COVID-19 RELATED POLICY SHIFTS supportive of Travel & Tourism Sector
17 July 2020

<table>
<thead>
<tr>
<th>Country</th>
<th>Top Initiatives</th>
<th>Areas Supported</th>
<th>Sources &amp; Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>In addition to the first $17.6 billion stimulus plan, the government has announced that a further AU$66 billion ($38.3) will be spent over the next six months. Within the plan, the government has pledged AU$1 billion (US$613 million) package to support business investment, provide cash flow assistance to support SMEs, offer targeted support for the most severely affected sectors, including Travel &amp; Tourism, and make household stimulus payments that will benefit the wider economy.</td>
<td>Fiscal Promotion</td>
<td>Government Treasury release Government press release</td>
</tr>
<tr>
<td></td>
<td><strong>Delivering support for business investment</strong></td>
<td>Protection of workers &amp; Jobs</td>
<td>These measures start today and will support up to 6.5 million individuals and over 3.5 million businesses (over 99 per cent of businesses) employing more than 9.7 million employees or 3 in every 4 workers</td>
</tr>
<tr>
<td></td>
<td>$700 million to increase the instant asset write off threshold from $30,000 to $150,000 and expand access to include businesses with aggregated annual turnover of less than $500 million (up from $50 million) until 30 June 2020. For example, assets that may be able to be immediately written off are a concrete tank for a builder, a tractor for a farming business, and a truck for a delivery business. $3.2 billion to back business investment by providing a time limited 15-month investment incentive (through to 30 June 2021) to support business investment and economic growth over the short term, by accelerating depreciation deductions. Businesses with a turnover of less than $500 million will be able to deduct an additional 50 per cent of the asset cost in the year of purchase.</td>
<td>Promotion Investment</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Cash flow assistance for businesses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$6.7 billion to Boost Cash Flow for Employers by up to $25,000 with a minimum payment of $2,000 for eligible small and medium-sized businesses. The payment will provide cash flow support to businesses with a turnover of less than $50 million that employ staff. Between 1 January 2020 and 30 June 2020. The payment will be tax free. This measure will benefit around 690,000 businesses employing around 7.8 million people. Businesses will receive payments of 50% of their Business Activity Statements or Instalment Activity Statement from 28 April with refunds to then be paid within 14 days.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1.3 billion to support small businesses to support the jobs of around 120,000 apprentices and trainees. Eligible employers can apply for a wage subsidy of 50% of the apprentice’s or trainee’s wage for up to 9 months from 1 January 2020 to 30 September 2020. Where a small business is not able to retain an apprentice, the subsidy will be available to a new employer that employs that apprentice. The cashflow support payment for SMEs and charity organisations included in the first package will now be paid again in the September quarter. What’s more, temporary relief from legal action for businesses</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
that experience financial difficulties was announced, as well as relaxation around the rules for trading while insolvent and meeting obligations in the Corporations Act. A 50% guarantee on loans made to SMEs (up to $40bn of lending) and cutting lending red tape was also included, to encourage financial institutions to lend at very favourable rates to businesses. Income support payments have also been increased and eligibility has been widened to include those furloughed or made unemployed, sole traders, the self-employed, casual workers and contractors. The eligibility criteria for the receipt of benefits was also relaxed, with the asset test and waiting periods removed. Individuals will also be able to access their superannuation fund penalty-free, up to $10,000 in FY20 and again in FY21. The Government announced on 30 March the JobKeeper Payment for eligible businesses, which may include sole traders, whose turnover had reduced by more than 30% if they have a turnover of less than $1 billion or by more than 50% if they have a turnover of more than $1 billion. Businesses subject to the Major Bank Levy will not be eligible. Following registration by the eligible business, the Government will provide $1,500 per fortnight per eligible employee for a maximum of 6 months. This will support employers to maintain their connection with employees.

**Stimulus payments to households to support growth**

$4.8 billion to provide a one-off $750 stimulus payment to pensioners, social security, veteran and other income support recipients and eligible concession card holders. Around half of those that will benefit are pensioners. The payment will be tax free and will not count as income for Social Security, Farm Household Allowance and Veteran payments. There will be one payment per eligible recipient. If a person qualifies for the one off payment in multiple ways, they will only receive one payment.

