

N

E

W

S

COVID-19

Labour law

www.swisslegal.ch

Shortlink:

<https://bit.ly/38LFwIY>

>>>

Unsere Einschätzungen dienen der allgemeinen Beurteilung der aktuellen (aussergewöhnlichen) Lage, sie ersetzen keine Rechtsberatung im Einzelfall.

Nos analyses servent d'évaluation générale de la situation actuelle (extraordinaire) - elles ne remplacent pas le conseil juridique dans les cas individuels.

Our legal opinions serve as a general overview of the current (extraordinary) situation - they do not replace legal advice in individual cases.

swisslegal

What measures should generally be taken in the company to protect employees?

In principle, all appropriate measures must be taken to ensure that operations can be maintained even if a pandemic spreads (see official rules of conduct). In extreme cases, the shutdown of the company, holidays or short-time working can be ordered (with continued salary payments). For employees who belong to the group of so-called particularly vulnerable persons (acc. to Art. 10b of COVID-19-Vo 2), with special regulations described in the last amendment of the Ordinance, dated 17.4.2020 (see following page).

In the event of closure of a company due to the pandemic (ordered by the authorities or due to lack of supplies), are wages still to be paid and are notice periods to be respected?

According to the law, if an employer is hindered in performing work, he must continue to pay the wages not only if he can be held responsible, but also if he is "delayed in accepting work for other reasons". Since there is no need for culpability, the operational risk also applies in the event of operational disruptions. It is therefore necessary to differentiate between different spheres of risk (i.c. the operational risk):

- If a business is shut down (e.g. due to corona cases) by the authorities or due to a lack of suppliers or because of reduced demand from a **specific business**, the risk is more likely to fall within the company's sphere of risk and hence, that the employer remains obliged to pay wages. Under certain circumstances (see below) he may apply for short-time work compensation. According to the **new rules**, overtime no longer has to be reduced before short-time compensation can be paid (see below) ; and the employer cannot force a reduction of vacation time. Therefore, we recommend that employers proactively seek a solution with their employees regarding the payment (compensation) of overtime and the reduction of holiday claims.
- If, however, the shutdown by the authorities - as is happening at present - is based on Art. 6 of COVID 19-Vo 2 and affects **all companies in certain sectors throughout Switzerland**, the legal situation is not crystal-clear yet. However, in line with SECO's view (see link below), there are good reasons why the COVID-19 pandemic can no longer be considered as a normal operational risk – and consequently would release the employer (company) from its obligation to pay wages. But, as most of the companies have meanwhile applied for short-time work (compensation), the question no longer arises.

When it comes to the question of dismissal, the statutory or special contractual notice periods still apply. If an employer with usually more than 20 employees is considering dismissals, he principally still must comply with the regulations on mass dismissals (Art. 335d et seq. of the Swiss Code of Obligations). Accordingly, even in the event of a pandemic (state of emergency), a dismissal is in principle to be classified as abusive if the legally regulated procedure is not followed.

What precautions must be taken for particularly vulnerable employees?

Particularly vulnerable persons must observe special rules in accordance with Art. 10b para. 1 COVID-19-Vo. They should stay at home and avoid public areas, crowds etc. When leaving home, they must follow the FOPH's recommendations on hygiene and "social distancing". In addition to persons > 65 years of age, there are mainly persons with high blood pressure, diabetes, cardiovascular diseases, chronic respiratory diseases, cancer, and diseases and therapies that weaken the immune system to be considered vulnerable (see COVID-19-Vo 2 ordinance, in particular appendix 6 that provides more details and is constantly updated by the FOPH).

Consequently, Art. 10c, para. 1 COVID-19-Vo 2 imposes cascading special obligations on employers for such employees up to and including release from work.

In general, particularly vulnerable persons should **perform their work at home (home office)** and the employer must provide appropriate organisational and technical measures. If this is not possible, the employer must assign the persons concerned an equivalent substitute work (at the same wage) which can be done from home.

