



HR Legal Alert

1 April 2020

Weinhold Legal

Conditions for drawing from the Antivirus program

On 31 March 2020, the Government approved a new simplified concept of the "Targeted Employment Support Program", the so-called Antivirus, which can be found on this [page](#) (czech only) (the "Program"). The program will only apply to employers whose labour costs are not covered by public budgets and impact on the costs incurred by employers from 12 March 2020 for the duration of the obstacle to work, but no later than the end of April 2020, with the possibility of extending the program until the end of May 2020. Applications can be submitted from 6 April 2020.

Regime A (includes former A and B)

Contribution amounting to **80% of eligible expenses** (wage/salary compensation + social and health insurance), up to a maximum of **CZK 39,000 per month per employee for the duration of the following obstacles to work.**

ORDERED QUARANTINE FOR EMPLOYEES

- ▶ The employee was unable to work due to the quarantine ordered (including isolation ordered under the Public Health Protection Act) in connection with COVID-19.
- ▶ The employer pays the wage/salary compensation under Section 192 of the Labour Code of at least **60% of the adjusted average earnings of the employee.**

EMERGENCY MEASURES

- ▶ The employee does not perform work because operations have been closed or restricted due to emergency measures taken by the government, the Ministry of Health or another public health authority in connection with COVID-19 during the emergency.
- ▶ The employer pays wage/salary compensation in accordance with Section 208 of the Labour Code of **100% of the employee's average earning**

Regime B (includes former C, D and E)

This is a contribution amounting to **60% of eligible expenses**, but no more than **CZK 29,000 per month per employee.** The link between the obstacle to working with COVID-19 is being presumed.

Absence of a significant portion of employees

- ▶ Work is not assigned due to the absence of at least 30% of employees due to the quarantine ordered in connection with COVID-19 or childcare due to school closures.
- ▶ The employer pays wage/salary compensation in accordance with Section 208 of the Labour Code of **100% of the employee's average earnings.**

Downtime - supply restriction

- ▶ Work is not assigned as a result of a loss of production inputs, i.e. supplies of essential raw materials, products or services, in connection with COVID-19, which must be demonstrated.
- ▶ The employer pays the wage/salary compensation according to Section 207 point (a) of at least **80% of the employee's average earnings.**

Partial unemployment

- ▶ The employer cannot assign work to employees because of a temporary reduction on demand for products or services provided by him/her in relation to COVID-19.
- ▶ The employer pays the wage/salary compensation in accordance with Section 209 of the Labour Code of at least **60% of the employee's average earnings.**

Employees of one employer can be in different regimes. The reduction in March is not mentioned in the available information

Procedure for obtaining the contribution from the Antivirus programme

Contributions from the Antivirus program will be provided by the Labour Office of the Czech Republic. The program anticipates 5 steps:

1. Electronic submission of the application via the web application (necessity of data box or recognized electronic signature), the establishment of the account where the contribution will be sent must be documented;
2. Conclusion of the Agreement (TEXT OF THE AGREEMENT IS NOT YET AVAILABLE), the text is automatically generated by the application and is considered to be signed by the employer if it is sent by the



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data box or with a recognized electronic signature, by the Labour Office the presumption of signing in the same way (sends the agreement back via a data box or email with a recognized electronic signature);

3. Submission of the statement of account after the processing and payment of wage/salary compensation and mandatory payments (the annexes will be specified), each regime has a separate form, the labour office will not evaluate the correctness of the application of the obstacle to work, this will only happen during the control activity (step 5);
4. Provision of the contribution after verification with the Czech Social Security Administration that the employee concerned is registered with the employer;
5. Inspection activities and possible sanctions (general inspection of compliance with labour law regulations, in particular the obligation to pay employees the appropriate wage/salary compensation and make statutory deductions in planned). The employer must have documents in place to prove the reason for the obstacles.

Conditions for drawing the contribution:

- ▶ The Labour Code must be observed by the employer, especially in relation to obstacles to work;
- ▶ Eligible employees are those who are in an employment relationship at the time of submission of the statement of account and have not been dismissed, with the exception of notice pursuant to Section 52 g) and h) of the Labour Code;
- ▶ Employment agencies have the possibility to apply for contribution for employees whose employment contract was agreed before 12 March 2020 and lasts for the entire duration of the program;
- ▶ It is only possible to apply for an employee who is participating in sickness and pension insurance under Czech legislation;
- ▶ The employer may not draw other public funds for the same purpose;

- ▶ The employer must return the contribution if he does not pay wage/salary compensation and fails to make statutory deductions within the statutory deadlines, or violates the Labour Code.

Attention:

Not all details of the conditions for drawing the contribution nor the text of the agreement are known yet. It is therefore necessary to re-examine the drawing conditions before submitting the application and the statement of account. Please pay close attention to the text (all provisions) of the agreement itself under which the state contribution is to be granted and, before sending it to the Labour Office, make sure that you fully understand all the conditions laid down for drawing the support contribution. If you are unsure about the interpretation or impact of any provision, please contact us.

The information contained in this bulletin is presented to the best of our knowledge and belief at the time of going to press. However, specific information related to the topics covered in this bulletin should be consulted before any decision is made. At the same time, the information contained in this bulletin should not be construed as an exhaustive description of the relevant issues and any possible consequences. Furthermore, it should be noted that there are various legal opinions on some of the issues raised in this bulletin due to the ambiguity of the relevant provisions. It cannot therefore be ruled out that in the future an interpretation other than the one we give us will prevail.

For further information, please contact the partner / manager you are usually in touch with or the following Weinhold Legal lawyers:



Anna Bartůřková
Managing Associate
Anna.Bartunkova@weinholdlegal.com



Eva Procházková
Senior Associate
Eva.Prochazkova@weinholdlegal.com



Barbora Suchá
Senior Associate
Barbora.Sucha@weinholdlegal.com