**Assistance for severely-affected regions and sectors.**

$1 billion to support those sectors, regions and communities that have been disproportionately affected by the economic impacts of the Coronavirus, including those heavily reliant on industries such as tourism, agriculture and education. This **will include the waiver of fees and charges for tourism businesses that operate in the Great Barrier Reef Marine Park and Commonwealth National Parks.** It will also include additional assistance to help businesses identify alternative export markets or supply chains. Targeted measures will also be developed to further promote domestic tourism. Further plans and measures to support recovery will be designed and delivered in partnership with the affected industries and communities. The government also announced $430 million (A$715 million) aid package comprising refunds and forward waivers on fuel taxes, and domestic air navigation and regional aviation security charges.

**Support for aviation**
The government provided the Qantas and Virgin Australia groups with an initial investment of up to AUD 165 million to allow them to maintain a limited domestic flight network. This is to allow the movement of essential and defence workers; Australians returning from overseas, after they have completed the mandatory quarantine period; and essential freight like medical supplies and personal protective equipment. This support is in addition to the over AUD 1 billion support for the Australian aviation industry in response to COVID-19 by the Federal Government.

**Support for tourism industry**
The WA Government has launched a $14.4 million initiative that includes two funding programs. The $10.4 million Tourism Recovery Fund provides one-off cash grants of $6500 to up to 1600 individual small businesses. The remaining $4 million has been put towards a Tourism Business Survival Grants package, which provides grants of $25,000 to $100,000 for tourism operators.

The Australian Capital Territory Government aims to provide additional, targeted, support for Canberra’s Hotels and hospitality industry. Businesses are likely to automatically receive a range of industry specific measures such as fee rebates, waivers, and reductions to help them get back on track. The government will also provide fee-free infection control training across four nationally accredited infection control skill sets.

**Fiscal**
The Government is also offering administrative relief for certain tax obligations, including deferring tax payments up to four months. This is similar to relief provided following the bushfires for taxpayers affected by the coronavirus, on a case-by-case basis. Eligible entities will also receive payment, by way of tax credit on PAYG withholding, of up to $100,000 with a minimum payment of $20,000. To be eligible, entities must have aggregated annual turnover under $50 million and must employ workers.

Together with the first stimulus package, the government will inject almost $84bn directly into the economy.

| Brazil | Cash & Liquidity | Ministry of Tourism: Minister’s Office
|        | Worker Protection | Special advisory for international |
|        | Fiscal            |                               |

The Brazilian government has implemented several measures to support the Travel & Tourism sector through COVID-19.

**Support for tourism**
On 8 May, the government announced BRL 5 billion for the T&T sector to preserve jobs and companies. 80% of the funds will be allocated to small and micro companies — which make up the majority of the sector — and 20% will be allocated to large companies.
The General Tourism Fund, previously only available to public financial agents, is now open to private financial agents meaning that more financial agents can offer specific credit to the tourism sector. Also, companies can now request up to BRLS 30 million in loans. The fund is still allocating 80% to small and micro companies and 20% to large companies.

Support for aviation
The specific measures relating to civil aviation include, the postponing of payments of air navigation tariffs that would be charged between the months of March and June to September to December; the extension for the reimbursement of tickets for airline companies of up to 12 months; the postponing of concession payments until 18 December; and the renegotiation of airline debt.

Liquidity
The National Bank for Economic and Social Development is also working to ensure the cash flow of companies, through the injection of BRLS 55 billion into the Brazilian financial system which will benefit up to 150,000 companies and around 2 million workers. The Bank will:

1. Provide aid of BRLS 19 billion for direct operations and BRLS 11 billion for indirect operations and suspend charges for such operations.
2. Cancel interest rate charges for six months.
3. Capitalize the outstanding balance for micro, small and medium entrepreneurs including bars, restaurants and businesses working in ports, shops and services.
4. Increase a credit line to BRLS 5 billion for micro, small and medium-sized companies and increase the credit limit to BRLS 10 million to up to BRLS 70 million per year, facilitating the working capital of projects; and an increase of the grace period of up to 24 months.