If, for operational reasons, **presence on site is wholly or partly indispensable**, particularly vulnerable persons can only be employed on site in their traditional occupation under certain conditions:

- a) **the workplace must be organized in that way, that any close contact with other persons is excluded (single room, fencing, 2 m of physical distance) ;**
- b) **if close contact cannot be avoided at all times, protective measures must be taken according to the so-called **STOP** principle (substitution, technical measures, organisational measures, personal protective equipment).**

If it is not possible to organise the traditional work in accordance with the distance rule and the STOP principle, the employer must assign an equivalent substitute work on site for the same remuneration, during which the appropriate protective measures can be observed (distance rule or STOP principle).

The persons concerned must be heard in advance and may refuse (!) assigned work if, despite the protective measures taken, they consider the risk of infection to be too high for special reasons and, on request, present a medical certificate.

If employment is not possible under these conditions or if the employee justifiably refuses to work, he or she is released from the obligation to work and continues to receive payment.

What are the consequences if employees stay away from work for fear of contagion?

Wage payments can be stopped and in the case of longer absences, dismissal is also possible. In principle, the regular notice periods and wage payment obligations are still applicable (regardless of whether full employment is possible or not).

What applies if employees are absent from work due to contagion/illness?

The usual rules apply here in the event of employee illness.

What happens if employees' relatives and especially their children are ill?

In principle, the same (general) rules apply as for the illness of kids of employees – except the fact that in the event of a pandemic, the authorities can immediately order quarantine measures for families. So, if i.e. schools etc. are closed, employees must generally reorganize themselves privately. Under certain conditions, however, parents affected can apply for compensation for loss of earnings based on the new Corona-EO.

link: <https://www.bsv.admin.ch/bsv/de/home/sozialversicherungen/eo-msv/grundlagen-und-gesetze/eo-corona.html#-426425304>

What are the consequences if employees who have been quarantined are absent from work?

The quarantine order is always based on a legal basis - without any fault on the part of the employees. This is a reason for prevention that is "in the person" and thus falls within the employee's sphere of risk. In such a case of prevention, Art. 324a OR provides that the employer must pay wages for a limited period of time. Subject to special agreements, the above-mentioned continued salary payment will therefore take effect after a three-month working period (at the earliest) and until the end of quarantine (the latest).

What must an employer do if employees come to work and are ill?

Based on the duty of care for the affected employees (and other employees), measures must be taken (i.e. the person concerned must be sent home immediately, quarantined or, if necessary, sent to a doctor).

How should employees returning from risk areas be treated?

From the point of view of the duty of care, it is currently advisable to separate the employees concerned from the others until it is clearly established that there is no risk of infection. Where possible, home offices or quarantine should be ordered.

It is recommended to discourage workers from travelling to high-risk areas and to give them the prospect of quarantine on their return from such an area and of not being paid if no home office is available.

What is the best way to prevent workers from becoming infected on the way to work?

It is advisable here to follow the recommendations of the authorities and to take appropriate measures on the part of employers to ensure that employees can avoid e.g. rush hours on public transport (flexible working hours, home office, etc.)

Can companies apply for short-time working compensation ("SWC") because of the corona virus?

In principle, yes, provided that the work absences are due to **official measures** (e.g. sealing off entire regions, towns and cities) or other circumstances for which the employer is not responsible (and only if the companies (employers) specifically affected could not have avoided the work absences through suitable, economically viable measures or even passed them on to third parties) OR if they are due to **economic reasons** and are unavoidable, e.g. if both economic and structural reasons cause a decline in demand or sales.

In particular, the following conditions must be met in order to be entitled to apply for SWC:

- the employment relationship must not have been terminated
- the loss of employment is likely to be temporary and it can be expected that jobs can be maintained through short-time working;
- the working hours can be controlled;
- the loss of working hours accounts for at least 10% of working hours per accounting period;
- the loss of working hours is **not caused** by circumstances that are part of **normal operating risk**.

Is "CORONA" sufficient as justification for the application for short-time work compensation?

No. Despite certain formal simplifications and the shortening of the advance notification period (to 3 days), SECO states that it must still be possible to credibly demonstrate in the justification of the application to what extent the expected loss of working hours is attributable to the corona virus (adequate causal link between the spread of COVID-19 and loss of working hours) - a simple reference to "corona", "COVID-19" or similar is not sufficient.

Can employers demand holiday pay/reduction or compensation for overtime from "SWC"?

