

Ius Laboris Webinar

Coronavirus: managing a workforce in Eurasia in challenging times

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SPEAKERS



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RUSSIA – REGIONAL LOCKDOWN RESTRICTIONS

PROHIBITED ACTIVITIES

- No official country-wide lockdown
- Nationwide regime of non-working days (effective since 30 March) ended on 11 May
- Starting 12 May, regions decide on restrictions and prohibited activities, depending on local epidemiological factors
- Restrictions effective during non-working days are still in force in the majority of regions
- Digital passes for individual travel have been introduced in some regions
- All public events within the country are still banned
- For people over 65 and those suffering from chronic illnesses, there is compulsory self-isolation
- External borders are closed for all types of travel (except diplomatic, transit and certain others)

PERMITTED ACTIVITIES

- Until 11 May only 'essential' organisations could operate during non-working days (continuously operating organisations, food and essential goods providers, medical, pharmaceutical and others). Starting from 12 May, the regions can, at their discretion, set out a list of 'non-essential' organisations, the visiting of which is limited (by all visitors, including employees), but other organisations can operate
- Employees of 'non-essential' organisations should continue working remotely
- Schools and universities should continue working remotely
- Banks should operate as normal, though some offices are closed
- Until 15 June 2020, employers may hire foreign nationals (legally residing in Russia) without migration permission

RUSSIA – ADDITIONAL HEALTH & SAFETY REQUIREMENTS

OBLIGATORY:

- Social distancing (at the region's discretion, but not less than 1 metre)
- Employee temperature monitoring
- Limiting travel, face-to-face meetings and visits to company premises
- Requirement to inform authorities of the number of employees and their work regimes (in some regions)
- Wearing of masks and gloves and regular disinfection of workplaces (in some regions)
- Testing not less than 10% of employees for coronavirus every two weeks from 12 May (in some regions)

RECOMMENDED:

- Informing employees about health & safety measures
- Introducing special local rules (e.g. a coronavirus policy)
- There is a comprehensive list of measures in the Recommendations of the federal authority in the sphere of human wellbeing. This covers, for example, transportation of employees to and from the workplace and how to conduct medical tests. These measures are mandatory in some regions

RUSSIA – EMPLOYERS’ OBLIGATIONS AND WORKFORCE MANAGEMENT

TEMPORARY OR PERMANENT ADJUSTMENTS

Paid or unpaid leave - employee’s consent is required

Reduction of working hours and salary - employee’s consent required

Remote work is recommended (if possible) with employee’s consent

Downtime may be imposed, 2/3rds of the salary is payable

Termination - is possible on general grounds

Sick pay - not less than RUB 12,130 per month; approximately EUR 150

RUSSIA – GOVERNMENT SUPPORT

BUSINESS SUPPORT

- Interest-free loans for the most affected industries (only for payment of salaries)
- Subsidies (for payment of salaries) for small and medium-sized enterprises (SMEs) in the most affected industries
- Reduced rate of social security contributions for SMEs (from 30% to 15%)
- Social contribution payments for SME's deferred for 4 to 6 months
- Ban on filing for insolvency for businesses in the most affected industries
- Write-offs of tax for the second quarter of 2020 for SMEs and individual entrepreneurs in the most affected industries
- Additional loan programme to support employment (2% interest rate, if existing headcount is maintained)

GUARANTEES FOR EMPLOYEES

- Employees of 'non-essential' organisations, who cannot work at the workplace, will be paid the same salary as they had been paid before this restriction
- Increased unemployment allowance for those dismissed from 1 March in some regions (e.g. Moscow, RUB 20,195; approximately EUR 250)
- Increased subsidies and allowances for those in protected categories (e.g. those with children or disabilities)
- Additional payment for families with children aged between 3 and 16 (RUB 10,000 per child; approximately EUR 125)
- Additional monthly payments of up to RUB 60,000; approximately EUR 750, for employees of social educational and health institutions



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BELARUS – NO GENERAL LOCKDOWN