The Federal Government has also taken measures to increase the working capital of businesses through a 3-month suspension on the deadline for companies to pay their contribution to Seniority Guarantee Fund (FGTS) and to the Union in Simples Nacional. It also suspended payments of the Severance Pay Fund (FGTS) and other obligations. The government is facilitating the renegotiation process of credit operations and suspended the payment collection resulting from unappealable lawsuits and facilitating debt renegotiation. Caixa bank opened credit lines for SMEs which can be used for investments, working capital, paying operational expenses and salaries, and/or to carry out renovations. Instalments must be repaid within a maximum period of 36 months and include an 8-month grace period. The government has also allowed for the refinancing of loans.
<table>
<thead>
<tr>
<th><strong>Canada</strong></th>
<th><strong>Cash &amp; Liquidity</strong></th>
<th><strong>Worker Protection</strong></th>
<th><strong>Fiscal</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Through the Emergency Credit Access Program and financial agents, the government will guarantee up to BRL 20 billion in loans to small and medium-sized companies. The measure should be in operation by the end of June and will be valid for loans made until December 2020 to SMEs with 2019 revenues between BRL 360,000 and BRL 300 million. The Brazilian government has implemented several measures to support the Travel &amp; Tourism sector through COVID-19. <strong>Fiscal</strong> Tax deadlines extended - the IRS extended the suspension of tax collection actions until June 30. Moreover the government announced that it would release the Financial Operations Tax (IOF) on credit operations; defer contributions from PIS / Pasep and employer contribution to the pension plan of companies and public entities; and extend the deadline for the delivery of income tax (IRPF) from April 30th to June 30th. The government also announced that it will initiate a broad credit program for companies and the productive sector, with reduced interest rates, zeroing the IOF rates for a period of 90 days.</td>
<td>The government passed a C$107 billion ($75 billion) package in emergency aid and economic stimulus to assist Canadians struggling financially. The government, through its measures is providing up to $27 billion in direct support to Canadian workers and businesses, plus $55 billion through tax deferrals to help meet the cash needs of Canadian businesses and households, to help stabilize the economy. <strong>General support for individuals</strong> • For over 3.5 million families with children, the government increases the maximum annual Canada Child Benefit (CCB) payment amounts by $300 per child. The overall increase for families receiving CCB will be approximately $550 on average. • For individuals, the return filing due date will be deferred until June 1, 2020. • The Canada Mortgage and Housing Corporation (CMHC) and other mortgage insurers offer payment deferrals and loan re-amortisation among others to lenders that can assist homeowners who may be experiencing financial difficulty. • The Government, through CMHC, is providing increased flexibility for homeowners facing financial difficulties to defer mortgage payments. <strong>Support for people facing unemployment</strong></td>
<td></td>
<td><a href="https://www.canada.ca/en/department-finance/economic-response-plan.html">https://www.canada.ca/en/department-finance/economic-response-plan.html</a></td>
</tr>
</tbody>
</table>
| • The government introduces a Canada Emergency Response Benefit, which provides a taxable benefit of C$2000 a month for the next four months for people who lost their job because of COVID-19. This applies to people quarantined, helping a sick family member, have been laid off or have not received payment from their employer.  
• For Canadians who lose their jobs or face reduced hours as a result of COVID’s impact, the Government is introducing an Emergency Support Benefit delivered through the CRA to provide up to $5 billion in support to workers who are not eligible for EI and who are facing unemployment.  
• The new Emergency Care Benefit provides up to $900 bi-weekly, for up to 15 weeks. This flat-payment Benefit would be administered through the Canada Revenue Agency (CRA) and provide income support to workers, including the self-employed, who are quarantined or sick with COVID-19 but do not qualify for EI sickness benefits; those caring for a sick family member as well as parents who require care or supervision due to school closures.  
Support for Businesses  
• Implementation of Work Sharing Program, which provides benefits to workers who agree to reduce their normal working hours as a result of developments beyond the control of their employers, by extending the eligibility of such agreements to 76 weeks, easing eligibility requirements, and streamlining the application process.  
• To support businesses that are facing revenue losses and to help prevent lay-offs, the government is providing eligible small employers a temporary wage subsidy for a period of 3 months. The subsidy will be equal to 10% of remuneration paid during that period, up to a maximum subsidy of $1,375 per employee and $25,000 per employer.  
• The Business Credit Availability Program (BCAP) will provide more than $10 billion of additional support, largely targeted to SMEs. Public and private sector lenders are coordinating on credit solutions for individual businesses, including for air transportation and tourism.  
• The Canada Revenue Agency will allow all businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020. |
• The Domestic Stability Buffer is being lowered by 1.25% of risk-weighted assets, effective immediately to allow Canada’s large banks to inject $300 billion of additional lending to the economy.
• The Bank of Canada cut the interest rate to 0.75% as a proactive measure.
• The government announced a 75% wage subsidy for qualifying businesses for up to 3 months, retroactive to March 15, 2020.
• The government will also allow businesses including self-employed individuals, to defer all Goods and Services Tax / Harmonized Sales Tax payments until June, as well as customs duties owed for imports.
• The government launched the new SME Loan and Guarantee programme that will enable up to $40 billion in lending, supported by Export Development Canada and Business Development Bank, for guaranteed loans. SMEs can also get support through a new Co-Lending Program that will bring the Business Development Bank of Canada together with financial institutions to co-lend term loans to these businesses for their operational cash flow requirements. Eligible businesses may obtain incremental credit amounts of up to $6.25 million through the program, which will be risk-shared at 80% between the Business Development Bank of Canada and the financial institutions. Eligible financial institutions will conduct the underwriting and funding directly for customers.
• The government established a Business Credit Availability Program, largely targeted to SMEs, through the Business Development Bank of Canada and Export Development Canada. These organizations are working closely with private sector lenders to coordinate on credit solutions for individual businesses, including in sectors such as oil and gas, air transportation, and tourism.

