

COVID-19

Summary of Pan-European Relief Measures for Commercial Tenancies and Back to Work Provisions

20 May 2020



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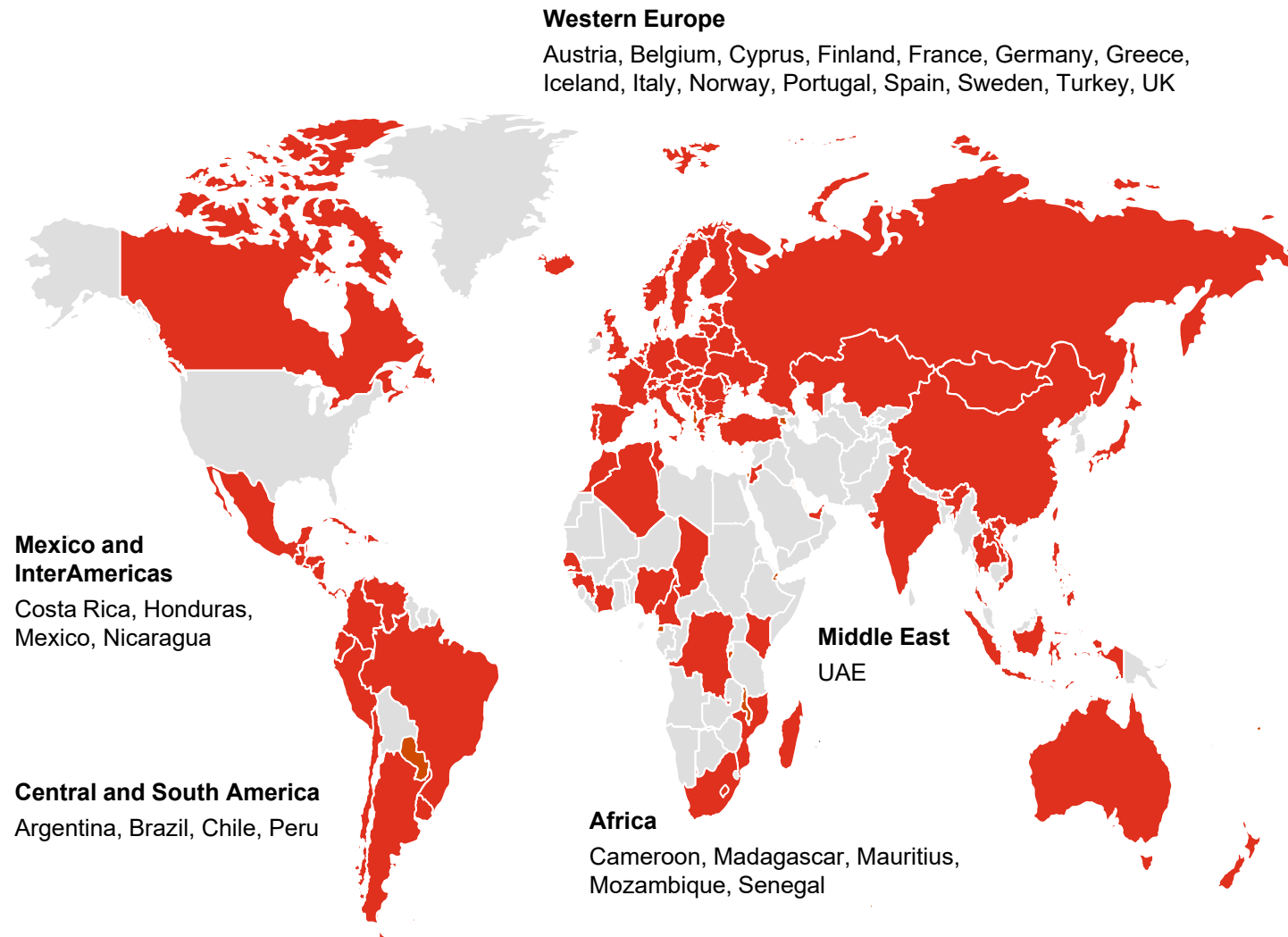


Contents

Austria	4	Netherlands	28
Belgium	6	Norway	30
Cyprus	8	Poland	31
Denmark	10	Portugal	34
Estonia	12	Russia	36
Finland	13	Spain	38
France	15	Switzerland	42
Germany	17	Ukraine	44
Ireland	19	United Kingdom	45
Italy	21		
Luxembourg	25		

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For those countries not listed here, we would work closely with local law firms to support your needs.

Austria

Tenant Relief Measure

Currently Austria has not introduced new specific rent relief measures.

However, in the case of "extraordinary circumstances", making the premises fully or partially unusable (a concept similar to force majeure), the Austrian Civil Code already provides for rent reductions as high as 100%.

These provisions are not mandatory and, therefore, any lease agreement needs to be examined for any deviations from the Civil Code rules.

Key considerations in respect of the Civil Code are as follows:

- Currently, it is almost undisputed that Covid-19 constitutes extraordinary circumstances in the sense of the aforementioned provisions.
- However, the question whether or not, and to what extent, Covid-19 makes premises (partially) unusable is being extensively discussed.
- Subject to provisions of the specific lease agreement, the more premises are affected by the "lockdown ordinances" issued by the Ministry of Social Affairs and Health, the higher chance a lessee has for rent reductions.
- Such rent reductions need to be claimed by the lessee. Further rent payments by lessees should be subject to the condition of reclaiming, since any unconditional payments might be construed as a waiver of rent reduction claims.

Back to Work Provisions

In Austria the so-called Covid-19 Relaxation Ordinance entered into force on 1 May 2020 and is currently in force until 30 June 2020.

- As general rules, the ordinances decrees that:
 - when entering public open air places, a distance of at least one metre must be maintained from persons not living in the same household; and
 - when entering public places in enclosed spaces, a distance of at least 1 metre shall be maintained from persons not living in the same household and a mechanical protective device covering the mouth and nose shall be worn (ie masks or shields).

Further, the ordinance provides more specific and quite detailed rules for certain types of spaces and areas such as:

- Customer areas (eg retail spaces and office spaces with customer access, religious spaces, markets) may be accessed provided that:
 - a distance of at least 1 metre is maintained between people, customers wear protective devices, service personnel wears protective devices, the number of customers is limited to so many people at the same time so that there are 10 square metres available per customer;
 - if in view of the specific nature of the service the minimum distance of 1 metre between the customer and personnel is not possible and/or the customer cannot wear a protective device the risk of infection must be minimized by other suitable protective measures.

Austria

Back to Work Provisions (cont'd)

Place of professional activity (ie offices)

- a distance of at least one metre must be maintained between persons at the place of work unless the risk of infection can be minimised by suitable protective measures;
- if this distance cannot be maintained due to the nature of the occupational activity, the risk of infection shall be minimised by other suitable protective measures.
- Hospitality industry (restaurants): As of 15 May 2020 access is allowed provided that:
 - premises are open only between 6am and 11pm;
 - minimum distance of 1 metre between tables or other protective measures;
 - groups of maximum 4 people plus kids or people living in the same household;
 - “wait to be seated” is mandatory, personnel shall wear protective devices; and
 - guest shall maintain a distance of 1 meter at all time to other guests.
- Hospitality industry (hotels): Access for the purpose of recreation and leisure is currently prohibited but relaxation is planned for end of May 2020.

- Leisure facilities: Zoos, museums, libraries may open as of 15 May 2020 but general distance rules must be observed. Other leisure facilities, such as leisure parks, baths, theatres, concert halls and arenas, cinemas, variety and cabaret theatres may still not be accessed for the time being.
- Events with more than 10 people are prohibited. Events are specifically planned meetings and undertakings for entertainment, amusement, physical and mental training and in any case include cultural events, sporting events, weddings, film screenings, exhibitions, congresses. There are specific exceptions:
 - Funerals are limited to 30 attendees. Further, distance rules must be observed and indoors protective devices shall be worn.
 - This prohibition has certain exceptions such as religious events, events of political parties, meetings for professional purposes if necessary for the maintenance of the professional activity.

Austria content as at 13 May 2020

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Belgium

Tenant Relief Measure

Currently Belgium has not introduced specific rent relief measures.

However there may be other remedies available, for instance:

Force majeure can be used to exonerate a party of its contractual liability for the duration of the event qualified as force majeure. Force majeure is generally defined as an unforeseeable and inevitable event occurring after the conclusion of a contract which renders the performance of the contractual obligations of a party to the contract impossible.

- Currently, it is almost undisputed that Covid-19 constitutes an unforeseeable and inevitable event in the sense of the aforementioned provisions.
- However, the question whether or not, respectively to what extent Covid-19 can be used to adjust, suspend or waive their payment obligations (rent and charges) is being extensively discussed. Some arguments could be used on tenants' side and the landlords' side to claim or refuse to adjust, suspend or waive the tenant's payment obligations.
- As the situation and the containment measures have no real precedent in Belgium, there is no black or white situation and there is room to argue and most likely negotiate.
- Tenants may argue:
 - The closure ordered by the government of non-essential shops and businesses which cannot comply with social distancing renders the rent payment obligation impossible for the period of the closure;

- Even if not directly impacted by a closure measure, other measures (for example, limitations of travel, cancellation of public events) have a similar effect on the tenants' business, i.e. they render the performance of the payment obligations by the tenants impossible for the relevant period. Arguing differently would put these businesses and their stakeholders (in particular the workforce) at risk;
- Force majeure applies to payment obligations in contract based on reciprocal obligations (such as lease agreements) if the one which invokes it cannot benefit from the consideration. No application of *genera non perent* in this case (see below – landlords' argument).
- Landlords may argue:
 - Money being fungible, it is possible to substitute it with an equivalent (according to the principle *genera non perent*). Difficult financial situation (even insolvency) cannot constitute force majeure even if it is linked to external circumstances (whatever their characterization may be) (application of the principle *genera non perent*).
 - Force majeure, does not involve a suspension of the contractual obligations for its duration but rather a postponement of these obligations (e.g. by extending the contract by an equivalent duration (shift in duration);
 - Force majeure does not aim at transferring the economic risk entirely to the landlord;
 - A tenant cannot invoke force majeure in case of default on its side.

The commercial lease act (art. 6) provides that at the end of each 3 year period, a tenant can ask the judge to **adjust the rent** provided that, due to exceptional circumstances, the rental value of the property is at least 15% lower compared to the applicable rent. The new circumstances shall have a lasting effect justifying the rent adjustment. Such request must be made by the tenant during the last 3 months of the ongoing 3 year period.