PROHIBITED ACTIVITIES

- 14-day self-isolation regime for certain categories of individuals, including foreign nationals
- ‘Soft-quarantine’ recommendations for each administrative unit, such as:
 - children are free to attend school, but remote schooling should be done where possible
 - prohibition of exhibitions, presentations and trade fairs
 - certain restrictions on restaurants, cafes and bars (e.g. 1.5 metre distancing and regular ‘technical breaks’)

PERMITTED ACTIVITIES

- Belarusian state borders are open, but travellers must self-isolate for 14 days
- Travel within Belarus is permitted
- Road transport for freight is possible only on special routes, with limited stops
- Employers should ensure employees maintain physical distance and avoid unnecessary travel
- Shops should introduce alternatives to cash payment and stipulate the distance customers should maintain from each other

BELARUS – EMPLOYERS’ OBLIGATIONS AND WORKFORCE MANAGEMENT

HEALTH AND SAFETY MEASURES

- **General safety advice:** employers must take all necessary preventative measures to secure employees’ health and safety
- **Duty of care:** to conduct wet cleaning using detergents and disinfectants; to ensure the efficient operation of ventilation and air conditioning systems; to limit physical meetings and travel

MANAGEMENT OF THE WORKFORCE

- **Teleworking** may be imposed (if possible)
- **Organisational changes:** adapting the work to comply with social distancing, e.g. by creating separate work shifts for groups of people, remote work, reduced working hours
- **Minimum notice period** for changes to essential work conditions has been shortened to 1 day
- **Annual leave allocation**
- **Unpaid social leave**
- **Self-isolation is sick leave**

BELARUS – GOVERNMENT SUPPORT SCHEMES

TYPE OF SUPPORT SCHEME

- **No wage or social security contribution compensation**
- **Sick pay:** the government will pay sick leave
- **Support schemes for SMEs** in the most affected industries - tax and rental holidays (e.g. payment obligations deferred until 31 December 2020)

HOW MUCH TO THE EMPLOYEE?

Sick pay

- In the case of self-isolation and sickness
- Childcare allowance



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UKRAINE – PROHIBITED AND PERMITTED ACTIVITIES

PROHIBITED

17 March – 11 May:

- Physical retail (goods and services)
- Public meetings
- Use of public transport
- Movement of those over 60
- Border crossing (limited)

EXCEPTIONS

- Business activity not related to customer service
- Home delivery
- Food, pharmaceutical and some other types of business (e.g. providing household essentials)

UKRAINE – HEALTH & SAFETY MEASURES AND ANTI-CRISIS MEASURES

DURING CORONA-CRISIS EMPLOYERS ARE FACED WITH NEW LEGAL DILEMMAS

- What to do with staff of closed businesses (stores, cafes etc.)?
- What to do with staff who could continue to work but do not have private means of transport to reach the office?
- What to do with staff who are scared to come to the office?
- How to comply with fast-changing legislation?

UKRAINE – SUPPORT SCHEMES FOR EMPLOYERS AND EMPLOYEES

BETTER THAN NOTHING...

INDIRECT STATE COMPENSATION TO EMPLOYEES FOR REDUCED WORKING HOURS:

- Applies only to small and middle-sized businesses
- Amount to be decided by the State Fund, but maximum UAH 4,723 (approximately USD 175) per employee per month and subject to tax (19.5%)
- To be paid by the employer and reimbursed later by the state



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KAZAKHSTAN – QUARANTINE REGIME

PROHIBITED ACTIVITIES

- Universities, colleges and schools are closed (distance learning)
- Certain activities have been resumed or will resume gradually between 20 April and June
- Shopping and entertainment centres, cinemas, restaurants, theatres, religious sites and other places of mass gathering are closed
- Entertainment, commemorative, sporting, family and other public events are prohibited
- Individuals who have had contact with an infected person must self-isolate for 14 days

PERMITTED ACTIVITIES

- Home working is recommended
- Industrial and construction companies, notaries, financial and insurance companies, banks, household appliance shops, building material stores, service stations, hairdressers, dentists and many other service organisations have resumed operations (although must comply with strict sanitary rules)
- Limited domestic passenger flights are available. International flights are scheduled for foreign nationals seeking to leave Kazakhstan