Supporting financial market liquidity
Launched an Insured Mortgage Purchase Program to purchase up to $50 billion of insured mortgage pools through the Canada Mortgage and Housing Corporation (CMHC). This will provide stable funding to banks and mortgage lenders and support continued lending to Canadian businesses and consumers. This will be done by raising CMHC’s legislative limits to guarantee securities and insure mortgages by $150 billion each. The government also launched the new Canada Emergency Business Account, which will provide up to $25 billion to eligible financial institutions so they can provide interest-free loans to small businesses, which are guaranteed and funded by the Canadian government.
<table>
<thead>
<tr>
<th><strong>Support for tourism</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Destination Canada will invest CAD 30 million over 18 months with Provincial and Territorial Marketing Organizations to support the recovery of communities. A new stimulus development fund was also announced that will provide $16 million to support the Indigenous tourism industry.</td>
<td></td>
</tr>
<tr>
<td>Businesses that rent in Parks Canada places (national parks, national historic sites, and national maritime conservation areas) are now eligible for Government relief of up to 75% of eligible commercial rents for April, May, and June 2020 or equivalent amounts of annual rents.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Chile</strong></th>
<th><strong>Fiscal and Liquidity</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The government implemented a series of measures, reflected in the Economic Emergency Plan, allocating 30 billion to protecting employment and labour income; liquidity measures for the productive system; as well as measures to support family income, the generation of liquidity and the activation of employment.</td>
<td></td>
</tr>
<tr>
<td>• The suspension of monthly provisional payments of corporate income tax for the next 3 months.</td>
<td></td>
</tr>
<tr>
<td>• The postponement of VAT payments for the next 3 months for all companies with sales below UF 350,000.</td>
<td></td>
</tr>
<tr>
<td>• The postponement until July of the payment of income tax for SMEs.</td>
<td></td>
</tr>
<tr>
<td>• The postponement of April tax payments for companies with sales below 350,000 UF ($12m) and for people with properties with a tax assessment of less than $133 million.</td>
<td></td>
</tr>
<tr>
<td>• The transitory reduction of stamp and stamp tax to 0% for all credit operations during the next 6 months.</td>
<td></td>
</tr>
<tr>
<td>• The implementation of relief measures for the treatment of tax debts with the General Treasury of the Republic focused on SMEs and people with lower incomes.</td>
<td></td>
</tr>
<tr>
<td>• The acceptance of all company expenses associated with health contingency as a tax expense.</td>
<td></td>
</tr>
<tr>
<td>• Enhanced flexibility in the terms to file sworn statements associated with this year’s income operation.</td>
<td></td>
</tr>
<tr>
<td>• New $500 million capitalization of the State Bank to provide financing to individuals and SMEs.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Cash &amp; Liquidity Fiscal</strong></th>
<th>Information obtained from Government</th>
</tr>
</thead>
</table>
the National Tourism Service (SERNATUR). The government is also implementing various employee and entrepreneur training programmes, both in tourism and in business and digital management processes.