Basically, no. A reduction of the personal holiday claim is only possible in the cases as regulated by the law (special rules apply to company holidays). Short-time work does not entitle employers to reduce personal holiday claims. And, in order to avoid a concentration of risk when all employees take their holidays at the same time, we recommend proactively to find mutually agreed solutions with the employees.

Links: https://www.seco.admin.ch/seco/de/home/Arbeit/neues_coronavirus/kurzarbeit.html ;
<https://www.arbeit.swiss/secoalv/de/home/menue/unternehmen.html>

N

E

W

S

COVID-19

Contract law

www.swisslegal.ch

Shortlink:

<https://bit.ly/38LFwIY>

>>>

Unsere Einschätzungen dienen der allgemeinen Beurteilung der aktuellen (aussergewöhnlichen) Lage, sie ersetzen keine Rechtsberatung im Einzelfall.

Nos analyses servent d'évaluation générale de la situation actuelle (extraordinaire) - elles ne remplacent pas le conseil juridique dans les cas individuels.

Our legal opinions serve as a general overview of the current (extraordinary) situation - they do not replace legal advice in individual cases.

swisslegal

What happens if suppliers are no longer able to deliver on time or not at all (and thus cause delays and downtime in your own operations)?

Primarily the rules according to the **contract** apply. Very few contracts are likely to include special rules for force majeure or a pandemic. If **general terms and conditions** are applicable, they should be checked to see whether special provisions apply to force majeure.

From a legal point of view, the question generally arises whether a pandemic qualifies as force majeure. Good general terms and conditions will provide a clear regulation in this respect. There are often exemplary lists of events, but these are usually not conclusive. If the wording is not clear, it depends on the circumstances whether it can be invoked. The more drastic and unexpected authorities' measures are, the better the chances are that one can argue that the pandemic (as a trigger) is equal to the force majeure. The case must always occur *completely unexpectedly* and be *independent* of human behaviour. Hence, existing pandemic plans show that such events are always to be expected and – strictly speaking – not subject to force majeure.

It is ***very important that the other party is informed proactively and as soon as possible of the possible consequences such as delay or impossibility of performance***, as failure to provide timely information may mean that force majeure can no longer be invoked.

Subsidiarily, the rules of the Swiss Code of Obligations (and, if applicable, other laws and regulations applicable to a specific legal transaction) shall apply in any case if Swiss law has been contractually chosen.

Default / deficiencies in performance

The party who does not deliver as agreed is in default and the specific rules according to the Swiss Code of Obligations apply (e.g. Art. 190 CO for the purchase of vehicles, Art. 366 for the contract for work and services, Art. 394 for mandates and, subsidiarily, the disruptions of performance according to Art. 75 ff. and in particular Art. 102 ff. OR). The consequence of a delay is that compensation is due, unless it can be proven that the delay occurred without any fault. In the case of a pandemic, this proof could be provided as mentioned above, and depending on the circumstances.

If one party is unable to deliver/perform at all, there is a right to withdraw from the contract (Art. 107 et seq. CO), although in some circumstances not even a grace period is to be set (Art. 108 CO). The contract is then reversed. In addition, compensation can be claimed for damages resulting from the cancellation of the contract, whereby the other party can exculpate in the same way as in the case of default.

For rental agreements (analogous for leases)

In principle, the provisions of the rental agreement (including the general terms and conditions) apply, as well as the specific (or mandatory) provisions of the Swiss Code of Obligations.

Art. 6 of the COVID-19 Ordinance 2 of the Federal Council provides for the complete closure of shops, restaurants, bars, discos, nightclubs, museums, sports centres, hairdressing salons, wellness centres, swimming pools and other facilities. In case that companies, as a result of the official measures ordered, are no longer able to use the rented property in accordance with the contract, the question arises as to whether this creates an imbalance between the landlord and the tenant – and if it can be compensated with the rent payments. In the absence of any precedents, the legal situation is still uncertain. However, it is recommended that the parties proactively find a mutual consent in good time.

As a new development, the Federal Council has issued the **COVID-19 Ordinance on Rent and Lease as of 27 March 2020**, extending the deadline for late payments of residential and commercial rent or ancillary costs due between 13 March and 31 May. The payment period with the threat of termination in accordance with Art. 257d para. 1 OR has **now** been extended from at least 30 days to at least 90 days. If the tenant still fails to pay within the 90-day period, the landlord can terminate the lease with 30 days' notice. However, this extension of the payment period does not result in a postponement of the due date. In other words, the rent is still owed in accordance with the rental agreement in place - except the tenant is entitled to a reduction or remission of the rent.

