against COVID-19, to be supplied in the course of 2021, starting during the second quarter of the current year. The 'Stay at Home' program was extended until May 2021 and will be replaced by the new program "supérate", which will replace the prior "comer es primero" program and double the amount for the beneficiaries from RD\$ 850 to RD\$ 1,650, reaching 1million homes instead of the current 800k. The new program will be accompanied by training, apprenticeship and other types of assistance, aiming to incorporate citizens living in extreme poverty into the labour market.



Horwath HTL

Hotel, Tourism and Leisure

AFRICA

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Rwanda
South Africa

ASIA PACIFIC

Australia
China
Hong Kong
India
Indonesia
Japan
Malaysia
New Zealand
Singapore
Thailand

EUROPE

Andorra
Austria
Croatia
Cyprus
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Germany
Greece
Hungary
Ireland
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Spain
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United Kingdom

LATIN AMERICA

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MIDDLE EAST

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