On June 30, the government relaxed requirements and expanded the coverage of unemployment insurance and employment protection to ensure more Chileans can access support. What’s more, the government increased the percentages of remuneration that can be obtained from an individual unemployment insurance account.

New measures to support the middle class which were announced on July 14, include:

- CLP 500,000 non-refundable bonus for middle-class workers within a certain income bracket who have had a 30% or more drop in formal income.
- The state solidarity loan which compensates up to 70% of the drop in income in three monthly instalments, to a cap. The loan will have a one-year grace period and a three-year payment plan. The loan will be forgiven for those families that are unable to fully pay their loans at the end of these four years.
- Six-month postponement of mortgage dividends and a three-month increase of the rental subsidy, by up to CLP 250,000, and for leases to a cap.
- Relief measures to postpone real estate contributions for the second semester for first homes.

| China | The Party Central Committee has taken several measures to improve liquidity of businesses and reduce their fiscal burdens, notably:  

**Liquidity**  
The Ministry of Culture and Tourism and the Industrial and Commercial Bank of China signed a strategic cooperation agreement to help cultural & tourism enterprises. ICBC is providing RMB100 billion credit lines for affected cultural & tourism enterprises. It is making financing succession arrangements to meet capital needs through an “anti-epidemic loan”, “employment loan” and “tax loan” among others, so as to help privately owned enterprises and small-medium-micro culture and tourism enterprises. Support is provided through proper issuance channels and preferential rates to issue bonds. To encourage bank lending to small companies, China’s central bank has approved relending and rediscount provisions of 1 trillion yuan, adding to the earlier 500 billion yuan quota to boost credit for small and medium-sized companies.

Through the agreement, both organisations jointly promote the implementation of major national plans to further stimulate the resilience and development of the national tourism industry. | http://finance.sina.com.cn/stock/relnews/cn/2020-03-27/doc-iimxyqwa3523738.shtml  
http://www.chinatax.gov.cn/chinatax/n810341/n810755/c5145868/content.html  
http://www.chinatax.gov.cn/eng/c101269/c5147426/content.html  
including the Yellow River Cultural Tourism Belt and the Great Wall, the Grand Canal and the Long March National Cultural Park. They also promote innovation in cultural and tourism industries, consumption upgrades, the construction of industrial projects and key industrial clusters, and targeted poverty alleviation. They are also cooperating to improve the quality of financial services in the cultural and tourism industries.

**Fiscal**

The Party Central Committee and the State Council deployed three batches of tax and fee policies to support the epidemic control and the resumption of work. The first batch focused on epidemic prevention and control, focusing on direct support for medical treatment, and on supporting production/transportation of related support goods. The second batch focused on reducing the burdens of enterprises on social insurance premiums, pension, unemployment, work-related injury insurance contributions, medical insurance premiums, reduce the cost of employment procedures. The third batch focused on small-scale enterprises, individually owned businesses and on small-scale VAT taxpayers, to supplement landlords who reduce or deduct rents. Specific measures include:

- The carry-over period of losses incurred by enterprises in affected industries in 2020 was extended to 8 years.
- The phasing the reduction and exemption of VAT for small-scale taxpayers.
- The reduction & exemption of enterprise pension, unemployment, & work injury insurance payment.
- The reduction & exemption of old-age insurance, unemployment, and work-related injury insurance for individual industrial and commercial households who are insured in the form of a unit.
- The reduction of the payment of basic medical insurance for employees.
- The encouragement of localities to support renters in reducing rents for individual industrial and commercial households, such as through the reduction and exemption of urban land use taxes.

