APAC COVID-19 FAQ EDITION VI – 8 MAY 2020

Employment Law Expertise Provided by Asia Pacific Members of the



INTRODUCTION

In the recent weeks, the Covid-19 situation has brought about great uncertainty for the world. Employers have not been spared. It can be challenging to wade through the ever changing myriad of notices, advisories and guidelines issued by the different governments.

To assist our clients, the Employment Law Alliance's APAC member firms have put together a set of FAQs to deal with some of the more common questions we have been asked relating to the new policies / advisories which have been issued in our respective jurisdictions as well as cost cutting measures which can be implemented to manage the cost of doing business.

The fifth edition of this paper was published on 4 May 2020 and can be found <u>here</u>. As the situation is constantly evolving, we are providing weekly updates to our readers. This is the sixth edition and includes updates from Hong Kong, Japan, Philippines, Taiwan and Thailand.

Readers should take note that this information is accurate as at 7 May 2020. We encourage readers to keep abreast of developments in the countries of concern to them on a daily basis. Should you have any queries, please feel free to reach out to the contributors individually.

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Q: Are there government directions restricting travel out of or into your jurisdiction ("Travel Restrictions")?

A: The Hong Kong Government strongly discourages all non-essential travelling to any place outside of Hong Kong, but has not banned any outbound travelling.

Effective from midnight of 25 March 2020 (until further notice), all inbound travelers arriving in Hong Kong would be subject to compulsory quarantine of 14 days.

Also effective from midnight of 25 March 2020:

- All non-Hong Kong residents coming from overseas countries and regions by plane will be denied entry to Hong Kong;
- Non-Hong Kong residents coming from the Mainland, Macao and Taiwan will be denied entry to Hong Kong if they have been to any overseas countries and regions in the past 14 days; and
- All inbound travellers from the Mainland, Macao or Taiwan (including Hong Kong and non-Hong Kong residents) have to stay at designated places (home or other accommodation) for compulsory quarantine apart from the exempted persons (such as persons necessary for the supply of goods or services required for the normal operation of Hong Kong or the daily needs of the people of Hong Kong)

Q: Are there any government directions to shut down business ("Shut Down directives")?

A: The following scheduled premises have been ordered to remain closed for until 21 May 2020:

- (a) bathhouse;
- (b) party room;
- (c) club or night club; and
- (d) karaoke establishment.

Premises that are exclusively or mainly used for the sale or supply of intoxicating liquors for consumption in that premises (i.e., bars and pubs) and other scheduled premises (e.g., fitness centres and beauty parlours) will be allowed to resume operation starting from 8 May 2020, subject to certain conditions such as screening of body temperature and provision of hand sanitiser.

The Government has further issued directions for catering businesses, requiring them to, inter alia, keep a distance of at least 1.5 metres between tables and not allow more than 8 persons to be seated together at one table.

Q: Are there any government directions on policies employers must adopt to ensure no close physical interaction between persons at the work place ("Distancing Policies")

A: Although the Hong Kong Government has not issued any mandatory directions that employers must follow to ensure social distancing, it appeals to employers to be flexible in working arrangements, such as allowing employees to work from home, avoiding large scale meetings, reducing face-to-face contact with co-workers, and arranging flexible meal hours.

On a related note, effective from 8 May 2020 for 14 days until 21 May 2020, any group gathering of more than eight persons in any public place will be prohibited. However, twelve types of group gatherings are exempted, including group gatherings at a place of work for the purposes of work, for the purposes of or related to transportation, and of persons living in the same household.

Q: Are there any schemes to help businesses cope with the additional staff related costs resulting from the Covid-19 situation?

A:

1. To enhance Hong Kong's ongoing work in the fight against the novel coronavirus infection and to provide support and assistance to industries and members of the public affected by the epidemic, the Government has set up a HK\$30 billion Anti-epidemic Fund (the "Fund"). The Fund will provide additional resources to strengthen the territorial-wide anti-epidemic work and will render support to the affected industries and employees. The Hong Kong Government announced a second round of the Fund on 8 April 2020.

The first round of the Fund covers the following sectors: property management, construction, retail, food and catering, transport, convention & exhibition, fisheries, arts and culture, licensed guesthouses and travel agents. Not all of the subsidy schemes under the first round of the Fund are directed at employment-related issues, but some do, for example, the Anti-epidemic Support Scheme for Property Management Sector aims to provide an "Anti-epidemic Cleansing Subsidy" to property management companies and owners' organizations in private residential and composite

buildings, and subsidises them to provide the "Anti-epidemic Hardship Allowance" to front-line property management workers (i.e. cleaning and security workers). Each worker will be given a monthly allowance of HK\$1,000 for four months, subject to a cap of six headcounts per building block.

On 8 April 2020, the Hong Kong Government announced a second round of the Fund in light of COVID-19. One of the measures include introducing a HK\$80 billion Employment Support Scheme ("**ESS**").

In relation to the ESS:

- The subsidy to be offered under the ESS is calculated based on 50% of the monthly salary of a specified month (any one month from January to March 2020 to be nominated by the employer), which is capped at HK\$18,000 (i.e. the maximum subsidy amount will be HK\$9,000), for a period of six months.
- In terms of eligibility, all employers who have been making Mandatory Provident Fund (MPF) contributions or who have set up Occupational Retirement Schemes (ORSO schemes) for their employees for employees are eligible.
- As condition to application for the ESS, employers have to undertake that they cannot implement redundancy during the subsidy period and that they will spend all the government wage subsidies in paying wages to their employees. The employees may be engaged in full-time or part-time work as each enterprise's circumstances differ. After approval of the application, the number of employees on payroll shall not be less than the number of employees in March 2020. Should there be any reduction in the number of employees on the payroll within the MPF and the ORSO framework during the period compared to the number of employees in March 2020, the ESS subsidy will be adjusted with claw back and other penalty.
- Payment will be made in two tranches. Applications for the first tranche will start before the end of May 2020 till the first week of June 2020, with the aim of making the first payout to employers within June to help them pay the wages for June to August 2020. Application dates for the second tranche will be announced in due course, with payment to be made in September 2020 for paying the wages of September to November 2020. The detailed application and payment mechanisms are being worked out in consultation with stakeholders including the MPF trustees.