What happens if a trip is not carried out by the organizer and/or is not taken by the travelling party with reference to the pandemic ?

In this case, too, the contractual agreements or the general terms and conditions apply primarily. Such consequences are usually regulated.

If the costs are not reimbursed by the organizer, it must be checked whether an insurance company will cover the damage. Most of the general terms and conditions of insurance companies contain rules on force majeure. Some explicitly exclude pandemics.

It can be assumed that tour operators strictly follow the recommendations of the Federal Office of Public Health (FOPH). However, warnings for certain risk areas must be observed!

Various insurance companies currently cover such damage as a gesture of goodwill. However, this could change in the coming weeks and months.

What happens if orders are cancelled with reference to the pandemic?

If orders for goods and/or services are cancelled, the contracts and the ABGs are again primarily relevant. The rules of the Swiss Code of Obligations also apply here.

What happens if payment has already been made by credit card?

Credit card charges can usually be objected to and payment refused within 30 days. In doing so, one could invoke a pandemic with a certain chance of success. The general terms and conditions of the respective credit card companies are decisive.

What applies to new contracts?

It is recommended that new contracts explicitly refer to possible service disruptions as a result of such events as the current pandemic, in order to be better prepared in case one's own service cannot be provided as agreed through no fault of one's own. It should also be remembered to adapt one's own terms and conditions and to insert clear wording in this regard.

N

E

W

S

COVID-19

Corporate law

www.swisslegal.ch

Shortlink:

<https://bit.ly/38LFwIY>

>>>

Unsere Einschätzungen dienen der allgemeinen Beurteilung der aktuellen (aussergewöhnlichen) Lage, sie ersetzen keine Rechtsberatung im Einzelfall.

Nos analyses servent d'évaluation générale de la situation actuelle (extraordinaire) - elles ne remplacent pas le conseil juridique dans les cas individuels.

Our legal opinions serve as a general overview of the current (extraordinary) situation - they do not replace legal advice in individual cases.

swisslegal

May a general assembly be held at this time (during pandemic) ?

The Corona Ordinance 2 of 13 March 2020 (SR 818.101.24, amendment of 16 April 2020) issued by the Federal Council on the basis of the Epidemic Law contains a general (temporary) ban on public or private events with physical presence [including sporting events and club activities] in Art. 6 para. 1.

With the same objective of protection, i.e. to prevent or contain the spread of COVID-19, to interrupt transmissions, to prevent (new) outbreaks and to protect persons at risk, Art. 6b Covid-19-Vo 2 specifically addresses the meetings of companies. Here, by emergency law, "meetings" held electronically or in writing - or meetings by proxy - were declared permissible. The text of the ordinance only mentions "companies". However, these are more strictly regulated by law than associations, cooperatives and foundations. Consequently, the facilitations should also apply to the latter. The corresponding text of the new Corona Regulation 2 can be found below: <https://www.admin.ch/opc/de/official-compilation/2020/1249.pdf>

This means that general meetings (GM) may be held BUT in compliance with the official protective measures and in compliance with the legal basis (see below). In particular, please note that the attendance requirement of GM (i.e. the physical presence of the partners/shareholders or their representatives) has been temporarily suspended (for information: the reform of company law [which is still in the process of clarifying the differences between the National Council and the Council of States] also provides for the possibility of holding GM resolutions by circular letter or virtually), which means that in principle the GM can be held virtually or by proxy.

...the following points must be considered:

- Representation/proxy: First, the company's articles of association must be checked whether a freely chosen proxy can be transferred to one shareholder representative only. In the present situation, it is advisable to appoint an independent proxy. The power of attorney can be included with the invitation to the GM or made available for download. It can also be issued shortly before the GM.
- Presence at the GM: A chairman (BoD member), a secretary/voting-counter, the independent proxy, a representative of the auditor (if necessary), and a notary public for decisions which must be notarized should always be physically present. However, if the shareholders exercise their rights exclusively in writing or electronically (i.e. without an independent proxy), all these persons may also participate only electronically, provided that the identification can be guaranteed. In both cases, the representatives of the auditors can only attend the GM electronically.