Some fiscal and monetary policies put in place by the government and the People’s Bank of China (PBOC) since the outbreak include:

- The government cut the benchmark lending rate on Feb. 20 to lower financing costs for businesses.
- The one-year loan prime rate (LPR), the new benchmark lending gauge introduced in August, was lowered by 10 basis points to 4.05% from 4.15% at the previous monthly fixing.
- The five-year LPR was lowered by 5 basis points to 4.75% from 4.80%.
- Banks in Shanghai have issued 1.31 billion yuan ($186.8 million) in cheap loans to 48 key firms to help tackle the outbreak that has dampened economic activity.
- PBOC is lowering the rate on 200 billion yuan ($28.65 billion) worth of one-year medium-term lending facility (MLF) loans to financial institutions by 10 basis points to 3.15% from 3.25% previously.
- Firms in Hubei province, the epicentre of the outbreak, will not have to pay pensions, jobless and work-injury insurance until June.
- Small firms in other provinces will be exempt from paying pensions, jobless insurance and work injury insurance until June, while payments by large firms will be reduced by half until April.
- China’s southern province of Hainan has launched the first specially designed insurance product to cover losses incurred by businesses as a result of the coronavirus outbreak in the country.
- The PBOC pumped in 1.7 trillion yuan ($242.74 billion) through open market operations.

### Support to the Aviation Industry

The Civil Aviation Administration of China (CAAC) rolled out fiscal policies to aid the civil aviation industry. Preferential policies included tax relief and subsidies to reduce business risks faced by aviation enterprises:

- Revenues generated from transporting anti-epidemic materials and express delivery are exempt from VAT and necessary compensation is granted if they undertake major flight tasks.
- CAAC waived airlines' payment to the government's civil aviation development fund starting from 1 January and encouraged aviation firms to keep their international flights running.
- Enhanced coordination with finance and tax agencies to pool more capital and better utilize policy toolkit to help enterprises.

### Provincial level activities

Local governments at the provincial and city level, including Shenzhen, Shichuan and Shandong, came up with credit risk sharing policies to increase bank lending to SMEs. The policies also aimed to boost the banks' enthusiasm for lending by increasing their tolerance for potential nonperforming loans to SMEs for a temporary period. Moreover, The People’s Bank of China offered 500 billion yuan of relending and rediscount funding to help small banks provide low-cost funds to SMEs and the agricultural sector.

<p>| Fiscal | The government adopted a series of measures aimed at mitigating the impact of COVID-19 broadly and... |</p>
<table>
<thead>
<tr>
<th>Colombia</th>
<th>specifically targeting the Travel &amp; Tourism sector:</th>
</tr>
</thead>
</table>
| Fiscal   | The extension of payment dates of the income tax and complementary of the 2019 tax year and the VAT of the first four months of 2020 for companies dedicated to commercial passenger air transport and within the hospitality industry. The extension of beneficiaries was requested to include travel agencies, ground transportation companies, gastronomic establishments and bars, and other providers of tourism services as well as contributors to the Parafiscal Contribution for the Promotion of Tourism.  
- The postponement of the presentation and payment of the Parafiscal Contribution for the Promotion of Tourism of the first quarter until 29 July.  
- The reduction of tariffs on spare parts and other supplies for the aviation and health sectors.  
- The extension of the deadline for the renewal of the registers of the Registro Único Empresarial Social, the Registro Nacional de Turismo and the Registro Mercantil, until 3 July. The government is also extending the deadline for holding ordinary general assembly meetings until the month following the end of COVID-19. |
| Liquidity & Cash | The establishment of grace periods and the increase of the terms for credits granted to the economic sectors affected by COVID-19.  
- The offer of Credit line Colombia Responde, through Bancoldex, for $61 million. This credit line offers loans in pesos and the maximum amount per company is up to $735,300 for micro, small and medium-sized companies (MSMEs) and $1.23 million for large companies.  
- The suspension of the rule “use it or lose it” for the slots in El Dorado airport and the suspension the parking charge for aircraft. |
| Worker protection | Assumption of control by the Ministry of Work of the procedures related to authorization to employer for the temporary suspension of activities up to 120 days and for collective dismissal of employees for total or partial closure of work, permanently or temporarily. |

<table>
<thead>
<tr>
<th>Croatia</th>
<th>The Croatian government presented a package of 63 measures and 19 bills in parliament worth over $4.22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Liquidity</td>
<td>Information received from government</td>
</tr>
</tbody>
</table>
billion (HRK 30 billion). Measures include:

- A three-month deferral of tax payments worth $1.69 (HRK 12 billion);
- $700 million (HRK 5 billion) to employers who do not lay off workers for the payment of net salaries.
- The deferral of loan payments to banks and the Croatian Bank for Reconstruction and Development totals HRK 17 billion; and
- Sector-specific measures totalling $140 million (HRK 1 billion), including the Travel & Tourism sector.