Belgium

Tenant Relief Measure (cont'd)

Notwithstanding any contractual provision, a judge can grant **moderate delays for payment** and suspend proceedings. In doing so, the judge shall consider the situation of the parties (a.o. the delays already granted to the debtor) and use this power with great caution (article 1244 of the Belgian Civil Code).

Back to Work Provisions

- Since 4 May 2020 and the progressive re-opening of Belgium, the Belgian government continues to recommend teleworking for all sectors wherever possible.
- Industries, services between professionals (B2B), can restart their activities subject to compliance with a code of good conduct including social distancing or, where appropriate, the obligation to wear masks. Employers are responsible for implementation of such measures.
- Masks (or any alternative to cover one's mouth) is mandatory in public transport for everyone from 12 years old.
- All shops can reopen subject to compliance with reopening guidelines provided by the SPF Economy (work organisation, customers reception and number of customers in the store per m², access to the shop, hygiene precautions, ways to limit physical contacts, etc). Wearing a mask is compulsory for the workers and recommended for customers.
- Since 18 May 2020, contact professions, such as hairdressers, beauty centers, tattoo artists, will be able to reopen by working by appointment and wearing masks.

- Progressive reopening of schools from 18 May 2020 - only for 6th primary and secondary - with the strict compliance in particular with the following measures:
 - Maximum 10 pupils in a class (4 sqm per pupil and 8sqm for the teacher);
 - Class places are fixed;
 - Obligation for all students over 12 years of age and teachers to wear masks.
 - Multiple hand washing will be required.
- Schools have received a prevention checklist, all the points of which must be complied in order to open the school. Universities remain closed.
- Reopening of bars and restaurants is tentatively scheduled for 8 June 2020. Measures to be complied with and guidelines have not yet been communicated by the Belgian Government. .

Belgium content as at 16 May 2020

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Cyprus

Tenant Relief Measure

Currently Cyprus has not introduced any specific rent relief measures.

However, there is some relief for tenants:

- Any eviction process shall be suspended (and new eviction orders will not be issued) until 31 May 2020.
- The suspension of eviction does not affect the right of the owner to bring legal action against the tenant for the unpaid rents (the tenants remain fully liable to pay the rent during the months of March, April and May).
- The above only applies to premises built before 31 December 1999.
- The suspension of eviction does not apply to tenants who have defaulted payment of rents before 29 February 2020.

Back to Work Provisions

The department of Supervision of Employment of the Cyprus Ministry of Work, Welfare and Social Insurance in cooperation with Public Health Services of the Cyprus Ministry of Health has published guidance for employers, self employed people and employees in response to Covid-19.

This includes the following:

- Each employer / self employed person should re-evaluate its written risk assessment for the transmission of Covid-19 based on any change of events and stipulate the necessary and adequate preventive and protective measures in the workplace.
- Availability of disinfectants at the places of entrance and exit of the work premises.
- Placement of notices with instructions on the washing of hands and rules of personal hygiene at the places of entrance and exit of the work premises and at visible places in the work premises.
- Provision of personal protective equipment such as protective masks, one-use gloves and thermometers. The type of this equipment is stipulated in the written assessment of risk performed by each employer / self employed person.
- Provision of appropriate instructions to employees on the use of personal protective equipment especially to those that belong to vulnerable groups.
- Placement of covered rubbish bins at the places of entrance and exit of the office premises and at visible places in the working spaces.
- Ensure that disposal of wrappings or other items takes place in a regulated manner with the use of gloves or other measures of disinfection, depending on the case.

Cyprus

Back to Work Provisions (cont'd)

- Provision of separate work equipment to each employee, to the extent possible. There should be regular cleaning of such equipment before it is given to another person.
- Arrangements to ensure that the minimum number of employees is present at the workplace to perform the work.
- Implementation of procedures to deny access to work premises to any employee that has fever or respiratory symptoms.
- Arrangement to avoid physical contact and maintenance of distance of at least 2 metres between employees and clients/visitors at all work premises including places used for lunch and breaks.
- Adherence to the policy of 8 square metres per employee (or such square metres as subsequently amended with any other Order).
- Arranging the seating spaces and equipment in a way that safeguards the physical distance described above.
- Placement of physical separators, where adherence to physical distance is not possible or where the nature of the job requires this in accordance with the risk assessment.
- Ensure that the use of lifts is avoided where necessary.
- Arranging and encouraging employees to work from home. Priority should be given to vulnerable groups.
- Daily and adequate cleaning and disinfection of work premises.
- Prohibition and restriction of access to work premises to non employees where possible.
- Use of payment methods that do not require the use of cash or other form of paper.

Cyprus content as at 12 May 2020

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Denmark

Tenant Relief Measure

Currently Denmark has not introduced specific rent relief measures.

Danish law does not in general provide for any rent relief in situations similar to the Covid-19 pandemic.

However, under Danish law, an event qualified as force majeure may under certain circumstances relieve a party of its contractual liability. In general, force majeure is defined as an outside and unpredictable event that makes it impossible for a contracting party to properly fulfil its contractual obligations and which the affected party could not foresee, prevent or overcome. Although, the Danish Courts generally interpret force majeure restrictively, we consider it likely that the Covid-19 pandemic will be considered a force majeure event by the Danish Courts. There is, however, currently no case law supporting this.

The main effect of force majeure is exemption from liability, i.e. the party who fails to comply with its contractual obligations as a result of force majeure is not liable to pay damages to the other party. The party claiming force majeure has to prove that it is impossible to fulfil the contract, and that such impossibility is a result of the force majeure event.

We consider it likely that the parties to a rental agreement will be able to claim force majeure due to the Covid-19 pandemic, i.e. that it is impossible to fulfil (all) the parties' obligations under the rental agreement.

The relevant rental agreement may of course also include specific regulation covering a situation like the Covid-19 pandemic, but this is in our experience the exception rather than the rule.

Although, the Covid-19 pandemic may be considered a force majeure event; as a main rule, lack of funds is not considered force majeure (regardless of the reason), and a tenant will generally not be entitled to refuse to pay rent due to the Covid-19 pandemic. The fact that the tenant is obliged to close down its business and not use the premises (due to government orders) does not change this.

It may be considered that the tenant is entitled to terminate the rental agreement for cause due to not being able to use the premises as agreed (due to government orders). But this is highly uncertain, and a termination for cause by the tenant thus imposes a significant risk on the tenant. On the other hand, the landlord will most likely not be able to terminate for cause, due to the tenant (due to government orders) not fulfilling its contractual obligation (if any) to keep its business open.

As appears from the above, the tenant is in general not entitled to refuse to pay rent due to the Covid-19 pandemic. Also, the general legal position of the parties to a rental agreement is somewhat unclear. It is thus our clear recommendation that the parties seek to find an amicable solution, such as a reduction or postponement of rent payments during the Covid-19 pandemic, as this will in general be in the best interest of both parties.

Denmark

Back to Work Provisions

In Denmark, no obligatory special measures have been introduced in the workplace, however, the employer has to provide the employees with safe working conditions.

In continuation of the first phase of the re-opening of Denmark introduced on 6 April 2020, the Danish Government has on 7 May 2020 introduced the second phase of the re-opening, which (amongst others) includes:

- Full reopening of retail trading (as of 11 May 2020).
- Reopening of restaurants, cafés, etc. under certain circumstances / observance of certain guidelines (as of 18 May 2020).
- Reopening of school for the senior grades of elementary school (as of 18 May 2020).
- Reopening of religious communities (as of 18 May 2020).
- Reopening of professional sports without spectators (as of 7 May 2020).

Please be advised, that while the Danish Government has not provided any specific regulation with regard to the workplace (i.e. how many employees may return to the office, etc.), the second phase (as mentioned above) has been based on the assumption that more people will return to their normal place of work.

Furthermore the Danish Government has on 8 May 2020 introduced the third phase of the reopening of Denmark, which is planned to take effect as of 8 June 2020 (provided that the amount of infected and hospitalized people does not exceed the expected amounts), and will be including:

- Than the ban on gatherings will be increased to 30 people. Specific guidelines regarding weddings and confirmations.

- Reopening of theaters, museums, art exhibitions, zoological gardens, movie theaters, botanical gardens, etc.
- Full reopening of public research facilities which requires physical presence.
- Reopening of physical education and sports.
- A potential increase in the number of public servants being allowed to return to their normal place of work (provided that the amount of infected and hospitalised under the second phase falls within certain thresholds).
- Full reopening of the Danish Broadcasting Corporation (provided that the amount of infected and hospitalised under the second phase falls within certain thresholds).

The following restrictions will continue until the execution of the fourth phase at the beginning of August:

- Night clubs and music venues.
- Fitness centers, water parks and public swimming pools.

The ban on gatherings exceeding 500 people will be in effect until (at least) 31 August 2020.

Denmark content as at 18 May 2020

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Estonia

Tenant Relief Measure

Covid-19 specific measures

The lessees of shopping centers will receive rent compensation from the Government upto 25% of the initial rent. The compensation will be paid only if the lessor has already decreased the rent, the lessee was ordered to close its premises (shop) due to Covid-19 and the turnover of the lessee's business has decreased by 30%.

Force majeure

In Estonia, as well as in other jurisdictions, force majeure can be used to excuse a party of its contractual liability for the duration of the event qualified as force majeure. However, the obligation to pay money cannot generally be excused by force majeure. Thus, in a situation where an undertaking's activities have been suspended by emergency measures, it does not have the right to refuse to fulfil its financial obligations on grounds of force majeure.

Other remedies

- right for application of rent reductions if there is an obstacle to the contractual use of the premises. Whether the spread of Covid-19 itself constitutes such obstacle is highly disputable. However, the lockdown measures applied by the government (for example, the mandatory closure of the sport centres) might be considered as such obstacle.
- the right to cancel the contract if there exists a good reason. A reason is good if, upon the occurrence thereof, a party who wishes to cancel cannot be presumed to continue performing the contract taking into account all the circumstances and considering the interests of both parties.
- possibility to require the other party to the contract to amend the contract in order to restore the original balance of obligations of the parties or, if this is not possible or reasonable, to terminate the contract. Such a right may arise in a situation where, the circumstances under which a contract is entered into

change after the entry into the contract and this results in a material change in the balance of the obligations of the parties. Its implementation may be particularly relevant in the case of long-term contracts, such as leases. However, there are several restrictions on the exercise of this right.