Telephone/video-conferencing: The Regulation allows to exercise the rights in electronic form. In principle, it must be ensured that each participant can be identified/authenticated and can express himself at the GM, listen to the votes of other participants and exercise his rights, in particular, his right to vote (this means that all participants must meet "simultaneously"). However, it was decided not to impose the requirement of live-picture conversations. In case of telephone or video conferences, the minutes of the GM must be prepared anyway.

No voting by e-mail: The only possible way to exercise the rights is by written vote. An e-mail does not fulfil the criterion of written form.

Time aspects: It is crucial that the Board of Directors takes a decision and issues the appropriate instructions during the period stipulated by the regulation, i.e. by 10 May 2020. It is not relevant when the AGM ultimately takes place. The GM can therefore be convened before 10 May 2020 (including the corresponding orders in accordance with the Ordinance), but the GM itself can take place after 10 May 2020.

Can the GM be postponed (beyond the current 6-month deadline)?

There are two different cases to be differentiated:

The GM has not yet been formally convened (invitation not yet sent out):

If the invitation has not yet been sent out, the statutory provisions continue to apply to the convening of the meeting, i.e. the meeting must be convened in the form prescribed by the articles of association at least 20 days before the date of the meeting. The above-mentioned options, which are set out in Art. 6b Corona Ordinance 2 (see above), also apply here. If the Board of Directors wishes to make use of the instructions pursuant to Art. 6b para. 1 lit. a or b Corona Ordinance 2, it must take and communicate this decision by 10 May 2020, see above.

Since the 6-month deadline pursuant to Art. 699 para. 2 CO is only an ordinance, exceeding this deadline does not result in the invalidity of the GM or the nullity of the resolutions, nor can the resolutions adopted be challenged - even if the articles of association record an annual ordinary GM within six months of the end of the financial year. According to the Federal Department of Justice and Police, a new General Assembly may also only be held in the second half of the year, but the doctrine nevertheless advises against an excessively long postponement (over several months or "until further notice") due to the uncertain legal situation.

The GM has already been formally convened (invitation sent out):

If the GM has already been formally convened, no new invitation is necessary. For the announcement of the new orders applicable based on Art. 6b lit. a or b COVID-19-Regulation 2 it is sufficient that they are communicated in writing or published electronically at least 4 days before the event. In any case, we recommend shareholders to be informed in advance of the new GM rules and in writing.

Important links:

Current text of the new Corona Ordinance 2 (last amendment of 16.04.2020):

<https://www.admin.ch/opc/de/classified-compilation/20200744/202003170000/818.101.24.pdf>

<https://www.admin.ch/opc/de/official-compilation/2020/1249.pdf>

FAQ Coronavirus and general meetings:

<https://www.bj.admin.ch/dam/data/ejpd/aktuell/news/2020/2020-03-06/faq-gv-d.pdf>

N

E

W

S

COVID-19

Bridge loans for Swiss companies

www.swisslegal.ch

Shortlink:

<https://bit.ly/38LFwIY>

>>>

Unsere Einschätzungen dienen der allgemeinen Beurteilung der aktuellen (aussergewöhnlichen) Lage, sie ersetzen keine Rechtsberatung im Einzelfall.

Nos analyses servent d'évaluation générale de la situation actuelle (extraordinaire) - elles ne remplacent pas le conseil juridique dans les cas individuels.

Our legal opinions serve as a general overview of the current (extraordinary) situation - they do not replace legal advice in individual cases.

swisslegal

How can Swiss companies bridge corona related liquidity constraints?

On 26 March, the Federal Council enacted the Ordinance on the Granting of Credits and Solidarity Guarantees ("Emergency Ordinance on Joint Guarantees"). The Federal Council aims at facilitating quick access to loans for SMEs in order to bridge liquidity constraints caused by corona. These loans will be secured by the Swiss State. From 26 March 2020 (as of 8 AM Swiss Time) on, the relevant loan application forms can be submitted to the banks.

What credit lines are available under which conditions?