The following measures under the jurisdiction of the Ministry of Tourism include:

- The postponement of payment of tourist membership fees for economic operators and private renters, initially for three months, with possibility of extension for another three months.
- The postponement of payment of tourist tax for private renters (flat rate), with same extension as above.
- The support for programmes for financing working capital and improving the liquidity of vulnerable tourism businesspersons. A new programme will set the conditions and criteria for the award of small grants and will primarily target the most complex part of the tourism economy (SMEs), which are currently the most vulnerable; the purpose is financing working capital and improving liquidity to vulnerable tourism entrepreneurs. Total foreseen funding budget is $3.386 million (HRK 24.1 million); the criteria are currently under preparation.
- Delay of payment, until 30 November 2020, of the fee for the concession on tourist land in the camps.

Other measures with potential impact on the Travel & Tourism sector include:

- The temporary suspension of the seasonal increase of 10% for vehicles in groups IA, I and II between 15 June and 15 September.
- The temporary extension of the seasonal "winter" ENC discount (ending March 31) until June 1, 2020.
- Additional discount of 7% for EURO VI vehicles for vehicles of groups III and IV using ENC with credit / oil credit card, for one year.
- Introduction of a summer timetable for public scheduled passenger transport in public road traffic on county lines (due to the smaller volume of transport).

Temporary extension of validity of certificates and other documents in international and national navigation.
<table>
<thead>
<tr>
<th>Denmark</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>To support the private sector in weathering COVID-19, the Danish government has implemented a number of measures recommended by the Danish Enterprise. Though Travel &amp; Tourism is not singled out, SMEs receive significant support, specifically:</td>
<td></td>
</tr>
<tr>
<td>New emergency legislation supporting corporate liquidity by temporarily postponing taxes. Compensation is also being implemented for event organizers who in March cancelled or postponed events with more than 1,000 participants.</td>
<td></td>
</tr>
<tr>
<td>Temporary compensation for companies' fixed expenses has also been implemented. It is targeted at companies with over 40% decrease in turnover. Also, operators who are required to be fully closed by law during this period will be compensated 100% of their fixed expenses.</td>
<td></td>
</tr>
<tr>
<td>Denmark has also put in place a compensation scheme that benefits self-employed and freelancers, given the expected loss of revenue of at least 30%. Companies must have had on average a turnover of at least DKK 15,000 per month per year in a prior period. The compensation will amount to 75% of the expected revenue loss in the period compared to the average revenue in the last financial year. However, the compensation may not exceed DKK 23,000 per month per year.</td>
<td></td>
</tr>
<tr>
<td>A temporary wage compensation scheme for laid-off private employees has also been launched. Companies may enter the scheme even if they have made redundancies due to COVID-19 prior to their entry into the scheme. The salary compensation is conditional on the company not dismissing employees for financial reasons during the salary compensation period.</td>
<td></td>
</tr>
<tr>
<td>The government passed a bill postponing the VAT payments for small and medium-sized businesses and the deadline for the payment of B-tax (tax on income on which tax and labor market contributions have not been withheld by employer). The measures are expected to improve corporate liquidity by DKK 40 billion.</td>
<td></td>
</tr>
<tr>
<td>Specifically for the aviation industry, Sweden and Denmark announced $300 million in state loan guarantees for the national carrier.</td>
<td></td>
</tr>
</tbody>
</table>
| **Strengthening travel company liquidity & consumer confidence through the Danish Travel Guarantee Fund**  
The Danish Travel Guarantee Fund, funded by Danish travel organisers, provides compensation to consumers being subject to cancellations resulting from bankruptcy from their travel organiser. However, due to the | Cash & Liquidity  
Fiscal Promotion  
### France

The Danish government decided to provide a state loan facility of up to DKK 1.5 billion (USD 223 million) to the Travel Guarantee Fund to strengthen and widen the extent of its coverage. The fund now covers travel packages that were cancelled due to the exceptional circumstances caused by the coronavirus outbreak and the subsequent travel restrictions imposed by the Danish Government. This ensures companies can settle quickly and efficiently travellers’ claims following travel disruptions, while preserving business continuity. The travel organisers will repay any loans issued during the forthcoming years post-COVID-19.