These provisions are not mandatory and, therefore, any lease agreement needs to be examined for any deviations from the law.

Back to Work Provisions

In Estonia, no obligatory special measures have been introduced in the workplace. All general rules apply, which means that the employer has to provide employees with safe working conditions. As a general rule:

- particular attention shall be paid to hand hygiene and employees shall not come work when they are ill;
- distance shall be maintained between employees at the working place (if possible at least 2 metres);
- if this distance cannot be maintained due to the nature of the occupational activity, the risk of infection shall be minimised by other suitable protective measures.

Estonia content as at 15 May 2020

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Finland

Tenant Relief Measure

Currently Finland has not introduced any generally applicable rent relief measures. Individual landlords, including pension funds and municipalities, have introduced rent relief measures.

In the case where premises are fully or partially unusable, Finnish law provides rent reductions up to 100%. However, this provision is not based on mandatory law and its applicability to Covid-19 is unclear. In extraordinary circumstances, it may be possible to modify the terms of a lease agreement by a court ruling. All lease agreements must be assessed case-by-case.

Back to Work Provisions

The Finnish Institute of Occupational Health has issued guidelines to facilitate returning to normal working conditions. Generally, the exposure to Covid-19 will be limited by the application of safe working practices. The employer must carry out or update their risk assessment and subsequently update the instructions in the workplace, taking into account possible exposures to Covid-19.

This means that an employer must:

- Identify the hazards at work and assess their significance for the health and safety of workers. This assessment applies to all employees at all workplaces.
- Take measures to combat the dangers.
- Inform employees about matters affecting safety and health.
- Monitor the implementation of measures and changes in circumstances.

The underlying principle is to eliminate the identified risks. If this is not possible, efforts should be made to minimize worker exposure and to establish prevention practices.

Employers are encouraged to cooperate with occupational health and safety services and seek their support in Covid-19 risk assessment. Employees, occupational health and safety officers and managers should be consulted on the related changes.

Examples of how to solve various issues can be found in the instructions of the authorities and other experts.

Risk Assessment

Employers should consider at least the following matters in their risk assessments:

- Procedure for returning to work and restarting operations.
- Means of minimizing physical contact (including customers), need for protection, and tools used.
- Physical contact should be avoided and maintenance of at least 1 to 2 metre distance between individuals and remote working recommended when possible.
- Hygiene and general cleanliness, including work and customer spaces and shared tools.
- Organization of working hours and shifts, size of working groups.
- Adequacy of resources, substitute and deputy practices.
- Meeting practices.
- Arrangement of breaks and meals.
- External parties visiting the workplace (e.g. necessary suppliers): movement area, access control and hygiene.
- Mental well-being and psychosocial risks.
- Return to work after Covid-19 illness.
- Travel.

Finland

Back to Work Provisions (cont.)

Once the risk assessment has been updated or drafted, employers should use it to draw up an action plan describing how conditions in the workplace are organised so that the risk of exposure to Covid-19 is minimised.

Action Plan includes:

- Creating instructions for returning to work and any restrictions.
- Making sure that the updated guidelines are known to everyone, including employees of another employer who work and visit the workplace.
- Ensuring that the changed practices are accompanied by appropriate training, orientation and guidance.
- Maintaining active and interactive communication regarding risks of Covid-19.
- Informing employees about the services provided by occupational health care.

Finland content as at 14 May 2020

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France

Tenant Relief Measure

Current law as per the civil code

In the case where premises are fully or partially unusable or have been destroyed, French law provides rent reductions or possibly lease termination. However, its applicability to Covid-19 is unclear.

Specific Covid relief

The emergency Covid law dated 23 March 2020 allowing the French government to implement emergency measures through ordinances to address the Covid situation. Pursuant to such law a specific Covid ordinance dated 25 March 2020 has been implemented regarding the payment of rents and gas and electricity bills.

As per this ordinance certain companies may not incur financial penalties, interest for late payment, or damages, termination of the lease due to non-payment of rents or rental charges or the calling of sureties or guarantees triggered by the non-payment of rents or rental charges.

The eligibility criteria for these provisions is set by a decree of 31 March 2020 (as subsequently amended) and are reserved to small companies only. Indeed criteria include notably: (i) start of activity before 1 February 2020, (ii) workforce up to 10 employees, (iii) turnover threshold of max. €1m for the last FY (and for companies having not closed a FY, €83k for the period from the incorporation of the company until 29 February 2020), (iv) company must not be controlled by another company within the meaning of French company law, (v) and limited to entities that have been forced to close their premises (lockdown as per next slide) and have lost 50% of turnover compared to 2019 during the lock-up period.

The companies that pursue their activity in the context of safeguarding proceedings, receivership or compulsory liquidation within the meaning of French insolvency and bankruptcy law may also benefit from these provisions.

According to article 4 of the Covid ordinance, such relief provisions apply to rents and rental charges for which the due date for payment is between 12 March 2020 and 2 months after the end of the state of health emergency (the date of cessation of the state of emergency was initially set at 24 May 2020 - 2 months from the emergency Covid law - and has been extended until 10 July 2020 by a law of 11 May 2020 that extends the emergency period and adds new emergency provisions, notably the right to set up quarantine or isolation decisions).

Rents reliefs

The French Government has urged and asked large property companies ("foncières") to cancel 3 months' rent for small shops and companies with fewer than 10 employees that have been forced to close due to the Covid in order to help lessees survive the Covid crisis.

To incentivise and secure the landlords that would agree to such effort the French tax bill (« seconde loi de finance rectificative for 2020 ») of 25 April 2020 provides that landlords will be entitled to deduct the amounts of such waivers of rents and rental charges receivable from their 2020 profits.

This concerns exclusively rents from 15 April 2020 and 31 December 2020.

France

Back to Work Provisions

Rules include notably:

- Work from home, if you can.
- Carry out a Covid-19 risk assessment, in consultation with workers or trade unions.
- Maintain 1 metre social distancing, wherever possible.
- Where people cannot be 1 metre apart, manage transmission risk (masks, gels, etc.).
- Reinforcing cleaning processes in companies.
- Public transportation (metro and train) is restricted during business rush hours and conditional upon notably wearing masks.
- Massive testing and isolation and quarantine of infected persons.
- Transportation beyond 100km from home possible only under certain conditions.
- Education : elementary schools and kindergartens have reopened in restricted mode. But college, high school and universities are currently closed.
- Certain business activities remain closed or prohibited (depending on location – green or red zones) until further notice: malls and department stores above 40,000 sqm, restaurants and hotels.

- Certain social activities remain restricted, closed or prohibited (depending on location – green or red zones) until further notice: team sport events and competition (all competitions have been stopped) and arenas, gyms, swimming pools, museums (except small ones), public libraries (except small ones), cinemas, theatres, music festivals, public meetings, public gardens, parks and beaches.

France content as at 14 May 2020

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Germany

Tenant Relief Measure

Currently Germany has not introduced any specific rent relief measures.

German Government has introduced blocks on termination in tenancy law due to Covid-19 Mitigation Act from 27 March 2020, in force since 01 April 2020:

- Termination of leases for payment default in the period from April 2020 to June 2020 is excluded for residential and commercial leases where the non-payment is due to the Covid-19 pandemic, but the tenant will have to evidence (glaubhaft machen) the connection. This period may be extended by statutory order until the end of September 2020.
- The regulation is initially applicable until the end of June 2022. This will give tenants some 2 years to make up for rent arrears.
- The only relief for tenants is the exclusion of the statutory special right of termination for payment default. The Act does not provide whether the tenant's payment obligation – e.g. due to closure orders – is reduced because of property defects or under the principles of *clausula rebus sic stantibus*. Mutual agreements by the parties, therefore, is recommendable.
- In view of the considerable encroachments on landlords' rights – likely affecting the ownership guarantee under Art. 14 of the German Constitution – it will be essential how they are embedded into the planned public support measures.
- Publication of Covid-19 Code of Conduct on 06 April 2020: Rules of conduct between landlords and tenants of retail properties for the duration of the Covid-19 pandemic and the subsequent restart phase; a total of 10 recommendations for action to which both parties can commit themselves.

Back to Work Provisions

- In all Covid-19 related orders of the federal states the unavoidable gathering and accumulation for business, professional or official reasons is considered an exception to the ban on assembly.
- Specific infection protection and hygiene standards for retail and gastronomy as a model for back to work measures for office.
- SARS-CoV-2 occupational safety standard of the Federal Ministry of Labour and Social Affairs to be used as guideline for employers to implement an operational measure concept for temporary additional measures to protect against SARS-CoV-2 infections:
 - **Specific technical measures:** e.g. separation of workspaces, installation of dividing walls, adjustment of cleaning intervals;
 - **Specific organizational measures:** e.g. ensuring sufficient protective distances of at least 1.5 metres, adjustment of working time and break schedules, reporting system for suspicious cases;
 - **Specific personal measures:** e.g. obligation to wear mouth-nose protection, preventive occupational medicine and protection of particularly endangered people;
 - **Works canteens:** e.g. reducing seating at the tables.
- Employers are responsible for implementation of such measures.

Germany

Back to Work Provisions (cont'd)

- The scope and requirements of these measures can be adjusted at any time in the light of current developments by a committee of representatives from the health and insurance sector, the RKI, trade unions and employers' associations as well as politicians and other experts;
- Industry-specific concretisations and additions required, partially already implemented by corresponding orders of individual federal states;
- Recommendation to stay working from home, if possible.

Germany content as at 14 May 2020

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Ireland

Tenant Relief Measure

The Emergency Measures in the Public Interest (Covid-19) Act 20 enacted on 27 March 2020 puts government measures to assist tenants of residential property on a statutory footing.

- The Act prevents the termination of residential tenancies and rent increases for an initial period of 3 months. In addition, Government will provide rent support for residential tenants struggling with rent payments due to Covid-19.
- These provisions do not act as a 'rent holiday', and the tenants will still be liable for any unpaid rent.
- A late amendment to the legislation has created uncertainty for landlords and tenants of commercial property around the ability of commercial landlords to terminate leases of commercial property. It is not clear whether the intention of the Act was to only impact residential tenancies rather than commercial tenancies as well.

The measures may be extended subject to Government determination.

Back to Work Provisions

The [Health \(Preservation and Protection and other Emergency Measures in the Public Interest\) Act 2020](#) (the "Act") was signed into law on Friday 20 March 2020.