Our Chief Executive has said that 100 per cent of the wage subsidies provided by the Government have to be spent on wages. The employer cannot not deploy the money for other purposes and the Government will put in place very robust auditing after the event because they don't want to have detailed vetting before paying out. Part of the mechanism includes publishing the list of employers receiving ESS subsidy, the total number of employees benefited, and the amount of subsidy granted, to enable the society and the employees concerned to monitor the situation. In the event an employer is found to have breached the conditions of the scheme, the employees concerned or members of the public may report to the relevant authorities.

It is otherwise hoped that more details and clarity regarding the application and eligibility criteria for ESS will be provided in the near future.

Separately, the deadline for payment of tax for year of assessment 2018/19 that will be falling due will be automatically extended for three months, with details to be announced by the Inland Revenue Department.

2. Separately, the Hong Kong Commerce & Economic Development Bureau's SME Financing Guarantee Scheme (the "Scheme") is planned to be rolled out sometime in April. The Scheme aims to alleviate the burden of paying employee wages and rents by small and medium-sized enterprises which are suffering from reduced income, thereby help minimise enterprise shutting down and layoffs. The Hong Kong Government will provide a 100% guarantee for approved loans taken out by eligible enterprises, in hopes that this will greatly enhance the chances for businesses in securing loans. The maximum amount of loan per enterprise is up to the total amount of employee wages and rents for six months per enterprise, or HK\$2 million, whichever is the lower. Further details are expected to be announced nearer the time of the commencement of the Scheme.

In terms of eligibility, it is said that all Hong Kong enterprises who have been operating and holding a valid Business Registration Certificate for at least three months by the end of December 2019 can apply to the Scheme. The loan applicant needs to provide proofs that they have suffered at least a 30 per cent decline in sales turnover in any month since February 2020 compared with the monthly average of any quarter in 2019. The current definition of "small-medium enterprises" used by the Hong Kong SAR Government is any manufacturing business which employs fewer than 100 persons in

Hong Kong, or any non-manufacturing business which employs fewer than 50 persons in Hong Kong. It is at present unclear whether the definition of SMEs for eligibility to apply for the Scheme will follow the aforementioned definition.

The maximum repayment period is three years from the first drawdown of the facility. To lessen the immediate repayment burden of enterprises, an option for principal moratorium will be provided under which loan applicants will only be required to pay interest in the first six months. Separately, an interest rate of the Hong Kong Prime Rate minus 2.5 per cent per annum (or equivalent). The guarantee fee will be waived.

3. Although not a subsidy scheme, pre-dating the COVID-19 outbreak, the Hong Kong Monetary Authority established the "Banking Sector SME Lending Coordination Mechanism" in October 2019 to provide a common platform for the banking industry to formulate solutions to support SMEs, including relieving SMEs' cash-flow pressure via lending solutions. Since its establishment, Hong Kong's banking sector has introduced several rounds of measures to help corporate and retail customers. Nearly 9 000 applications from SMEs involving principal repayment holidays, loan extensions and relief loans have been approved thus far, involving over HK\$57 billion. This has helped reduce the cash-flow pressure on customers and lessen the impact of the outbreak of COVID-19 on the local economy.



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JAPAN

Q: Are there any government directions to shut down business ("Shut Down directives")?

A: The state of emergency nationwide has been extended until May 31. The business closure request remains in place in 13 prefectures listed as requiring special caution, such as Tokyo and Osaka. On the other hand, the other 34 prefectures have been allowed to resume social and business activities subject to certain prevention measures, and some prefectures have decided to ease or lift the request.



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Q: Are there government directions restricting travel out of or into your jurisdiction ("Travel Restrictions")?

A: On April 30, 2020, the President issued Executive Order No. 112 ("EO No. 112") adopting the Inter-Agency Task Force on the Emerging Infectious Diseases ("IATF") Resolution No. 30, which recommended the extension of Enhanced Community Quarantine ("ECQ") in certain high-risk areas and proposing to place on General Community Quarantine ("GCQ") the areas that have been classified as low-risk or moderate-risk areas from May 1 to 15, 2020. Please refer to APAC COVID-19 FAQ Edition IV – 30 April 2020 for a list of the areas identified as high-risk areas.

EO No. 112 also adopted and formally approved the Omnibus Guidelines on the Implementation of Community Quarantine in the Philippines ("**Omnibus Guidelines**"). EO No. 112 also provided that any amendment or modification of such Omnibus Guidelines may be approved by the IATF without need of further approval of the President. Considering that there have been slight changes to the approved Omnibus Guidelines, we are restating the Omnibus Guidelines incorporating the changes introduced by EO No. 112 and IATF Resolution No. 30-A (these changes are in bold and underscored).