The Emergency Ordinance on Joint Guarantees provides for two types of joint guarantees, (a) **joint guarantees with simplified requirements** and (b) **other joint guarantees**. The differentiating element is the amount guaranteed by the Swiss State.

a) Joint guarantees with simplified requirements:

In this case, a guarantee organization provides an informal, one-time joint and several guarantee for bank loans to companies domiciled in Switzerland in the amount of **up to CHF 500,000**. The corresponding bank loan is interest-free. In this case, the Confederation guarantees 100%, i.e. if the company concerned does not repay the loan within five years, the Confederation will cover the entire loan amount.

In order to qualify for a joint guarantee with simplified requirements, it is required that the applying company

- ✓ was established before 1 March 2020;
- ✓ is not in bankruptcy or insolvency proceedings;
- ✓ is significantly affected by the COVID 19 pandemic (economically speaking, i.e. in terms of its turnover); and
- ✓ has not already received liquidity guarantees based on the emergency regulations in the areas of sports or culture when submitting the application.

b) Other joint guarantees:

A guarantee organization provides joint and several guarantees for **bank loans of up to CHF 20 million**, plus for an annual **interest rate of 0.5%**. In this case, the Swiss State guarantees for 85%, which means that if the corresponding company does not repay the loan within five years, the Swiss State will cover 85% of the loan amount. The corresponding bank loans will carry an annual interest of 0.5%.

In order to qualify for an other joint guarantee, it is required that

- ✓ the applying company meets the four conditions relating to joint guarantees with simplified requirements;
- ✓ the applying company has a Swiss company identification number; and
- ✓ the applying company's bank confirms to the guarantee organization that it has taken a positive credit decision based on a credit assessment customary in the relevant industry and taking into account the joint guarantee under the Emergency Ordinance of the Federal Council.

What is the amount of the joint and several guarantee?

In any case, the total amount guaranteed **will not exceed 10 percent of the applicant's turnover in 2019**. If the final annual financial statements for 2019 are not yet available, the provisional version or, if such provisional accounts are not available either, the turnover figures for 2018 shall be taken into consideration.

For start-up companies the following rule applies: if the company started its business activities on 1 January 2020 or later, or in the case of a fiscal year that is longer than the one in which it was founded in 2019, the revenue shall correspond to the net yearly salary payments multiplied by three, but in any event **at least CHF 100,000 and up to a maximum of CHF 500,000**. For start-up companies, this leads to a de facto limitation of such bank loans to CHF 50,000.

What is the duration of the joint and several guarantees?

The loan shall be given for a **maximum time period of five years** starting on the date when the loan is actually granted. The bank may, with the consent of the Swiss Government, extend this maximum period by two more years if the timely repayment would cause considerable financial inconveniences to the borrower.

IMPORTANT: Loans granted under the Emergency Ordinance on joint and several guarantees are **not to be considered as debt capital** for the purposes of calculations in accordance with Art. 725 of the Swiss Code of Obligations (capital loss and over-indebtedness) **until 31 March 2022**.

What activities are excluded during the term of the guarantee?

In particular, the following activities are not permitted:

- ❖ distribution of dividends or reimbursement of capital contributions;
- ❖ granting of loans or refinancing of private and shareholder loans;
- ❖ amortization of intercompany loans; and
- ❖ transfer of the credit funds received under the Emergency Ordinance Solidarity Guarantees to Group companies abroad.

By when must credit applications be submitted and where?

Loan applications must be submitted to the lending bank (principal bank) **by 31 July 2020** using the application form (see <https://covid19.easygov.swiss/>) and submitted by the bank to the guarantee organization by 14 August 2020. In the case of loans guaranteed in accordance with the provision on joint guarantees with simplified requirements, the transmission of the loan agreement signed by the applicant to the bank is deemed to be the application.

How long does it take until the loan amount is disbursed?

According to the banks, applications are processed without delay and liquidity is made available immediately (according to the banks' information, within **one hour** for existing clients and **within 24 hours** for new clients).

Are self-employed persons also entitled to compensation for loss of earnings?