- The Act sets out a non-exhaustive list of measures that the Minister for Health may introduce, including: a requirement that owners or occupiers of premises put safeguards in place in order to prevent, limit, minimise or slow the risk of infection, this could include a temporary closure.

The Roadmap for Reopening Society and Business was published on 1 May 2020 by the Government outlining five phases in lifting the Covid-19 restrictions, with the first phase commenced on 18 May 2020.

- **18 May 2020 (Phase 1):** Retail that is mainly outdoor & homeware, opticians, motor, bicycle & repair, office products, electrical, IT, phone sales & repair open.
- All subject to social distancing
- **8 June 2020 (Phase 2):** Small retail outlets with control of numbers open.
- All subject to social distancing
- **29 June 2020 (Phase 3):** Open non-essential retail outlets with street level access
- **20 July 2020 (Phase 4):** Gradual easing of restrictions on higher-risk services. e.g. Barbers and hairdressers.
- **10 August 2020 (Phase 5):** Further easing of restrictions on higher-risk services. e.g. shopping centres.

The Government published a Return to Work Safety Protocol on 9 May 2020 which contains mandatory back to work measures to prevent the spread of Covid-19. This Protocol is a general document applicable to all industry sectors. This includes the following:

- Appoint at least one lead worker representative to make sure safety measures are in place and being followed.
- Update business and safety plans, including the business Covid-19 Response Plan, the occupational health and safety risk assessment and the safety statement. Include how to deal with a suspected case of Covid-19 in the safety plans and appoint a dedicated manager in charge of dealing with suspected cases.

Ireland

Back to Work Provisions (cont'd)

- Develop, consult on, communicate and implement workplace changes or policies.
- Send out a pre-return to work form to employees at least 3 days before their return to work Provide Covid-19 induction training for all staff.
- Put in place hygiene measures, temperature testing and physical distance measures in line with public health advice.

Please note that the Government has advised to work from home where possible during this phase.

Before returning to work, the following pre-return to work steps should be put in place and completed by both employers and employees.

Employers must:

- establish and issue a pre-return to work form for employees to complete at least 3 days in advance of the return to work;
- provide induction training for all employees;
- arrange for the putting in place of the necessary controls identified in the risk assessment to prevent the spread of Covid-19 in the workplace; and
- implement temperature testing in line with Public Health advice.

Employees must:

- complete and return the pre-return to work form before they return to work;
- inform their employer if there are any other circumstances relating to Covid-19, not included in the form, which may need to be disclosed to allow their safe return to work; and
- self-isolate at home and contact their GP promptly for further advice if they have any Covid-19 symptoms.

Ireland content as at 19 May 2020

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Italy

Tenant Relief Measure

Art. 65 Law Decree no. 18 of 17 March 2020 (“**Cura Italia Law Decree**”) provides for a tax credit equal to 60% of the rent for March 2020 (subject to possible further extension for the following months) for buildings falling under the Italian cadastral category C1 (i.e. shops and boutiques.). Please note that the application of the benefit needs to be verified on a case by case basis.

Moreover, **Art. 95 of the Cura Italia Law Decree** provides, to the benefit of national sports federations or other sports clubs, companies or associations with registered office or fiscal domicile or operating headquarters in the Italian territory and which have public sports facilities under concession or lease agreement, the suspension of the payment of the rent for such sports facilities until 31 May 2020. The rents will be paid by 30 June 2020 (with the option of paying in five instalments).

On **May 13, 2020** the Italian Government approved a new Law Decree (the “**Rilancio Decree**”) introducing several measures aimed at supporting business, professionals, workers and families. With specific reference to tenants, **Art. 28 of the Rilancio Decree** extended the tax credit for rents to all entrepreneurs and professionals. In particular, the tax credit is addressed to:

- i. entrepreneurs or professional with revenues or considerations (in 2019) not exceeding €5m in the 2019;
- ii. for all non-residential buildings used for the commercial, business or self-employed activity;
- iii. in relation to the rents paid for the months of March, April and May 2020, provided that in the month of reference the entrepreneur (or the professional) had a 50% reduction in turnover compared to the same month of 2019. For seasonal tourist facilities the amount of the credit is related to the rent paid in the months of April, May and June 2020.

The tax credit is equal to:

60% of the rent paid in relation to loan agreements, leasing or other use agreements;

30% of the rent paid in relation to services agreements or business lease agreements (both including at least one building for non-residential use).

The tax credit:

- applies also to hotels and accommodations (regardless to their turnover) and to non-commercial entities, third sector entities or recognised religious bodies.
- is exempt from taxation and may also be transferred to the landlord (in exchange for a corresponding reduction in rent) or to credit institutions or banks.

Please note that the Rilancio Decree will be published in the Official Italian Law Gazette in the next days (with possible amendments in relation to the percentages of the tax credit) and that the tax credit measures shall be implemented by a decision of the Italian Tax Agency to be issued within 20 days from the publication of the Rilancio Decree.

Moreover:

- Art. 30 of the Rilancio Decree provides for reductions in the fixed costs of electricity bills of May, June and July 2020 in relation to certain non-residential buildings;
- Art. 177 of the Rilancio Decree provides for reduction on the real estate tax for hotels and accommodations.

Tenant Relief Measure (cont'd)

Finally, the Italian government introduced:

- benefits related to bank credit facilities (e.g., inter alia, suspension of the revocation of the credit facilities; extension of loan contracts and suspension of payment of instalments for mortgage, loans of any kind and leasing fees).
- the opportunity, for large companies based in Italy, to apply for loans secured by a public guarantee, to be allocated to support personnel costs, investment activities or increase the working capital aimed at supporting the production facilities and the business activities located in Italy;
- the access to loans or other financing measures also to small and medium-sized enterprises with up to 499 employees;
- special loans for real estate investment operations in the tourism and hotel sectors and in real estate activities, with a minimum duration of 10 years and an amount greater than €500,000, with the possibility of cumulation with other forms of guarantee, including mortgages.
- tax benefits (like deductions from taxable income and/or tax credits) to support investments (carried out within year 2020 and made through capital increase transactions) in companies based in Italy or permanent establishments of companies based in EU or SEE, which have suffered a reduction in turnover linked to the COVID-19 epidemic.

Back to Work Provisions

- Pursuant to the Prime Ministerial Decree dated 26 April 2020 (DPCM), which introduced the so-called Phase 2, and the Prime Ministerial Decree dated 17 May 2020, the lockdown phase in Italy should end on 17 May 2020.
- As a result, **starting from 18 May 2020** the Italian Government authorises the **reopening** of most of the industrial, commercial, manufacturing and retail activities, **save for limited activities**:
 - gyms, swimming pools, sports clubs or other sports facilities, which will reopen on 25 May 2020.
 - theatres, concert halls and cinemas, which will remain suspended until 14 June 2020.
 - wellness and cultural centers, schools and universities will stay closed.
- Please note that Regions are allowed to issue more restrictive measures at a local level.
- In order to allow the reopening of all the activities, protocols have been drawn up (annexed to the DPCM) setting out the measures to be taken by companies and employers in general to ensure health and safety in the workplace and prevent the spread of the Covid-19 epidemic.
- In particular, several Official Protocols have been drafted and attached to the DPCM, containing the guidelines regarding the major security measures that companies will have to adopt in order to reopen:
 - a) protocol for safety in the workplace, addressed to companies and professional offices;
 - b) protocol for safety on construction sites; and
 - c) several protocols for the transport and logistics sector.

Italy

Back to Work Provisions (cont'd)

Failure to implement the above-mentioned Official Protocols shall result in the suspension of the activity until safety conditions are restored.

In addition, other technical documents have been drafted, aimed at classifying the risk of contagion in the various industries sectors.

Such technical documents classify the risk of contagion according to 3 variables:

- **exposure** (which refers to the probability of coming into contact with sources of contagion during the work);
- **proximity** (which assesses whether the work allows or not the distance between people);
- **aggregation** (concerning potential contact with other people. This risk index is very high, for example, for the hotel sector).

The higher is the risk the stricter will be the measures to be adopted by the company, in order to organise the activity, prevent the spread of Covid-19 epidemic and ensure the safety of the workers.

With specific reference to the safety in the workplace (to be adopted by companies and employers in general), the Official Protocol dated 14 March 2020 and amended on 24 April 2020, provides, inter alia, for the following safety measures:

- 1) the activity must be organised to reduce the aggregate presence of a large number of people at the workplace, through large use of smart working procedures, closure of non-essential company's departments, remodeling of working hours, set up of rotation plans for workers and the reduction of the movements within the working spaces;

- 2) no admittance to the workplace (or subsequent removal) for workers, visitors, customers, suppliers and people in general with flu symptoms, fever or who, in the last 14 days, have been in contact with individuals positive for Covid-19 or who have traveled in territories defined as "risk areas" by the World Health Organizations. On this regard, workers and people in general shall be subjected to temperature measurement before entering the workplace;
- 3) work spaces must be organised to assure adequate distance between people, the use of PPE and specific hand cleaners and the ventilation of the spaces;
- 4) in order to reduce the spread of the epidemic, extraordinary **sanitization of the workplace** must be performed on reopening and, subsequently, on a regular basis, including periodic sanitization of the work instruments and tools (such as computers, keyboards, etc.); and
- 5) all **meetings and training activities** shall be preferably performed through technological means.

Companies may introduce more restrictive measures depending on the risk level connected with their specific activity sector.

Italy

Back to Work Provisions (cont'd)

Please note that the Italian Government provides for

- i. contributions to businesses for the adoption of the safety and precautionary measures to reduce the risk of contagion in the workplace introduced by the Official Protocols:
 - The amount of the contribution is differentiated according to the employment levels of each company;
 - in particular the contribution may be equal to a maximum of (i) €15K for companies with up to 9 employees; (ii) €50K for companies with 10 to 50 employees; or (iii) €100K for companies with more than 50 employees (Art. 95 Rilancio Decree);
- i. tax credit for workplace sanitation costs or for PPE, including sanitisers, temperature measurement devices or other tools (Art.125 Rilancio Decree);
- ii. tax credit granted to entrepreneurs, professionals, associations, foundations and other bodies for the adaptation of production processes and work environments to the sanitary prescriptions concerning the prevention of Covid-19 epidemic in the workplaces (Art. 120 Rilancio Decree).