Approved ECQ Guidelines

Areas placed under ECQ shall observe the following protocols (the "ECQ Guidelines"):

- 1. Minimum public health standards shall be complied with at all times for the duration of the ECQ.
- 2. Strict home quarantine shall be observed in all households and the movement of all residents shall be limited to accessing essential goods and services, and for work in permitted officers or establishments listed hereunder.
- 3. Any person below 21 years old, those who are 60 years old and above, those with immunodeficiency, comorbidities, or other health risks, and pregnant women, including any person who resides with the aforementioned, shall be required to remain in their residences at all times, except when indispensable under the circumstances for obtaining essential goods and services or for work in permitted industries and offices.
- 4. The following are allowed to work or operate with a skeleton workforce (this pertains to the operational capacity which utilizes the smallest number of people needed for a business or organization to maintain its basic functions) unless a different operational capacity is provided:

- All agencies and instrumentalities of the government, including government-owned and controlled corporations, as well as local government units ("LGUs"), especially health and emergency frontline, border control, and other critical services, as well as government vehicles;
- b. Officials and employees of foreign diplomatic missions and international organizations accredited by the Department of Foreign Affairs ("DFA"), whenever performing diplomatic functions and subject to the guidelines issued by the DFA;
- c. Industries involved in agriculture, forestry, and fishery and their workers, including farmers, Agrarian Reform Beneficiaries (ARBs), fisherfolk, and agri-fishery stores, and such other components of the food value chain, at full operational capacity;
- d. Private establishments and their employees involved in the provision of essential goods and services, and activities in the value chain related to food and medicine production, such as but not limited to, public markets, supermarkets, grocery stores, convenience stores, laundry shops, food preparation establishments insofar as take-out and delivery services, water-refilling stations, hospitals, medical, dental, and optometry clinics, pharmacies, and drug stores. For dental procedures, the wearing of Personal Protective Equipment (PPEs) by dentists and attendants shall be mandatory, with strict observance to infection prevention and control protocols;
- e. Manufacturing and processing plants of basic food products, medicine and vitamins, medical supplies, devices and equipment, and essential products such as but not limited to soap and detergents, diapers, feminine hygiene products, toilet papers and wet wipes, and disinfectants. Establishments involved in the production, manufacturing, packaging, processing, and distribution of food may operate at a maximum of fifty percent (50%) of their respective workforces, unless the supply level of a basic food product warrants a higher capacity, in which case, the Department of Trade and Industry ("**DTI**") is authorized to approve the temporary increase of workforce capacity. Manufacturers of medicines, medical supplies, devices and equipment, including but not limited to suppliers of input, packaging, and distribution, shall be allowed to operate at full capacity.
- f. Delivery services, whether in-house or outsourced, transporting food, medicine, or other essential goods. Delivery of clothing, accessories, hardware, housewares, school and office supplies, as well as pet food and other veterinary products, shall likewise be allowed;

- g. Banks, money transfer services, microfinance institutions, excluding pawnshops not performing money transfer, and credit cooperatives, including their armored vehicle services, if any;
- h. Capital markets, including but not limited to the *Bangko Sentral ng Pilipinas* (Central Bank of the Philippines), Securities and Exchange Commission, Philippine Stock Exchange, Philippine Dealing and Exchange Corporation, Philippine Securities Settlement Corporation, and Philippine Depository and Trust Corporation;
- Power, energy, water, information technology and telecommunications supplies and facilities, including waste disposal services, as well as property management and building utility services;
- j. Energy companies, their third-party contractors and service providers, including employees involved in electric transmission and distribution, electric power plant and line maintenance, electricity market and retail suppliers, as well as those involved in the exploration, operations, trading and delivery of coal, oil, crude or petroleum and byproducts (gasoline, diesel, liquefied petroleum gas, jet oil, kerosene, lubricants), including refineries and depots or any kind of fuel used to produce electricity;
- k. Telecommunications companies, internet service providers, cable television providers, including those who perform indirect services such as the technical, sales, and other support personnel, as well as the employees of their third-party contractors doing sales, installation, maintenance and repair works;
- I. Business process outsourcing establishments ("BPOs") and export-oriented business with work-from-home, on-site or near site accommodation, or point-to-point shuttling arrangements. For this purpose, BPOs and their service providers and export-oriented businesses shall be allowed to install and transport the necessary work-from-home equipment, to enhance their operations by deploying their workers under on-site or hearsite accommodation arrangements, or provide point-to-point shuttle services from their near-site accommodations to their offices.
- m. Airline and aircraft maintenance employees, including pilots and crew, and ship captains and crew;
- n. Media establishments, at a maximum operational capacity of 50% of their total permanent staff complement as registered under the Department of Labor and

Employment ("**DOLE**"), inclusive of reporters and other field employees, as accredited by the Presidential Communications Operations Office;

- Construction workers accredited by the Department of Public Works and Highways ("DPWH") to work on facilities identified for purposes of quarantine and isolation, including such facilities for the health sector, emergency works, flood control, and other disaster risk reduction and rehabilitation works;
- p. Manufacturing companies and suppliers of equipment or products necessary to perform construction works:
- q. Workers accredited by the Department of Transportation ("DOTr") to work on utility relocation works, and specified limited works across 13 railway projects, including replacement works for the Manila Metro Rail Transit System Line 3. Where applicable, onsite or near-site accommodations and/or point-to-point shuttle services should be arranged;
- r. Employees of the Philippine Postal Corporation at a capacity necessary to maintain the prompt delivery of services to its clients;
- s. The Philippine Statistics Authority, at a capacity necessary to conduct data gathering and survey activities related to COVID-19 and the registration and implementation of the national identification (ID) system
- t. Funeral and embalming services (funeral service operators are directed to provide shuttling services and/or housing accommodations for their personnel and staff);
- u. Humanitarian assistance personnel from civil society organizations (CSQs), nongovernment organizations (NGOs), and United Nations-Humanitarian Country Teams, as well as individuals performing relief operations to augment the government's response against COVID-19 and other disasters or calamities that may occur (provided, that they are authorized by the appropriate government agency or LGU);
- v. Pastors, priests, imams or such other religious ministers whose movement shall be related to the conduct of necrological or funeral rites. In this connection, immediate family members of the deceased from causes other than COVID-19 shall be allowed to move from their residences to attend the wake or interment of the deceased upon satisfactory proof of their relationship with the latter and social distancing measures;
- w. Veterinary clinics; and
- x. Security personnel;

For purposes of the foregoing, transit by permitted persons to and from the above establishments anywhere within the area covered by ECQ shall be allowed.