On 16 April 2020, the Federal Council informed that a hardship clause will also be created for self-employed persons who suffer a loss of earnings as a result of measures to combat coronavirus. A distinction must be made here between self-employed persons who **a)** had to close their business due to an official order and those who **b)** have suffered a loss of income due to the other measures (e.g. due to a lack of orders, customers, etc.).

a) self-employed farmers whose business was closed down in accordance with Article 6 para. 2 of the COVID-19 Ordinance:

- shops and markets,
- restaurants, bars and discotheques, nightclubs and erotic businesses
- entertainment and leisure facilities, namely museums, libraries, cinemas, concert halls, theatres, casinos, sports centres, fitness centres, swimming pools, wellness centres, ski resorts, botanical and zoological gardens and zoos;
- establishments offering personalised services with physical contact such as hairdressers, massages, tattoo studios and cosmetics.

(b) self-employed persons who, although they may continue to pursue their activity, find themselves in financial difficulty because of the situation

In accordance with the decision of 17 April 2020, they are also entitled to compensation, subject to the following limitation (hardship clause)

- if the earned income is between CHF 10 000 and CHF 90 000; and
- The entitlement is limited to a maximum income period of two months.

The compensation fund that settles the contributions is responsible for the assessment.

Source/Link: <https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen.msg-id-78515.html>

N

E

W

S

COVID-19

www.swisslegal.ch

Legal basis of official measures

Shortlink:

<https://bit.ly/38LFwIY>

>>>

Unsere Einschätzungen dienen der allgemeinen Beurteilung der aktuellen (aussergewöhnlichen) Lage, sie ersetzen keine Rechtsberatung im Einzelfall.

Nos analyses servent d'évaluation générale de la situation actuelle (extraordinaire) - elles ne remplacent pas le conseil juridique dans les cas individuels.

Our legal opinions serve as a general overview of the current (extraordinary) situation - they do not replace legal advice in individual cases.

swisslegal

What are official orders and measures based on when dealing with COVID-19?

The so-called **Epidemics Act (EpG; SR 818.101)** regulates the protection of humans against communicable diseases and provides for the necessary measures. According to Art. 6 para. 2 EpG, the Federal Council can order various measures (e.g. towards individual persons and the population, health care professionals, etc.) after hearing the cantons if a special situation exists. In addition, if an extraordinary situation in accordance with Art. 7 EpG requires it, it may order the necessary measures for the entire country or for individual parts of the country.

The competent cantonal authorities may order measures against individuals, such as quarantining, ordering medical examinations and taking samples, or even prohibiting the exercise of certain activities or their profession in part or in full (Art. 33 - 38 EpG).

The cantonal authorities may order measures in accordance with Art. 40 EpG against the population and certain groups of people in order to prevent the spread of communicable diseases. The measures must be coordinated among themselves. The measures may include the prohibition or restriction of events, the closure of schools, public institutions and private companies. In the process, regulations on operations may also be issued. In addition, entering and leaving certain buildings and areas and certain activities at defined locations may be prohibited or restricted.

Based on Art. 10 and Art. 38 para. 1 of the EpG, the Federal Council issued the so-called **Influenza Pandemic Ordinance (IPV; SR 818.101.23)** in 2005. This Ordinance has not been in force since 1 January 2016. Instead, the Epidemic Ordinance (EpV, SR 818.101.1) came into force on 1 January 2016. On 28 February 2020, the Federal Council issued the "**Corona Ordinance**" and on 13 March 2020 the "**Corona Ordinance 2**" (SR 818.101.24). Both COVID-19 ordinances were based on Art. 184 f. BV and Art. 6 para. 2 let. b EpG, which authorised the Federal Council to order measures to protect the population in view of the special situation at the time.

Since these recommendations and measures for the protection of public health were apparently not sufficient to reduce the number of new cases of COVID-19 in Switzerland to the desired extent, the Federal Council issued **COVID-19-Vo 2 (SR 818.101.24, latest update of April 16, 2020)**. The updated ordinance still contains measures to slow down the spread of the pandemic, flatten the curve of new infections in Switzerland and to protect so-called vulnerable persons AND the latest version still maintains the ban on private and public events involving physical persons (including general meetings of companies), the closure of kindergartens, schools and training centres with face to face teaching, as well as commercial enterprises in certain sectors, BUT **it now envisages also a step-by-step relaxation of some lock-down measures, beginning with certain businesses areas and education (schools, kindergarten) from 26 April 2020**. For more information, please see: <https://www.admin.ch/opc/en/classified-compilation/20200744/index.html>