KAZAKHSTAN – EMPLOYERS’ OBLIGATIONS AND WORKFORCE MANAGEMENT

HEALTH AND SAFETY MEASURES

- **General safety obligations:** employers must take robust sanitary and disinfection measures to secure employees’ health and safety
- **Guidelines** from the Ministry of Health and Chief State Sanitary Doctor must be complied with, including various sectoral guidelines (e.g. for offices)
- **Requirements:** social distancing (2 metres), provision of disposable masks, gloves, sanitisers and hot drinking water for all employees working in offices; cleaning and disinfection of work premises and equipment; efficient operation of ventilation and air conditioning systems

WORKFORCE MANAGEMENT

- **Teleworking** is recommended (if possible)
- **Temporary shutdown** may be imposed, the minimum monthly wage of KZT 42,500 must be paid
- **Reduction of working hours** (only with employee’s consent)
- **Unpaid leave** (only with employee’s consent). Employees are entitled to apply for government support of KZT 42,500 per month
- **Termination of employment** on the employer’s initiative is possible
- **Sick pay** - sick employees are provided with a work incapacity certificate and state-guaranteed payment of up to KZT 41,670

KAZAKHSTAN – GOVERNMENT SUPPORT SCHEMES

TYPE OF SUPPORT SCHEME

- **Some SMEs are exempt** - from tax, social security and medical insurance that relate to the employees' fund for 6 months, from April to September. Sectors that benefit include tourism, transport, IT, consulting, private education, private healthcare, catering, retail and other sectors affected by the coronavirus.
- **Oil refineries are exempt from** excise tax on exported petrol and diesel fuel until 31 December 2020
- **Preferential loans** - a total of KZT 600 billion, for 1 year, at 8%. Combined with the “Economy of Common Goods” programme, the support received by business will reach KZT 1 trillion
- **Agricultural sector support:** preferential loans, along with diesel and other fuel types will be subsidised for the next sowing season

HOW MUCH TO EMPLOYEES?

- 4 million people who have lost their incomes are receiving KZT 42,500 per month
- Temporary loan relief - a ban on penalties on all unsecured consumer loans with deferred payment options of more than 90 days
- Implementation of the Employment Roadmap - 254,300 new jobs will be created
- Reimbursement of utilities expenses is available for some socially vulnerable groups
- Additional incentive payments for health workers involved in quarantine activities
- All pension and benefit payments will be increased by 10%.
- About 800,000 citizens from vulnerable groups will be provided with food packages

WHAT OF THE FUTURE?



RUSSIA

STILL FIGHTING AGAINST COVID-19

Regional governments may reduce restrictions based on medical evidence by applying a three-stage plan, approved at the federal level:

FIRST STAGE: outdoor activities and the reopening personal service businesses and non-grocery retail will be permitted (with limits on space and maximum numbers of people)

SECOND STAGE: some schools and universities may reopen in addition to the above, and the opening space restrictions will be relaxed

THIRD STAGE: the above businesses can operate without restriction and restaurants, parks and hotels may reopen

BELARUS

BELARUS' PATH IS DIFFERENT

- Belarus stands out – no lockdown in place
- The trend is cautiously positive in terms of the spread of infection
- No free access to the facts about the spread of infection
- Private business tends to be more socially responsible and conscious in terms of soft quarantine measures and may retain reasonable isolation and social distancing until the end of August 2020
- It is possible that Belarusian nationals may be prevented from travelling to the rest of the world after their borders have reopened

UKRAINE

FIRST STAGE OF THE QUARANTINE EXIT PLAN:

STARTING 11 MAY:

- opening of shops, cafés (only summer terraces), beauty salons and some other public services

STILL LIMITED:

- entertainment services
- public food services (inside the premises)
- public transport

Next stage is expected to start on 22 May

KAZAKHSTAN

FOCUSING ON THE END OF LOCKDOWN

- The official lockdown ended and partial reopening began on 20 April, when Kazakhstan gradually started reopening private businesses. Other businesses and state authorities will be opened if the infection rate decreases
- Universities, colleges and schools will be closed until the autumn (and distance learning will continue meanwhile)
- It is expected that people will be ordered to continue following sanitary and disinfection requirements (involving masks, gloves, thermometers, disinfectants, etc.) and social distancing
- Increased use of testing to identify infected individuals and their contacts
- Digital tracking of individuals self-isolating at home.
- Wave of insolvencies and restructurings expected

QUESTIONS?