- 5. The co-equal or independent authority of the legislature (Senate and the House of Representatives), the judiciary (the Supreme Court, Court of Appeals, Court of Tax Appeals, Sandiganbayan, and the lower courts), the Office of the Ombudsman, and the constitutional commissions to operate and accredit their skeleton workforces, or implement any other alternative work arrangements, is recognized.
- 6. Hotels or similar establishments shall be allowed to provide basic lodging to the following guests:
 - a. For areas outside Luzon, guests who have existing booking accommodations for foreigners as of May 1, 2020;
 - b. Guests who have existing long-term bookings;
 - c. Distressed Overseas Filipino Workers ("OFWs") and stranded Filipinos or foreign nationals:
 - d. Repatriated OFWs in compliance with approved quarantine protocols;
 - e. Non-OFWs who may be required to undergo mandatory facility-based quarantine; and
 - f. Health care workers and other employees from exempted establishments under the Omnibus Guidelines and applicable Memoranda from the Executive secretary.
- Mass gatherings such as but not limited to, movie screenings, concerts, sporting events, and other entertainment activities, community assemblies, <u>religious gatherings</u>, and non-essential work gatherings shall be prohibited.
- 8. Physical classes at all levels shall be suspended for the duration of the ECQ.
- 9. Public transportation shall be suspended.
- 10. Agencies and their regional offices in the executive branch are hereby directed to issue accreditation, office, or travel orders to identify their respective skeleton workforces for critical services operating for the duration of the ECQ. Bona fide IDs issued by the respective agencies shall be sufficient for movement within the contained areas, skeleton workforces may use official agency vehicles.
- 11. Regulatory agencies with jurisdiction over permitted establishments or persons are likewise tasked to issue official IATF accreditation IDs. Bona fide IDs issued by establishments exempted from the strict home quarantine requirement shall likewise be honored by law enforcement agencies.

- 12. The RapidPass system shall be complementary to the existing IATF IDs issued by the memberagencies which shall continue to be honored in all quarantine checkpoints. Enrollment for RapidPass IDs shall be voluntary and shall only cover qualified private sector entities or persons. The movement of cargo vehicles shall be unhampered. Cargo vehicles as well as vehicles used by public utility companies, BPOs, and export-oriented establishments shall not be subject to an ID system.
- 13. Government offices and private corporations are encouraged to process payrolls online. However, for those who cannot, payroll managers, and such other employees that may be required to process payrolls and print payrolls shall be allowed to travel and operate covering the periods of ECQ.
- 14. Other exemptions from the home quarantine requirement through previous IATF resolutions or issuances by the Office of the President shall be honored.

Approved GCQ Guidelines

Areas placed under GCQ shall observe the following protocols (the "GCQ Guidelines"):

- 1. Minimum public health standards shall be complied with at all times for the duration of the GCQ.
- The movement of all persons in areas placed under GCQ shall be limited to accessing essential goods and services, and for work in the offices or industries permitted to operate. Movement for leisure purposes shall not be allowed.
- 3. Any person below 21 years old, senior citizens (60 years old and above), those with immunodeficiency, comorbidities, or other health risks, and pregnant women, including any person who resides with them, are still required to stay at their homes, except when indispensable under the circumstances for obtaining essential goods and services and for work in permitted industries and offices.
- 4. Work in government offices may be at full operational capacity, or under such alternative work arrangements as agencies may deem proper in accordance with the relevant rules and regulations issued by the Civil Service Commission.
- 5. <u>Accredited diplomatic missions and international organizations may be at fifty percent (50%)</u> <u>operational capacity. Alternative work arrangements such as flexible work arrangements,</u> <u>compressed work week, telework, and telecommuting to strongly encouraged</u>.
- 6. The following sectors or industries shall be allowed to operate:

- a. Category I Industries Agriculture, fishery, and forestry industries, food manufacturing and food supply chain businesses, including food retail establishments such as supermarkets, grocery stores, and food preparation establishments insofar as take-out and delivery services, food delivery services, health-related establishments, the logistics sector, information technology and telecommunication companies, the media, at full operational capacity;
- b. Category II Industries Mining and other manufacturing, export-oriented, and electronic commerce companies, as well as other delivery, repair and maintenance, and housing and office services, at anywhere between fifty percent (50%) up to full operational capacity, and without prejudice to work-from-home and other alternative work arrangements; and
- c. Category III Industries Financial services, BPOs, legal and accounting, and auditing services, professional, scientific, technical, and other non-leisure services, <u>barber shops</u>, <u>salon, and other personal care services as defined by the DTI</u>, and other non-leisure wholesale and retail establishments, at a maximum of fifty percent (50%) work-on-site arrangement, and without prejudice to work-from-home and other alternative work arrangements.

The specific industries under each category are reflected in more detail in DTI Memorandum Circular No. 20-22 (series of 2020) dated May 5, 2020 ("**DTI MC No. 20-22**").

- 7. Limited operations in malls and shopping centers shall be allowed, except for leisure establishments and services which shall continue to be closed. Establishments and services allowed to operate in malls and shopping centers may only operate at a capacity consistent with above item #6 of the GCQ Guidelines. Those ages below 21 years old, and those 60 years old and above may not enter malls and shopping centers, except when indispensable under the circumstances for obtaining essential goods and services or for work in establishments located therein. On May 4, 2020, the DTI issued Memorandum Circular No. 20-21 (series of 2020) prescribing the guidelines on the operations of malls and shopping centers in areas declared under GCQ.
- 8. Essential public and private construction projects, such as but not limited to sewerage, water services facilities, and digital works, and health facilities, and priority projects, shall be allowed to operate in accordance with guidelines issued by the DPWH, reflected in a separate issuance.