Italy content as at 15 May 2020

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Luxembourg

Tenant Relief Measure

Currently Luxembourg has not introduced any specific rent relief measures.

Current law as per the civil code

In the case where premises are fully or partially unusable or have been destroyed, Luxembourg law provides rent reductions or possibly lease termination. This provision is by extension applicable to the commercial lease and some precedents confirm the possibility to reduce the rent.

However, its applicability to Covid-19 is unclear and especially the point to know if the administrative closure of the premises can constitute a “partial legal destruction” of the premises.

Specific Covid relief.

Two draft bills are currently being considered by Luxembourg parliament (in progress but still very early stage draft):

- On transitory dispositions for the rental agreements with regard to the sanitary crisis : aiming at prohibiting the termination of the lease by the landlord in the situation where a non-payment of the rents occurred between 1 April and 30 June 2020; the residential and rural leases would be concerned, however it is not clear whether the commercial lease would be concerned or not by this (clarification has been required by the Council of State);
- On the suspension of the rents of the commercial and for a professional use leases during all the state of crisis aiming at suspending for these leases the rents payment obligation during the period of the state of crisis, as well as the related prohibition for the landlord to terminate the lease for such a non-payment (these rents would have to be paid at the latest on 30 June 2021, otherwise the landlord could terminate the lease at that time). It also proposed a tax incentive for the landlords who will voluntarily reduce or waive the rents.

Market trends:

- Some public and private landlords have already voluntarily waive some rents;
- The Government might intend to set up a tax measure to induce the landlords to waive some rents.

Force majeure

Like in many jurisdiction, force majeure can be used to exonerate a party of its contractual liability.

Force majeure is a concept included in the Luxembourg civil code (article 1148) and the case law defines it as an unforeseeable and inevitable event occurring after the conclusion of a contract which renders the performance of the contractual obligations of a party to the contract impossible. But in Luxembourg the question of the force majeure being temporary is being discussed on a case by case basis.

Also the fact that the rent is a monetary obligation can be a barrier to the force majeure because of the adage *genera non pereunt*. The tenant may however invoke the risk theory and the impossibility for the landlord to fulfil the obligations of the lease contract. In addition, the question whether or not, respectively to what extent Covid-19 can be used to adjust, suspend or waive their payment obligations (rent and charges) is being extensively discussed.

Luxembourg

Tenant Relief Measure (cont.)

Hardship clause

The Luxembourg civil code does not include any provision about the hardship clause in the contract.

However, even if this concept has been rejected by the case law for a long time, some recent precedents considered the criteria of the hardship (without recognizing it). Indeed, to verify the possibility of an hardship the judges required at least a contract with reciprocal obligations and that an economic modification which could not have been predicted at the time the contract was entered into by the parties. The modifications must be significant enough to justify the modification of the contract by a judge.

Moreover, before this the tenant may try to renegotiate the contract with the landlord by using the obligation to execute the contract in good faith.

Finally it is impossible to draw conclusions now on the question of whether the Luxembourg judges would consider that the hardship clause would apply to Covid.

Other specific measure

Suspension of the forced execution of evictions ordered for residential leases as well as those ordered for commercial leases.

Back to Work Provisions

General measures

In the context of a phase of normalization, the easing of the lockdown has begun in Luxembourg with the following main measures:

- Working from home is still recommended for all the companies that have the possibility to do so.
- Masks have to be worn when social distancing measures (2 metres) cannot be respected and in all the public transportations and for all the activities receiving public (e.g. supermarkets).
- Construction companies resumed work as of 20 April 2020.
- Schools will partially and gradually reopen between 4 May and 25 May 2020.
- Stores reopened as of 11 May 2020 as well as some specific cultural spaces, provided that the sanitary rules on social distancing / wearing a mask are in particular respected, with a limited number of exceptions (e.g. restaurants, bars, cinema and fairs remain closed until further notice).
- The gathering of people in open-air is now possible for a maximum of 20 people and the organisation of private home events is limited to 6 guests in addition to those already living in the same household. Such gatherings must respect the rules of barrier gestures.

Luxembourg

Back to work Provisions (cont.)

Sanitary measures in workplace

The government recommends (by sectors) sanitary measures to be taken by employers for the getting back to work among which the mains measures are:

- Limitation of the use of common equipment (pencils, cars, machines etc.);
- Take responsible hygiene measures (leave protection equipment in a bin before leaving the office; properly wash hands etc.);
- Reorganise workstations and spread employees in different offices (at least 2 metres to separate the employees);
- For customer service, install a physical separation with a transparent material that can be disinfected frequently (e.g. "Plexiglas");
- Provide access to a water point, soap and disposable paper towels and post the washing protocol. Alternatively, provide hydro-alcoholic solutions to employees;
- Provide visible information on the risks / prevention;
- Work with fixed teams and avoid too many turnovers between employees;
- Limit contact with suppliers and prefer deliveries at the entrance of the warehouse;
- Closing of canteens (except if social distancing measures (2 metres) can be respected);
- Surface cleaning at least once a day or after each use;
- Pay particular attention to sensitive persons.

Moreover, the government has enacted an extension of the conditions of the extraordinary family leave to take care of children, including children who cannot go back to school in the context of the easing of the lockdown.

Luxembourg content as at 14 May 2020

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Netherlands

Tenant Relief Measures

Rent relief: Currently the Netherlands has not introduced any specific rent relief measures.

Some arrangements have been made after negotiations between sector organisations and retailers, but these are only applicable between those parties. These measures include:

- quarterly rents are converted into monthly rents;
- if necessary, retailers will be allowed postponement of payment for the months April, May and June 2020;
- retailers do not have to comply with the obligation to operate;
- remission of payment obligations will only be discussed if, after 3 months, the actual impact is clear per retailer, per lessor and / or per location separately. The way of remission of payment will be determined once the parties have determined their damages as a result of Covid-19.

Retailers without a substantial drop in turnover (at least 25%) are not entitled to these measures. The sector organisations and retailers will follow up on these negotiations before the end of May 2020, in order to provide both parties with solutions.

Contractual provisions: Under Dutch law the (contractual) terms and conditions agreed by parties are decisive (as far as these do not conflict with mandatory law). In the Netherlands most commercial lease agreements are based on templates established by the Dutch Real Estate Council ("ROZ") and the applicable general terms and conditions ("GT&C"). Under these GT&C a tenant is not allowed to suspend its payment obligations. In general, reduction of rent can only be claimed in the event of a defect to the leased space. Even in the event a defect occurs, the commonly applicable GT&C rules out any claim based on a defect, unless the defect is attributable to the landlord.

Please note that this is based on the "standard" ROZ lease agreements and GT&C, but parties may agree otherwise in the lease agreement.

Legal concepts: Dutch law, also provides for some legal concepts like (i) force majeure, (ii) unforeseen circumstances and (iii) the standards of reasonableness and fairness, which may be used as a remedy (provided that the criteria are met).

Force majeure indicates a non-attributable impossibility to fulfil a contractual obligation. Generally, if a party (such as a tenant) would fail to perform its contractual obligations, that party may (i) be obliged to perform its obligations under the agreement anyway and (ii) may also be obliged to compensate the counterparty's loss / losses. In case the failure to perform is not attributable to that party, there may be a situation of force majeure (if so, the party invoking force majeure cannot be obliged to perform and will not be liable for losses of the other party).

Unforeseen circumstances are circumstances that occur after the commencement of an agreement, which circumstances were not included in the agreement. At the request of a party the court can amend the agreement or (wholly or partly) dissolve the agreement if the unforeseen circumstances are of such a nature that the other party may (taking into account the reasonableness and fairness) not expect unchanged continuation of the agreement. The court will not amend or dissolve an agreement in the case where the unforeseen circumstances where a risk remains, and instead account of the party that requested amendment or dissolution.

The standards of reasonableness and fairness is a concept which stipulates that a rule - such as a clause in a contract - is not applicable insofar this, given the circumstances, would be unacceptable to standards of reasonableness and fairness. Furthermore, an agreement does not only have the legal effects which parties agreed upon, but also those which arise from law, usage (common practice) or the standards of reasonableness and fairness.

Netherlands

Since the current circumstances, as a result of Covid-19, are extraordinary and unprecedented, it is unsure how judges / courts will decide in such cases. Given this uncertainty, landlords and tenants were encouraged to discuss with each other in order to see whether they could reach a workable solution. We understand, however, that half of the tenants in the retail sector could not make such arrangements with their landlords, resulting in financial difficulties for the tenants. There are still increasing signs from the market (i) that the financial consequences as a result of Covid-19 should be shared as much as possible between parties and (ii) that the government should take measures (for example rent relief measures).

Back to Work Provisions

The basic rules, such as staying 1.5 metres away from other people and working at home if possible, continue to apply. Busy places still need to be avoided as much as possible, but the Dutch government has decided to gradually relax some of the rules if certain conditions are met.

Companies and sector organisations are encouraged to establish protocols to set up safe working environments for their employees. The government is of the opinion that the different working sectors and industries have the best view of their own practices, therefore specific protocols are necessary. These protocols are guidelines for employees on the work floor.

In general, employers are encouraged to spread the working hours of employees and to allow their employees to work from home as much as possible. From 11 May 2020 on people in contact-based roles, which include driving instructors, medical and paramedical professionals, hair and beauty professionals and alternative practitioners, are allowed to perform their jobs again, bearing in mind the 1.5 metre rule if possible. Contact-based employees can see their clients only by appointment and after assessing possible health risks beforehand with the client. In that case wearing a face mask is not necessary during appointments.

It is expected that cafés, restaurants, theatres, cinemas, museums and other cultural institutions will reopen on 1 June 2020 under the following conditions:

- a maximum of 30 persons (including staff) are allowed. This may be increased to 100 persons from 1 July 2020 onwards;
- upfront reservations need to be made;
- a health check with customers is carried out beforehand, which contains a simple question whether the customer has or has had some of the symptoms of the Covid-19;
- 1.5 metres distance between the customers is established.

Campsites and holiday parks may reopen from 1 July 2020 onwards, and sex workers, saunas, fitness centres, spas, casino's, coffee shops and club canteens may reopen from 1 September 2020 onwards. In all cases, it is important to bear in mind the 1.5 metre rule.

Mayors can take measures, based on local emergency legislation. These measures may be a limitation of the applicability of the current (national) rules, but can also be an extension of the current local legislation. For example, mayors may decide to relax the local rules for cafés and restaurants regarding the placement of their terraces on the city squares.