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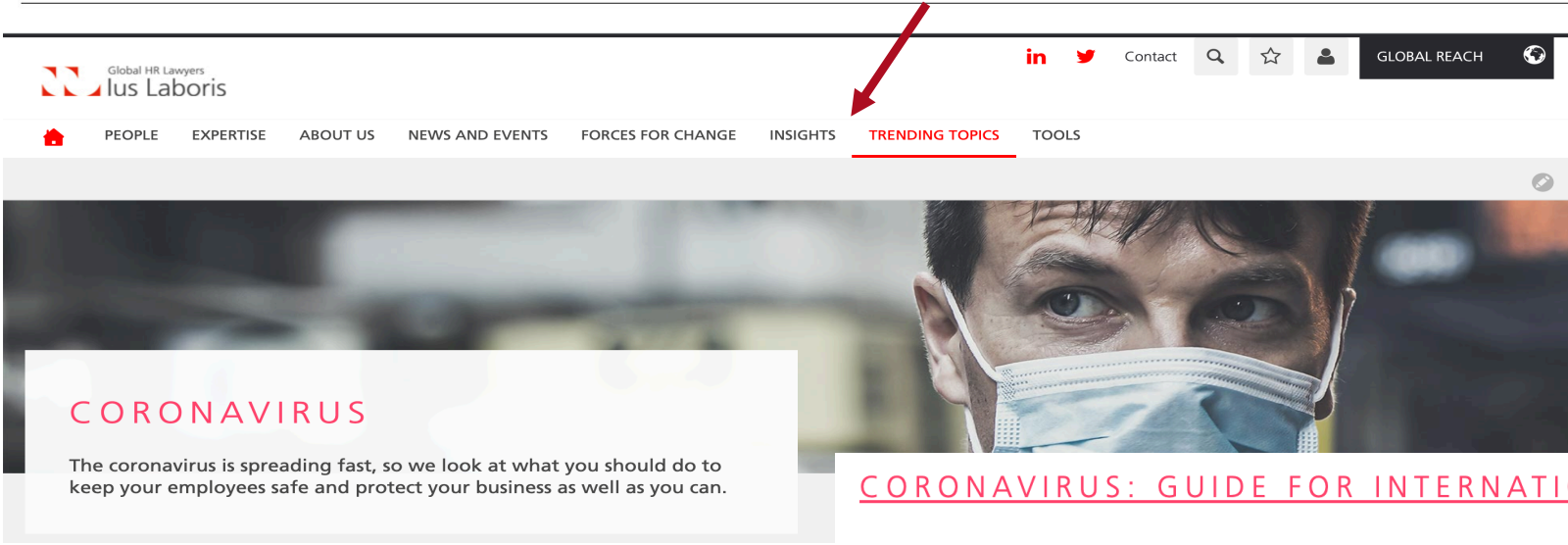
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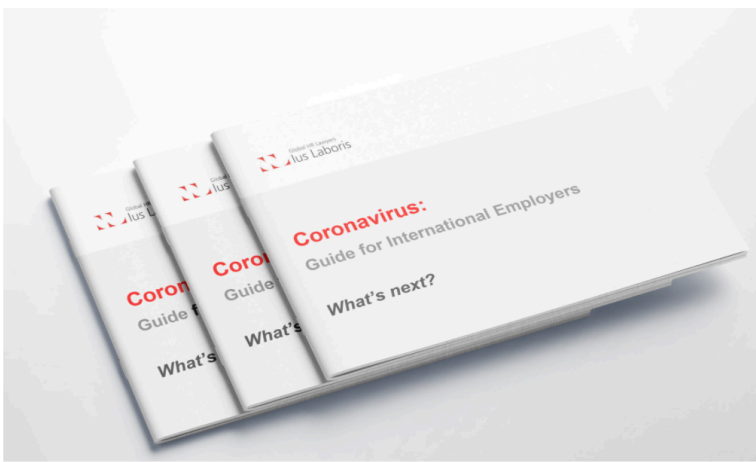
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