- 9. Amusement, gaming, and fitness establishments, as well as those in the kids and the tourism industries, and all Category IV industries may not operate, Industries in Category IV are reflected in DTI MC No. 20-22.
- 10. The limitations on hotel operations as provided in item #6 of the ECQ Guidelines shall also be applicable to areas placed under GCQ.
- 11. Physical classes shall be suspended for the duration of the GCQ.
- 12. The prohibition on mass gatherings as provided in item #7 of the ECQ Guidelines shall also be applicable to areas placed under GCQ.
- 13. The road, rail, maritime, and aviation sectors of public transportation shall operate at a reduced capacity in accordance with guidelines issued by the DOTr. In all public transports, a strict one (1) meter distance between passengers shall be observed and appropriate engineering controls in place. On May 3, 2020 the DOTr has published on its website the Omnibus Public Transport Protocols / Guidelines in GCQ areas covering the road transport, aviation, maritime and railways sectors.

Approved Guidelines for Interzonal Movements

The following guidelines govern the transit of people and goods from: (a) an ECQ area to a GCQ area (and vice versa); and (b) an area that is not under community quarantine to a GCQ or ECQ area (and vice versa):

- The non-essential entry and exit of people to and from the ECQ zone shall be prohibited, except:

 health workers, (2) government officials and government frontline personnel, (3) those traveling for medical or humanitarian reasons, (4) persons transiting to the airport for travel abroad, (5) workers in permitted establishments and persons providing essential goods and services and public utilities, (6) essential skeleton workforce, (7) repatriated OFWs and non-OFWs returning to their residences, and (8) other persons transported through the efforts of the national government upon conduct of the necessary quarantine protocols and in concurrence with the receiving LGUs.
- 2. Movement of all types of cargos by land, air, or sea shall be unhampered. Workers in the logistics industry shall also be allowed unhampered movement across zones. Only a maximum of five personnel may operate cargo and delivery vehicles by land, with or without load.
- 3. Land, air, sea travel by uniformed personnel and government officials and employees for official business shall be allowed.

- 4. OFWs, permanent residents of foreign jurisdictions, and stranded foreign nationals may leave the country via airports placed under either ECQ or GCQ, provided no travel restrictions are implemented in the place of destination.
- 5. Repatriated OFWs or returning non-OFW are allowed movement across zones upon showing a certificate of completion of 14-day facility-based quarantine, or those who may be required to undergo a 14-day mandatory quarantine.

On May 3, 2020, the Civil Aviation Authority of the Philippines suspended inbound international and commercial flights in all airports until 8 A.M. of May 10, 2020.

Q: Please state what implications such Travel Restrictions have in managing employees

A: While the movement of workers of business establishments that are allowed to operate both in ECQ and GCQ areas are allowed, these establishments are subject to the operational capacity limits prescribed by the IATF and the DTI as discussed above and the restrictions in public transportation. In ECQ areas, public transportation is still suspended while in GCQ areas, public transportation may operate at a limited capacity. Employers will have to take into account these restrictions in public transportation in their plans of resuming their operations and in their plans of requiring their employees to report back to work. Due to limited operations of public transportation in GCQ areas and to further limit people movement, business establishments are encouraged to provide shuttle services to their employees.

Employees will also have to present in quarantine control points their company identification cards or certificates of employment, or any identification requirements that the IATF may issue. The IATF ID or Rapid Pass QR codes may be presented but not absolutely required at the control points.

Q: Are there any government directions on policies employers must adopt to ensure no close physical interaction between persons at the work place ("Distancing Policies")?

A: On April 30, 2020, the DTI and DOLE issued the Interim Guidelines on Workplace Prevention and Control of COVID-19 ("**DTI-DOLE Interim Guidelines**") to assist private establishments that are allowed to operate in ECQ and GCQ areas in developing their minimum health protocols and standards in light of the COVID-19 pandemic. The DTI-DOLE Interim Guidelines prescribe the: (a) safety and health standards that shall be implemented in all workplaces; and (b) duties and responsibilities of employers and employees.

Workplace Safety and Health Standards

- 1. Employers should help increase the physical and mental resilience of their employees by:
 - a. encouraging the workers to stay healthy through their daily activities nutritious food, water intake, have at least eight hours of sleep, and to exercise regularly;
 - b. enjoining companies to provide free medicines and vitamins; and
 - c. providing a referral for workers needing counseling or presenting mental health concerns.
- 2. Employers should help reduce COVID-19 transmission in the workplace by implementing the following protocols:
 - a. Before entering the building or workplace, all employers and workers:
 - must wear face masks at all times and only to remove the same when eating or drinking (the employers shall provide the workers with face masks);
 - ii. must accomplish daily health symptom questionnaire;
 - iii. must have their temperature checked and recorded; for any personnel with temperature > 37.5°, even after 5-minute rest, or if their response to the questionnaire needs further evaluation by the clinic staff, the personnel shall be isolated in an area identified by the company and shall not be allowed to enter the premises (the isolation areas should be well ventilated and must be disinfected frequently);
 - iv. must spray alcohol/sanitizer on their hands and provide disinfectant foot baths at the entrance, if applicable;
 - v. must disinfect equipment or vehicle entering the hub operational area; and
 - vi. must enforce physical distancing of one meter.
 - b. Inside the workplace, employers shall observe the following protocols:
 - areas and frequently handled objects shall be cleaned and disinfected regularly, at least once every 2 hours;
 - ii. washrooms and toilets must have clean water and soap;
 - sanitizers must be made available in corridors, conference areas, elevators, stairways and areas where workers pass;
 - workers shall always observe physical distancing of one-meter radius space between workers;
 - v. eating in communal areas is discouraged. It is best to eat in the individual work area and all wastes shall be disposed of properly. If eating in the individual work area is

not possible, the employer shall ensure that physical distancing is maintained in the dining area with one worker per table and one-meter distance between workers. Conversation with mask-off during meal times is discouraged; and