Netherlands content as at 14 May 2020

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Norway

Tenant Relief Measures

Currently Norway has not introduced any specific rent relief measures.

However, the government has proposed to establish a cash benefit scheme. The government will cover a part of the fixed costs for companies that experiences a significant decrease in turnover due to Covid-19 and the following infection control measures. It is estimated payments of NOK 10-20b per month. The conditions for, and the implementation of this cash benefit scheme, is still to be determined.

Back to Work Provisions

The first phase of the reopening of Norway was introduced 7 May 2020, wich (amongst others) included:

- Reopening of kindergartens;
- A total of 20 people can participate at private events as long as the participants can keep a distance of 1 metre;
- A total of 50 people can participate at events in public spaces where there is a responsible organizer and as long as the participants can keep a distance of 1 metre (sport events, concerts, theatres, weddings etc.);
- The quarantine period is reduced from 14 to 10 days;
- The employer shall make sure that employees can keep a distance of 1 metre during the working hours;
- If employees need to use public transportation to and from the workplace, the employer shall make the necessary arrangements for home office;
- Only travel if it is absolutely necessary;
- Culture and sport events with more than 500 participants will be prohibited until 31 August 2020; and

Sport centres, indoor swimming pools, amusement parks etc. shall keep closed and gradually reopen during the summer.

The second phase of the reopening of Norway was introduced 11 May .2020, which (amongst others) included:

- Elementary schools and high schools can reopen, but all students cannot be at the school at the same time; and
- Universities and colleges will continue with distance learning.

From 1 June 2020 it is planned that:

- Pubs and bars, which do not sell food, can reopen as long as the customers can keep a distance of 1 metre;
- Amusement parks can reopen; and
- Organized swimming will be allowed.

From 15 June 2020 it is planned that:

- Events with 200 participants;
- Reopening exercise facilities;
- Reopening indoor swimming pools for the public; and
- Assess travelling to other Nordic countries.

Travel to nearby European countries will be assessed 20 July 2020.

Norway content as at 14 May 2020

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Poland

Tenant Relief Measures

The “**anti-crisis shield 1.0**”, was adopted on 31 March 2020. In respect of lease agreements, the anti-crisis shield includes:

- **Expiration of the mutual obligations of the parties to the lease agreement:**
The parties to lease agreements in shopping centres with the sale area above 2,000 sqm are exempted from their obligations under the agreements. The regulation is not clear. However, as we understand:
 - the waiver applies to the tenants who have been prohibited from conducting their activities under the regulations issued by the Minister of Health and the Council of Ministers;
 - the waiver seems to mean, in particular, that the tenants are not obliged to pay the rent and other charges;
 - the waiver is retroactive and effective from the moment of imposing the above listed prohibitions;
 - the tenants will be obliged, within 3 months from lifting the prohibitions, to submit a binding offer for prolongation of the lease for the period of prohibitions increased by 6 months;
 - the failure to submit the offer seems to mean that the landlord is not bound by the waiver, and, in particular, the tenant may be invoiced for the period of the prohibition; and
 - the landlord is not obliged to accept the offer.
- **Prolongation of the lease:** the tenants may prolong the lease agreements (under the existing terms and conditions) by 30 June 2020. The right to prolong may be exercised with respect to leases which period ends on 30 June 2020 at the latest and provided that the tenant is not in a default under the agreements (the “default” has been defined under the draft bill).

- Termination of the lease: the landlords are prohibited from terminating the lease agreements or terminating the amount of the rent by 30 June 2020. The prohibition does not apply, in particular, if the termination is justified by the tenant's breach of the lease agreement or law provisions regulating the way of use of premises.

Back to Work Provisions

In Poland, there is a **plan to gradually reduce the lockdown measures** in 4 stages.

- In accordance with the Ordinance of Council of Ministers dated 19 April 2020, the first reduced lockdown measures took effect from 20 April 2020.
- Pursuant to the Ordinance of Council of Ministers dated 2 May 2020, the second stage of reduced measures took effect from 4 May 2020.
- On 13 May, the third stage of reduced measures was announced by the Polish government, including the reopening of restaurants, hairdressers etc.
- The remaining 4th stage will be determined on an ongoing basis taking into account the dynamics of new infections.

Home office - improvement of the labour law flexibility

The basic rules, such as working from home if possible, continue to apply.

- The employer may instruct the employee to perform, for a fixed period of time, the work specified in the contract of employment, outside the place of its permanent performance (remote work).
- As of 2 April 2020 until further notice, if an employee does not work remotely, the individual workstations should be separated (e.g. plexiglass enclosures, separation of workstations with partitions). If a partition cannot be used, additional space must be provided between employees (minimum distance of 1,5 metres, as a rule)

Poland

Back to Work Provisions (cont.)

- Before resuming work, the employees should be informed about the changes and new procedures and, if necessary, provided with training, e.g. on the proper use of personal protective equipment.
- Additionally, it is essential to ensure that work rooms are ventilated efficiently and effectively.
- Employees must wear gloves or have access to disinfectants. Provision of means for disinfecting hands and elements of the working environment - such as countertops, handles, handrails, technical equipment (e.g. shared printers and copiers) is crucial.
- The frequency of cleaning of working rooms must be increased, especially hygiene and sanitary rooms. The use of hygiene and sanitation facilities should be organised in a manner that takes into account cleaning and disinfection schedules.
- Physical contact between employees should be reduced as much as possible (e.g. during meetings or breaks). Meal breaks should be organised in such a way as to reduce the number of people staying at the same time in the canteen, social room, kitchen, bathroom etc.

Reopening of shopping centres and hotels

Based on the Ordinance of Council of Ministers dated 2 May 2020, Poland entered into the second stage of the plan to reduce the lockdown measures.

Among the changes implemented by the Ordinance are:

- Reopening of all retail outlets in shopping centres from 4 May 2020 (previously only shops deemed essential were open). Shops will be permitted to admit one customer per 15 square metres of space;
- Reopening of hotels from 4 May 2020;
- Partial reopening of cultural institutions, including libraries, museums and art galleries from 4 May 2020; and
- Reopening of nurseries and preschools from 6 May 2020 (with a strict sanitary regime in place).

On 13 May 2020, the Polish government announced the third stage of the plan to reduce the lockdown measures which is said to take effect from 18 May 2020.

The main change consists in the reopening of restaurants and hairdressers (with appropriate sanitary regime indicated).

Social distancing

The basic rules, such as staying 2 metres away from other people, continue to apply. From 1 April 2020 until further notice:

- there is an automatic quarantine for relatives of the person under quarantine;
- there are strict restrictions on the number of customers in shops, at fairs, at the post office; and
- 2 metre minimum distance between pedestrians must be observed.

Poland

Back to Work Provisions (cont.)

Additional provisions

- As of 2 April 2020, commercial or service facilities shall provide disposable gloves or hand disinfectants and are obliged to disinfect the service station or cash desk after each client.
- Moreover, from 16 April 2020 until further notice there is an obligation to wear masks (or to cover up the mouth and the nose in any other way) in public places.
- Violation of the prohibitions will be punished by fines in the amount of 5 to 30 thousand zlotys.

Poland content as at 13 May 2020

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Portugal

Tenant Relief Measure

Tenants are allowed not to pay the rent during the state of emergency period and in the first month thereafter. Since the state of emergency period has come to its end this month (May), tenants are allowed to not pay the rent until June, provided that they settle such payment within 12 months as from that date, in monthly instalments of not less than one twelfth of the total due amount, to be paid with the rent of each month.

Additionally, failure to pay the rent due until June may not be invoked by the landlord to terminate the agreement, nor as grounds for an obligation to vacate the property.

This regime shall apply:

- To establishments open to the public for retail trade and service provision activities that are closed or have their activities suspended by legislative or administrative order, including in cases where they maintain the provision of electronic commerce activities, or the provision of services at a distance or through an electronic platform; and
- To restaurants and similar establishments, including in cases where they keep their activity for the exclusive purpose of take away or home delivery.

This regime is applicable to rents due as from 1 April 2020.

The effects of any type of termination of the lease agreements by the landlord are suspended until 30 September 2020.

Back to Work Provisions

Although no legal measures have been adopted regarding the return to work, the Portuguese General Directorate of Health ("Direção-Geral de Saúde") issued some guidelines to be adopted in the workplace.

Such guidelines are essentially related to i) hands hygiene, ii) respiratory hygiene /cough etiquette, iii) social distancing, iv) hygiene and disinfection of surfaces, v) self-monitoring of symptoms, vi) individual protection, and vii) information. We highlight the following guidelines:

Establish work breaks for hand sanitizing during the work period, whenever necessary;

- Establish the use of masks whenever workers have respiratory symptoms (e.g., cough or other cold symptoms) and work indoors with other workers;
- Adopt teleworking, whenever possible;
- Reorganise workplaces ensuring social distance between workers;
- Minimize direct contact between workers: work "side by side" or "back to back" instead of "face to face";
- Use signs (e.g. marking on the floor) and other information (e.g. posters) that alert to safety distances;
- Avoid meetings in person and group work;
- When physical presence is essential, reduce it to a minimum of number of people at each meeting, use rooms with natural ventilation and keep the safety distance between chairs (+/- 1 metre);
- Avoid social gatherings (e.g. corporate events) that may create crowds;

Portugal

Back to Work Provisions (cont.)

- Protect workers who, in the performance of their professional activity, are unable to comply with the safety distance from other workers or users / clients / public, through, for example, the use of physical barriers (e.g. glass or acrylic windows);
- Proceed with a daily disinfection of surfaces and ensure periodic disinfection, throughout the working time, of objects or surfaces that are touched by a lot of people (e.g. telephones, keyboards, tools, door handles, handrails, light switches, machine buttons, etc.), even if there is a need to interrupt the work for such purpose; and
- Raise awareness so all workers self-measure, on a daily basis, their body temperature and confirm the absence of persistent cough or difficulty breathing, before they start working.

The Authority for Working Conditions (“Autoridade para as Condições do Trabalho”) has also prepared a document with some measures that should be adopted in this back to work phase, of which we highlight the following:

- If the worker has any symptoms associated with Covid-19, he / she should not return to the workplace before contacting the health authorities;
- A worker who has had any close contact with confirmed or suspected cases of Covid-19 should not return to the workplace before contacting the health authorities;
- Persons subject to a special protection duty (“dever especial de proteção”) should preferably perform their tasks through teleworking;
- The return of workers should be phased, always assessing whether teleworking is possible;

- Planning, monitoring and strengthening of information on prevention measures for workers and customers and / or suppliers should be ensured;
- Good ventilation and cleanliness of workplaces should be ensured;
- Contact between workers and between workers and customers and / or suppliers should be reduced; and
- Contact between workers and other persons in work breaks and in common spaces should be reduced.