- vi. canteen and kitchens shall be regularly cleaned and disinfected.
- 3. Employers should help minimize contact among its employees by:
 - a. encouraging alternative work arrangements;
 - b. discouraging prolonged face-to-face interactions between workers and with clients;
 - i. masks shall be worn at all times during these meetings
 - ii. meetings that require physical presence shall be kept to a minimum number of participants and with a short duration;
 - iii. for lengthy discussion among workers, video conferencing shall be utilized;
 - iv. encouraging the use of online system for clients needing assistance from the offices.
 - c. observing physical distancing in the workplace;
 - i. arranging office tables in a manner that shall comply with the proper physical distancing;
 - ii. barriers may also be provided between tables;
 - iii. workstation should allow the unidirectional movement in aisles, corridors or walkways;
 - iv. the number of people in an enclosed space, such as a room, store, hall, and elevators, shall be limited;
 - v. use of stairs is encouraged provided that physical distancing requirements are observed;
 - vi. if two stairways are available, one shall be exclusively for heading up while the other for heading down;
 - vii. roving officer shall ensure physical distancing and observance of minimum health protocols
- 4. Employers should help reduce the risk of COVID-19 infection in the workplace by observing the following protocols:
 - a. If a worker is suspected to have COVID-19 infection:
 - the worker must proceed to the designated isolation area provided by the company and must not remove his/her face mask;
 - ii. the attending clinic personnel should wear appropriate Personal Protective Equipment (PPEs);
 - iii. if necessary, the company must transport the worker to the nearest hospital;

- iv. the hospital is mandated to report to the Department of Health ("DOH") for COVID-19 suspect;
- v. the workplace must be decontaminated and work can resume after 24 hours from decontamination; and
- vi. other workers present with the suspect COVID-19 worker shall go on a 14-day home quarantine
- vii. if the test results of the suspected worker is negative of COVID-19, the co-workers may go back to work.
- b. If a worker is sick or has fever but is not suspected to have COVID-19 the worker must be advised to stay at home and avoid crowds, take plenty of fluids, practice personal hygiene, and seek medical care if needed.

Duties and responsibilities of employers and employees

In general, the duties of employers are:

- a. provide the necessary company policies for the prevention and control of COVID-19 in consultation with workers;
- b. provide resources and materials needed to keep the workers healthy and the workplace safe, (e.g., masks, soap, sanitizer, disinfectant, PPEs, etc.);
- c. designate the safety officer to monitor COVID-19 prevention and control measures in the workplace (i.e., physical distancing, wearing of masks, regular disinfection, compliance to thermal scanning and accomplishing health symptoms questionnaire);
- d. enhance health insurance provision for workers;
- e. where feasible, provide shuttle services and/or decent accommodation on near-site location to lessen travel and people movement;
- f. enjoin the hiring from the local community; and
- g. put up a COVID-19 Hotline and Call Center for employees to report (e.g. if employees become symptomatic, and for daily monitoring scheme of suspected COVID-19 cases).

There are also special rules for employers in workplaces where workers are evidently at risk of infection such as in health-care and other frontline services.

Meanwhile, employees are generally expected to comply with all workplace measures in place for the prevention and control of COVID-19, to observe proper respiratory etiquette, to dispose used tissues properly, and to disinfect hands immediately after a cough or sneeze.

Employers may test workers for COVID-19. Testing kits used and procured shall be the responsibility of the employer. DOH Protocols shall be followed for the testing of workers. Company policy on COVID-19 testing shall be formulated and agreed upon by employers and workers in conformity with the DOH protocols. Workers with a negative test shall be allowed to continue to work. They should be given appropriate advice and instructions once they develop any health complaints or symptoms. The company OSH personnel shall continue to monitor all workers.

Employers shall provide the DOLE (copy furnished the DOH) monthly reporting of illness, diseases and injuries using the DOLE Work Accident/Illness Report Form.

The Philippine Economic Zone Authority ("**PEZA**") has also issued Memorandum Circular No. 2020-0026 on May 4, 2020 enjoining all PEZA-registered enterprises and developers to establish written policies and procedures to prevent and control the transmission of SARS-CoV-2 in the workplace. This Memorandum Circular refers to, among others, the DTI-DOLE Interim Guidelines as a guide that may be used in formulating internal protocols. Other policy issuances referred to in the Memorandum Circular includes:

- (i) the Action Checklist on the Prevention and Mitigation of COVID-19 at Work issued by the International Labour Organization on April 9, 2020;
- PEZA Memorandum Circular No. 2020-0024 dated April 22, 2020 or the "Guidelines for Preparing the PEZA Workplace for COVID- 19 Response after Lifting of the Enhanced Community Quarantine (ECQ)"; and
- (iii) DOH Administrative Order No. 2020-0015 dated April 27, 2020 or the "Guidelines on the Risk-Based Public Health Standards for COVID-19 Mitigation".

Q: Please state what implications such Distancing Policies have in managing employees

A: Please see our response above on "Are there any government directions on policies employers must adopt to ensure no close physical interaction between persons at the work place ("Distancing Policies")?".

Q: Are there any schemes to help businesses cope with the additional staff related costs resulting from the Covid-19 situation?

A: Under the Department Circular No. 002-2020, the Department of Finance extends the deadline until June 25, 2020, to pay the "taxes, fees, and charges of local government units," which are due as of March 25, 2020.



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Q: Are there government directions restricting travel out of or into your jurisdiction ("Travel Restrictions")?