Additionally, some activities have specific regulations (e.g., restaurants have their capacity reduced by half and hairdressers can only attend by appointment).

We would like to advise that the Government has been adding and amending these measures, as such, the above may be subject to modifications.

Portugal content as at 15 May 2020

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Russia

Tenant Rent Relief measure

Current law as per the Civil Code

Russian law provides for such legal concepts as (i) unforeseen circumstances, (ii) act of authorities, and (iii) force majeure, which can be used as a remedy for tenants. Applicability of these concepts to Covid-19 is yet to be tested. All lease agreements must be assessed case-by-case.

Unforeseen circumstances

Unless otherwise set out in a contract, an essential change of the circumstances, from which the parties have proceeded when concluding the contract, shall be the ground for its amendment or cancellation. The change of the circumstances shall be recognized as essential, if they have changed to such an extent that in case the parties could have wisely envisaged it, the contract would not have been concluded by them or would have been concluded on the essentially different terms. If the parties fail to agree to amend or cancel the agreement, the dispute shall be settled in court.

Act of authorities

If as a result of an act of authority, the performance of the obligation has become impossible in full or in part, the obligation shall be terminated in full or in the corresponding part. The parties, which have suffered losses as a result of this, shall have the right to claim their compensation. If the act is cancelled, the obligation shall be restored, unless otherwise set out in the contract or the creditor has refused from performing the obligation.

Force majeure

A person, who has failed to perform the obligation, while performing the business activity, shall bear responsibility, unless it proves that the proper performance has been impossible because of a force-majeure, i.e., because of the extraordinary circumstances, which it was impossible to avert under the given conditions.

Some acts of Russian authorities declared Covid-19 and measures taken to prevent virus spreading as force-majeure. However, in case of a dispute, a decision on whether a particular event can be qualified as force majeure shall be made by court. The main issue that courts will study is the cause and effect link between the circumstances and inability to perform the contractual obligations.

Specific Covid-19 relief

Rules have been introduced by the emergency Covid-19 Law dated 1 April 2020. The rules are applicable to lease contracts signed before the "high alert" regime was introduced.

Under this law landlords shall (i) postpone rent payments; and (ii) decrease the rent.

Eligibility of the rent postponement measures were further clarified in the Russian Government decree dated 3 April 2020. They apply to tenants of commercial real estate representing most negatively affected areas of business (tourism, hotels, restaurants, sports, culture, transportation, etc). In general, these companies are allowed to pay the 6 months rent accrued in 2020 during 2021 – 2023 in equal installments. No interest shall accrue.

In the case where the premises are unusable due to the public authorities act, the Covid-19 Law provides for tenant's right to request the rent reduction in 2020. The rent reduction is still at the landlord's discretion, however, the tenant can challenge the landlord's decision in court.

The question whether or not, and to what extent, Covid-19 and measures taken around it make premises unusable is under discussion.

Russia

Specific rules for public property lease

Special regulation was adopted on rent postponement for SMEs leasing state property (in fact, it means payment transfer from 2020 to 2021). In Moscow tenants, whose activity was suspended by "lockdown ordinances", have a right of exemption from rent for the period of suspension.

Back to Work Provisions

The regime of non-working days, started on 30 March 2020, and ended on 11 May 2020. The situation permits the gradual abolition of the restriction.

Under the President Decree of 11 May 2020, each region shall decide whether or not to ease the protective measures.

Under the Moscow Mayor Decree of 7 May 2020, industry and construction is allowed to function again in Moscow starting from 12 May 2020.

The current lockdown measures in Moscow shall last till 31 May 2020.

The Decree sets the following requirements for employees and employers who are allowed to work:

Employees shall:

- inform employers on certain illnesses and conditions (e.g. type 2 diabetes, pregnancy, SARS symptoms);
- observe social distancing and sanitary rules (wearing face masks and other protection); and
- participate in medical checks arranged at workplace.

Employers shall:

- not allow at work employees who must observe self-isolation rules or have certain illnesses and conditions;
- ensure employees wear face masks and gloves at work;
- arrange for temperature measurement every 4 hours;
- from 12 May 2020 until 31 May 2020, arrange for Covid-19 testing for at least 10% employees (after 1 June 2020 testing to be performed every 15 days);
- arrange for Covid-19 antibody tests (ELISA); and
- install screens if the social distancing rules cannot be observed.

It is recommended that hand sanitizers be placed at work spaces.

Russia content as at 14 May 2020

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Spain

Tenant Relief Measure

The Spanish Government has recently approved commercial tenant relief measures for individuals and small-to-medium-sized companies (“PYMES”) by virtue of Royal Decree-Law 15/2020 of 21 April 2020 on urgent complementary measures to support the economy and employment.

Pursuant to this Royal Decree-Law, individuals and PYMES who lease a property for use other than as a dwelling, or for industry, and:

- a. whose business has been halted as a result of the measures approved; or
- b. whose monthly turnover has fallen by 75%,

May apply to the lessor within 1 month of the Royal Decree-Law, where the lessor is a public housing company or entity, or a large owner - meaning the natural or legal person who owns more than 10 urban properties, excluding garages and storage rooms, or a constructed area of more than 1.500 m².

The granting of a moratorium on the payment of rental income will be applied automatically. It will be effective for the period of time that the state of alarm and its extensions lasts, as well as the following monthly payments, if that period is insufficient in relation to the impact caused by the Covid-19, which may be extended consecutively, without exceeding 4 months.

This rent will be deferred, without penalty or interest, from the next rental payment, by dividing the instalments over a period of 2 years, which will be counted from the time when the state of alarm is overcome, or from the end of the 4 month period mentioned above, (and always within the period during which the rental contract or any of its extensions continues to be in force). The lessor will have to accept this moratorium as long as the parties do not a prior agreement for the deferral or reduction of the rent.

¹ Companies which, for 2 consecutive financial years, meet at least two of the following circumstances at the closing date of each financial year: (a) That the total assets do not exceed €4m. (b) That the net amount of their annual turnover does not exceed €8m and (c) That the average number of workers employed during the year does not exceed 50.

In the case of leases for use other than that of housing whose lessor is different to those defined above, the lessee may request from the lessor, within 1 month from the entry into force of this Royal Decree-Law, temporary and extraordinary deferment of the payment of rent, provided that such deferment or a reduction in rent has not been agreed to voluntarily by both parties. In this case, the use of the deposit is allowed so that the lessee can pay the rent with more solvency.

With regard to other types of lessees (large companies) the terms and conditions expressly agreed by the parties to the lease in relation to extraordinary situations or force majeure must be considered.

In the event that the parties have not agreed upon any measures in the event of extraordinary measures or force majeure, Spanish Law includes the form of force majeure and sets out (with exceptions) that “no one shall be liable for those events which could not have been foreseen, or which, if foreseen, were unavoidable” It is unclear whether this can be directly applicable to the Covid-19 situation, and in any event would need to be reviewed on a case by case basis.

Additionally, case law has recognised the rebus sic stantibus clause, similar to the international hardship clause, which allows for the modification of the obligations of an agreement, and even the termination in some cases, when, due to supervening circumstances, the economic balance of the contract is broken and it is impossible or very burdensome for one of the parties to comply with it. The rebus sic stantibus clause is an exceptional and extraordinary remedy which is rarely accepted by courts and, again, would have to be analysed on a case by case basis.

Spain

Back to Work Provisions

On 28 April 2020, the Council of Ministers issued the de-escalation plan to address the transition to a new normality that incorporates the necessary precautions and protective measures to prevent contagion and minimise the risk of an outbreak of the disease. The plan establishes a de-escalation by phases, which includes:

Phase 0, preparation of de-escalation:

- This is the situation to date, characterised by the establishment of common relief measures for the whole country once the contagion curve has been bent, allowing mobility outside the home, mainly in the private sphere, and measures with a very low or zero associated risk of contagion, (provided that the safety indications are complied with).
- This is based on the responsibility and self-protection of the citizens (individual non-contact sports activities and walks, and some economic activities with capacity control, etc.).
- To this end, measures were adopted, such as allowing individual outings and exercises for adults, and to open up small areas of economic activity.
- For example, on 3 May 2020, the Spanish Ministry of Health issued Order SND/388/2020, of 3 May 2020, established the conditions for the opening to the public of certain businesses and services. This order is geared specifically towards retail trade, hotel and restaurant activities.
- With regard to retail trade, the reopening of retail commercial premises and professional service activities included in Article 10.1 of Royal Decree 463/2020 of 14 March 2020 is permitted:
 - except for those with a surface area of more than 400 square metres and those that are considered as shopping centres or commercial pars.

- This is provided that a system of prior appointment is established that avoids waiting areas inside the premises, guarantees individualised attention and preferential opening hours for those over 65.
 - For these establishments, collection of the products purchased on the premises will be allowed when a staggered collection without crowds is guaranteed.
 - However, only journeys to establishments located within the customer's municipality of residence are permitted, unless the service or product is not available there.
- In relation to hotel and restaurant activities, they may be carried out, in addition to the home delivery service already permitted, through the option of collection by the customer in the establishment, provided that certain hygiene, prevention and capacity measures are respected. Consumption inside the establishments remains prohibited.

Phase I or initial:

- Depending on compliance with the indicators for the different territories (such as the number of infected persons, the capacity of ICU beds), partial opening of activities will be allowed.
- In particular economic activities such as the opening of small shops; in the catering industry, the opening of terraces with occupancy limits of 30%; in the hotel industry and the opening of hotels and tourist accommodation excluding common areas and with certain restrictions.

Spain

Back to Work Provisions (cont.)

Phase II or intermediate:

- In this phase, the partial opening of activities that remain restricted in Phase I is considered.
- With capacity limitations, in restaurant activities, the interior space of the premises will be opened with an occupation of a third of the capacity and guarantees of separation and only for table service.
- It also entails the reopening of cinemas, theatres, auditoriums and similar spaces with pre-assigned seats; visits to monuments and other cultural facilities such as exhibition halls, conference rooms, all with a third of their usual capacity.
- Cultural events and shows for less than 50 people may be held indoors with 1/3 of the capacity; if they are in the open air, they will be possible when they bring together less than 400 people seated.

Phase III or advanced:

- In this phase, the last one, general mobility is made more flexible, although the recommendation to use the mask outside the home and on public transport will be maintained.
- In the commercial sector, capacity will be limited to 50% and a minimum distance of 2 metres will be set.
- In the restaurant sector, restrictions on capacity and occupancy will be relaxed somewhat, although strict conditions of separation between the public will be maintained.

On 11 May 2020, most provinces in Spain passed on to phase 1, with the most notable exceptions being Madrid, Barcelona (and most of Catalunya), Valencia, Malaga and most of Castilla La Mancha and Castilla y Leon.

Each geographical area that has moved on to the next stage must remain for 2 weeks, while those that have not passed may request it once again the following week.

The Government has issued best practices guidelines for the workplace during the Covid-19 situation:

- As far as the workplace itself is concerned, tasks, entrances and exits should be planned so that workers can maintain the recommended interpersonal distance of approximately 2 metres.
- It must be ensured that interpersonal distance in common areas is maintained and crowding must be avoided. The return to normal of those activities that involve a risk of crowding must be the last step.
- In the case of companies or establishments open to the public, measures should be implemented to minimise contact between workers and the public:
 - The maximum capacity must allow for compliance with the requirement of interpersonal distance.
 - Where possible, access control mechanisms should be provided at entrances.
 - All the public, including the waiting public, must keep the interpersonal distance.
 - The undertaking must provide personal protective equipment where risks cannot be avoided or cannot be sufficiently limited by technical means of collective protection or by work organisation measures or procedures.
 - The personal protective equipment must be appropriate to the activities and work to be carried out..

Spain

Back to work Provisions (cont.)

- Where the working space does not allow interpersonal distance to be maintained during normal shifts, working hours shall be staggered as far as possible and it is recommended that teleworking and meetings by videoconference be facilitated.
- It is not essential to wear a mask during the working day if the type of work does not require it and if interpersonal distance is maintained.
- Personnel should be provided with the necessary hygiene products - soap, water-alcohol solution and tissues - in order to be able to follow the individual recommendations and reinforced hygiene tasks must be carried out daily.
- It is necessary to have a sufficient supply of protective material, especially gloves and masks, and that specific measures should be taken to minimize the risk of transmission to particularly sensitive or vulnerable workers, such as people over 65, and pregnant women

Spain content as at 15 May 2020

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Switzerland

Tenant Relief Measure

On 27 March 2020, the Federal Council extended the deadline for payment arrears for residential and commercial rents from 30 to 90 days. This extension applies to rents due between 13 March and 31 May 2020 (rent for April and May). However, no waiver of rent during this period is planned.

The Swiss tenant law stipulates that a rent reduction can be requested if there is a defect in the rented property (art. 259d of the Swiss Code of Obligations ["CO"]). There is currently a debate as to whether the effects of the state-imposed lockdown qualify as such a defect in the rented property.

The question also arises whether the current situation leads to the impossibility of providing a performance according to art. 119 CO. The legal consequence of which would also be a rent reduction. Opinions are currently divided on these matters. It is also important to note that a contractual deviation from these rules is permitted. For this reason, the individual rental contracts must be considered on a case-by-case basis.

Back to Work Provisions

On 16 April 2020, the Federal Office of Public Health issued an information sheet for employers on health protection at the workplace. It has also published some more extensive protection concepts for different types of companies.

According to the obligation under Article 6 of the Labour Code, the employer is obliged to take all necessary measures to protect the health of his workers.

Measures to be taken according to the information sheet of the Federal Office of Public Health are summarised as follows:

- Where possible, working from home should be permitted, and employees enabled to do so.

- Distancing:
 - The distance between two persons at the workplace must be at least 2 metres.
 - If possible, install separating discs between employees or between employees and customers.
 - If possible, introduce staggered working and break times so that fewer people are present at the same time.
 - Apply floor markings to maintain a distance of at least 2 meters between employees and customers.
 - Move queues outside.
 - Let only a few people into the shop or local (1 person per 10m2 sales area).
 - For group transports: Reduce the number of persons in the vehicle by making several trips or use several vehicles (possibly private vehicles). Single transports are preferable.

Switzerland content as at 13 May 2020

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Switzerland

Back to Work Provisions (cont.)

Measures to be taken (seq.):

- Hygiene:
 - All persons in your company (employees, contractors and customers) should regularly wash hands with washing water and soap. This especially before arrival at the workplace, before and after the breaks and before and after sessions. At workplaces where this is not possible, hand disinfection must be available.
 - Disinfect work surfaces, keyboards, telephones and work tools regularly, especially when shared.
 - Refill soap dispensers and disposable towels regularly and make sure you have sufficient supplies.
 - Remind the staff to bring cups, not to share glasses, dishes or utensils; make sure that the dishes are rinsed with soap and water.
 - Remove magazines and papers from waiting rooms and common areas (like coffee corners and kitchens).
 - Ventilate work areas about 4 times a day for about 10 minutes.
 - Use personal work clothes and wash work clothes regularly.
 - Clean door handles and lift buttons regularly, banisters, coffee machines, and other objects that are often touched by several people.

If it is objectively impossible to carry out the necessary measures, the activity must be completely or partially interrupted. If some or all employees can no longer continue their work for this reason and there is no alternative solution within the company, an application can be made for compensation for the reduced working hours.

Switzerland content as at 13 May 2020

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Ukraine

Tenant Relief measure

The following tenant relief measures have been introduced by Law No.540-IX, dated 30 March 2020 (as amended):

- Non-residential property, (other than land), owned by individuals and legal entities is not subject to real estate tax for the period from 1 March 2020 until 31 March 2020.
- Land tax for land plots used in business activity shall not be accrued and paid for the period from 1 March 2020 until 31 March 2020.
- Tenants of non-residential premises may request exemption from rent or respective rent reduction, in case they are not able to use respective property due to quarantine (incl. ban on usage of leased property; prohibition to access to the leased property by third parties etc.). Due to vague wording and absence of clear definition of the concept “use of property” it is not clear which tenants would enjoy such extension or reduction. It seems obvious to exempt from rent payments for shopping and entertainment facilities, fitness centers, etc., since such restriction is directly stipulated by the Cabinet of Ministers Resolution No.211, dated 11 March 2020 (as amended), which established the quarantine. However, it can be argued that Law No.540-IX, dated 30 March 2020 (as amended) exempts tenants from paying for the use of office space in business centers.

Some local municipal authorities also introduced specific measures on certain territories, such as rent payment reduction for use of communal property in Kyiv city.

Back to Work Provision

Currently, the Cabinet of Ministers of Ukraine has begun easing quarantine restrictions.

On 29 April 2020 and 4 May 2020 the Cabinet of Ministers of Ukraine amended Resolution No.211, dated 11 March 2020, introducing “quarantine” regime and “emergency situation”.

The following are no longer, inter alia, under the ban (but must be in strict compliance with the mask regime, and certain compulsory sanitary measures):

- Open food markets;
- Non-food stores;
- Hairdressers and beauty salons;
- Cafes and restaurants (takeaway), open terraces;
- Parks and squares;
- Law firms and notaries, auditors;
- Dental services;
- Work of entities related to mass media, audiovisual production etc.

Ukraine content as at 14 May 2020

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United Kingdom

Tenant Relief Measure

Currently the UK has not introduced any specific rent relief measures.

However measures were passed through parliament as a emergency legislation to tackle many of the impacts of Covid-19. These include:

- Until 30 September 2020, the extension of the notice requirements for eviction relating to all residential tenancies to 3 months.
- Temporary relief measures from forfeiture to commercial tenants as a result of non-payment of rent for an initial fixed period of approximately 3 months, ending on 30 June 2020.

On 23 April 2020 the government announced it will introduce The Corporate Insolvency and Governance Act 2020, and the Taking Control of Goods and Certification of Enforcement Agents (Amendment) Coronavirus Regulations 2020.

These legislations are set to contain measures to extend the commercial tenant relief to also prevent landlords from taking other actions in order to claim unpaid rent, such as using statutory demands, Commercial Rent Arrears Recovery (CRAR) or issuing orders to begin winding up proceedings.

The relevant periods that will be covered are as follows:

- Statutory demands that are served between 1 March - 30 June 2020;
- Winding-up petitions that are issued between 27 April - 30 June 2020; and
- The CRAR processes will temporarily prevent landlords to pursue tenants unless they are owed 90 days of unpaid rent.

These provisions do not act as a 'rent holiday', and the tenants will still be liable for any unpaid rent.

The measures may be extended subject to government determination.

Back to Work Provisions

The full government guidance can be found here: www.gov.uk/guidance/working-safely-during-coronavirus-covid-19

The broad government measures are as follows:

- Work from home, if you can.
- Carry out a COVID-19 risk assessment, in consultation with workers or trade unions.
- Maintain 2 metres social distancing, wherever possible.
- Where people cannot be 2 metres apart, manage transmission risk.
- Reinforcing cleaning processes.

The government has also published sector specific guidance, examples of which are as follows:

Retail

- Limiting the number of customers in the store, overall and in any particular congestion areas, for example doorways between outside and inside spaces.
- Working with your local authority or landlord to take into account the impact of your processes on public spaces such as high streets and public car parks.

Office

- Providing additional parking or facilities such as bike racks to help people walk, run, or cycle to work where possible.
- Providing alternatives to touch-based security devices such as keypads.
- Using markings and introducing one-way flow at entry and exit points.

United Kingdom

Back to Work Provisions (cont.)

Construction

- Providing handwashing facilities, or hand sanitiser where not possible, at entry and exit points.
- Staggering arrival and departure times at work to reduce crowding into and out of the workplace, taking account of the impact on those with protected characteristics.

Restaurants (offering takeaway or delivery)

- Providing handwashing and hand sanitiser and encourage visitors to wash their hands regularly.
- Regulating entry so that the premises do not become overcrowded, and placing 2m markers on the floor to maintain social distancing inside the premises.

It is not clear where the responsibility falls for ensuring that these measures are implemented and / or observed effectively, or who will bear the cost of compliance. There will need to be an assessment on a case by case basis, to take into account factors such as:

- The lease / licence.
- Any service charge.
- Any property management agreement.
- Further government guidance and market examples.

UK content as at 19 May 2020

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