A: Recent orders from the Central Epidemic Command Center ("CECC"):

- 1. From March 17 until the end of this semester (i.e. July 15, 2020), no students and teachers of high school level and below may leave the country
- From midnight March 19: All inbound non-Taiwanese individual is prohibited from entering the country, except those holding permanent residence, diplomat, business and other special permits. All inbound travelers, including Taiwanese citizens, shall submit to home quarantine for 14 days.
- From midnight March 21: Travel advisory for every country in the world has been raised to a Level 3 Warning – meaning avoid unnecessary travel. All inbound citizens shall submit to home quarantine for 14 days.
- From midnight March 24: No more transit flights through Taiwan. (On April 23, the CECC announced that considerations on the lifting the ban will depend on new developments in the COVID-19 pandemic. Please refer:

https://www.cdc.gov.tw/En/Bulletin/Detail/iesKecLcTdK1gqZr3xgRpg?typeid=158)

5. From May 4 midnight: Inbound travelers returning from overseas should complete the COVID-19 Health Declaration and Home Quarantine Notice before boarding. Those who make a false health declaration will be fined up to NT\$150,000. For those travelers who live with seniors (65 year-old or older), children (6 year-old or younger), or person with chronic diseases (such as cardiovascular diseases, diabetes or lung disease), or the dwelling of such travelers does not have a separate bedroom and bathroom, then he/she shall undergo the 14-day isolation at an quarantine hotel designated by the government.

In terms of employment, the Occupational Safety Guidelines state that employees may refuse to be dispatched to outbreak areas if the employer is unable to provide protective equipment or measures. If the employer continues to insist on making the trip, the employee may terminate the employment and seek severance pay.

Q: Are there any government directions on policies employers must adopt to ensure no close physical interaction between persons at the work place ("Distancing Policies")?

A: The Occupational Safety Guidelines have required employers to intensify their training/notification of employees with respect to disease prevention practices, and the recent Guidelines for Continued Operations by Businesses in Response to COVID-19 ("Continued Operations Guidelines") contain suggestions on advice to employees regarding coughing manners. In the event of community spreading, the Continued Operation Guidelines have recommendations for employers to lower the risk of outbreaks in the workplace, such as ensuring employees are seated at appropriate distances from each other, cancel or postpone large-scale meetings, etc.

In the "COVID-19 Response Guide for Employers Hiring Migrant Workers: Notes on Migrant Workers in the Workplace, Daily Living and Outing Controls", employers are suggested to manage the workplace and living spaces for migrant workers in separate groups. Migrant workers living in the same space should work and eat at the same location to the extent possible, and social distancing and/or partitions should be observed or established for dining spaces. Different groups of migrant workers should have their dining and shower times staggered in a flexible manner.

On April 10, the Central Epidemic Command Center revised the COVID-19 Response Guidelines: Social Distancing Notes, in which the general population is advised to not attend exhibitions, athletic events, performances and other social activities with close contact of other people. People should stay at least 1.5 meters away from each other indoors and at least 1 meter away outdoors, but if both are wearing masks, the aforementioned distancing suggestions may be exempted. For businesses where close contact is relatively frequent and there is no effective way to keep people at least 1.5 meters away from each other, they are advised to proactively consider suspending business operations. For office spaces, employees should consider implementing screens or other indoor partitioning measures to help employees keep a safe distance; if a meeting is required, the attendees should refrain from eating, and drinks should be sealed with caps to prevent infections through aerosol or bodily fluids.

As of the date of this writing, the aforementioned distancing policies are still only at a recommendation or suggestion stage ("Phase 1") with no penalties imposed, but the Central Epidemic Command Center may move up to mandatory levels ("Phase 2") at any time if the situation worsens, meaning all business activity other than essential businesses (medicine and other public operations required for maintaining life) will be shutdown. People may be required to stay at least 1.5 meters away from each other indoors, or at least 1 meter away even while wearing masks. While violations may be penalized, there is no official word on the specifics of penalties at this time.

Q: How should employers implement the cost cutting measures?

A:

- Per the announcements from the Ministry of Labor and the Special Regulations on the Prevention of Serious Infectious Pneumonia and the Provision of Relief Stimulus, for employees unable to work due to being placed on 14-day quarantine leave for no fault of the employer, the leave may be unpaid. Also, as mentioned above, businesses that encounter difficulties in their business operations as a result of COVID-19 may be entitled to government relief. (See advice under the question "Are there any schemes to help businesses cope with the additional staff related costs resulting from the Covid-19 situation?" below.)
- 2. The Continued Operations Guidelines also mention the use of available government relief, setup substitution mechanisms for decision making and key skills, and establish proposals for working remotely.
- 3. The Ministry of Labor has also published a circular that states employers may temporarily reduce working hours pursuant to relevant regulation with the consent of the employees if their business operations have been affected by COVID-19, and they shall report such a decision to the local labor competent authority where the place of business is located. In this connection, the Ministry of Labor has provided a <u>template contract</u> that the employers may use to implement such reduced working hours. Please note that the employer may not refuse to provide work to those infected or suspected to be infected, and it must ensure that those employees will not be discriminated against.
- 4. If the employer arranges for reduction of work hours per the above, or if the employer is in an industry that has been recognized by the central competent authority for the relevant industry as affected by COVID-19, it may apply for a postponement of payment for 6 months of contributions to labor insurance, employment insurance and employee pensions from February to July 2020 so as to avoid late penalties.
- 5. Arrangements with employees on rest dates or different work locations shall be compliant with the rules on adjusting annual leave (Article 38, Paragraph 2 of the Labor Standards Act) and change of work locations (Article 10-1 of the Labor Standards Act).



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Q: Are there government directions restricting travel out of or into your jurisdiction ("Travel Restrictions")?

A: The Thai government declared a state of emergency effective 26 March 2020, followed by the following travel advisory from the Civil Aviation Authority of Thailand to inbound travelers to Thailand:

- 1. An individual entering, transiting or transferring in Thailand through an international airport must fall under one of the following categories:
 - (a) persons exempted by the Prime Minister or Permanent Secretary of Ministry of Foreign Affairs, subject to certain conditions and prescribed time periods;
 - (b) carriers of necessary cargo, provided they leave Thailand promptly after delivery of such cargo;
 - (c) pilots and crew members of a flight entering Thailand with a clear departure schedule;
 - (d) persons on diplomatic or consular missions or under certain international organizations, government representatives performing duties in Thailand, or other persons belonging to international agencies that the Ministry of Foreign Affairs gives permission. Family members of the above are also included. Persons under this category must present a certificate of entry to Thailand issued by the Ministry of Foreign Affairs;
 - (e) Non-Thai nationals with work permits or who have been issued a Smart Visa; and
 - (f) Thai nationals with a certificate of entry to Thailand issued by Royal Thai Embassy or Royal Thai Consulate in their country of origin certifying that they are Thais returning to Thailand.
- 2. Persons under categories (d), (e) and (f) above must have a "Fit to Fly" Health Certificate issued no more than 72 hours before boarding.
- 3. Persons permitted to enter Thailand are required to strictly comply with disease prevention measures imposed by the government.
- 4. Immigration officers have the power to deny the entry of Non-Thai Nationals who have been tested positive for COVID-19, who are under suspicion of being infected or who refuse to undergo such test.

The Civil Aviation Authority of Thailand has extended its order temporarily banning all inbound passenger flights through 31 May 2020. Unless the order is extended further, passenger flights are expected to be permitted to land as of 1 June 2020.

The ban does not apply to state or military aircraft, emergency landings, technical landings without disembarkation, humanitarian, medical or relief flights, repatriation flights and cargo flights. Passengers arriving under these exempted flights are subject to measures under Thailand's communicable disease law, such as 14 days state quarantine and the regulations under the Emergency Decree on State of Emergency.

The Thai government has not banned any outbound travelling, but strongly discourages all non-essential travel outside of Thailand.

Q: Are there any government directions to shut down business ("Shut Down directives")?

A: The authority to shut down business is generally reserved for the provincial governments, and so there is no uniform, nationwide standard, except for a nationwide curfew from 10pm until 4am which has been in effect since 3 April 2020 and is currently intended to last through 31 May 2020.

For Bangkok, the restrictions on businesses are beginning to ease, however, the following businesses are still required to be closed through 31 May 2020 or until further notice:

- 1. Theaters (cinemas, playhouse and theaters)
- 2. Entertainment venues, pubs, bars and similar entertainment venues
- 3. Waterparks, amusement or theme parks
- 4. Playgrounds, playground equipment for children in markets, floating markets and flea markets
- 5. Zoos
- 6. Skating rings, rollerblading arenas or similar venues
- 7. Snooker and billard arcades
- 8. Bowling or gaming arcades
- 9. Gaming and internet cafe
- 10. Public swimming pools or similar venues
- 11. Cockfighting rings and cockfighting exercising rings
- 12. Fitness centers
- 13. Trade fair and exhibition centers, conference centers and galleries
- 14. Museums, local museums and those similar museums
- 15. Public libraries, community libraries, private libraries and book houses

- 16. Nurseries
- 17. Elderly care centers
- 18. Boxing stadiums and boxing training gyms
- 19. Martial arts schools and gyms
- 20. Tattoo and body piercing shops
- 21. Social dance school or academies
- 22. Horse racing courses
- 23. Baths, saunas, and steam or herbal steam baths
- 24. Massage parlours
- 25. Amulet trading markets and centers
- 26. Weight-loss centers, medical clinics for beauty service sections and cosmetic clinic
- 27. Health service centers (spas and health and beauty massage outlets), Thai traditional massage or foot massage centers
- 28. All sports arenas
- 29. Places of entertainment, public places for performance or recreation
- 30. Places providing services on meeting rooms, catering rooms, catering venues and those familiar places
- 31. Shopping malls including shopping centers and community malls, except supermarkets, drug stores, or miscellaneous stores for necessary items, retail shops for telecommunication business, financial banks, state agencies and enterprises office, and restaurants (available for delivery and takeaways only)
- 32. Beauty salons and barber shops (but may be opened for hair washing, cutting, thinning, dressing and other services, provided customers may not congregate in such businesses' waiting areas)
- 33. Sports venues (but may be opened for outdoor sports and in accordance with international rules by which players observe social distancing and avoid direct association, such as tennis, horse riding, archery and rally sports)
- 34. Public parks, fields, areas for public activities, places for exercises, sports venues and fields may be opened for outdoor activities such as walking, running, cycling or other kinds of personal exercise

Loosening of Restrictions:

Restaurants, beverage outlets, convenience stores, pushcarts, hawkers, stalls, small retail/wholesale shops, community retail/wholesale shops, markets, floating markets and flea markets, golf courses and driving ranges, pet grooming and spa shops and pet service shops and exempt places or activities may now conduct business on a limited basis subject to disease prevention measures as prescribed by Bangkok Metropolitan Administration to prevent the spread of COVID-19.

Disease prevention measures shall also apply to other businesses that have not seen a loosening of restrictions.

Certain types of liquor are now able to be sold as of 3 May but subject to limits that may be imposed by provincial governments.

Business operators who fail to comply with the closure order face penalties ranging from:

- 1. imprisonment of up to one year, a fine of up to Baht100,000, or a combination thereof, or
- 2. imprisonment of up to two years, a fine of up to Baht40,000, or a combination thereof.

As for other businesses not required to close, employers in the private sector are encouraged to allow their employees to work from home if possible, and government agencies are encouraged to reduce the working days or hours of their employees.



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