To mitigate the impact of COVID-19 on the French economy and its people, the French Government adopted various measures to support the actors concerned.

**Fiscal**

The government announced a plan to support the economy of €45 billion, of which around €35 billion are dedicated to the deferral of social and tax charges of companies. Specifically, the payment of social charges to URSSAF can be adjusted and contributions postponed up to three months without penalty. For those self-employed, it is possible to adjust the contribution schedules and request an intervention for the partial or total coverage of contributions or, for the allocation of exceptional financial assistance. Companies can also request the extension of tax deadlines to the services taxes without penalty. Self-employed workers can adjust the rate and withholding taxes at source. It is also possible to defer the payment of withholding taxes at source on professional income from one month to another. The Commission of heads of financial services (CCSF) can grant companies who encounter financial difficulties in terms of payment periods to pay their tax and social debts (employer share). In case of difficulties, companies can also request a remission of direct taxes (taxes on profits, territorial economic contribution), subject to an individualized examination of the requests. An announcement was also made regarding the postponement of the payment of rents, water, gas and electricity bills for the smallest businesses in difficulty.

**Worker protection**

Within the €45 billion plan, €8.5 billion euros have been dedicated to the **funding of short time working/partial unemployment measures**. To use short time working, companies pay compensation equal to 70% of gross salary (around 84% of the net) to its employees. Employees with minimum wage or less are 100% compensated. The State will also fully reimburse partial unemployment for wages up to 6,927 euros gross monthly, i.e. 4.5 times the minimum wage.

---

Worker Protection

Fiscal

https://www.gouvernement.fr/info-coronavirus
Liquidity

France also created a Solidarity Fund of €1 billion for the duration of one month to support small businesses that have less than €1 million in turnover. In the context of this Fund, all small businesses which experience an administrative closure or have experienced a loss of turnover of more than 70% in March 2020 compared to March 2019 will benefit from aid of €1,500. For more dire situations, on a case by case basis, additional support may be granted to avoid bankruptcy. Many Travel & Tourism businesses will be eligible for this fund, given that it applies to businesses meeting the following criteria.

- Businesses whose activity has been closed (mainly refers to catering businesses (which are 160,000), non-food trade (140,000), tourism (100,000)
- SMEs that have lost turnover by 70% compared to March 2019
- SMEs with a turnover of less than €1 million

The government is also implementing an exceptional guarantee scheme allowing to support the bank financing of companies, up to €300 billion. The purpose of this system is to facilitate the granting by banks of cash loans to businesses of all sizes to preserve employment. In addition, French banks have committed to postpone the reimbursement of corporate loans for up to 6 months, free of charge.

All entrepreneurs who have lost 50% of their turnover between the March 2019 and March 2020, which have less than one million euros in turnover and less than 10 employees will be able to benefit from tax-free aid of up to 1,500 euros. For all those who do not have a profit-sharing agreement, they can pay a bonus entirely tax-exempt and de-socialized up to 1,000 euros per employee. For all those who have a profit-sharing agreement, they can go up to 2,000 euros in bonus.

The Minister of Economy and Finance announced the launch of the public reinsurance of corporate credit insurance risks scheme. Credit insurance plays an essential economic role, by covering businesses, especially SMEs and ETI, against the risk of default by customers to whom they grant payment terms, and thus, securing their cash flow. The public support system for credit insurance will allow companies that have taken out coverage, and who would be notified of reductions or denial of guarantees on certain customers.

Support for the Creative Industries

To support the creative industry, the Ministry of Culture has announced emergency aid of €22 million to specifically support music (€10 million), €85 million euros for live entertainment, 5 million euros for books and 2 million euros for plastic arts. Specific measures in favor of intermittent workers in the entertainment industry
are being discussed with the Ministry of Labor.

**Tourism initiatives**
On 15 May, the government launched the Tourism Support Plan with a commitment of more than €18 billion to help tourism professionals who are very strongly affected by COVID-19. Measures include increasing the daily ceiling for restaurant tickets from €19 to €38; tickets can be sold on on weekends and public holidays, from the date of reopening of establishments until the end of 2020. The Plan also describes the development of sectoral health protocols for seven tourism sectors and the launch of a communication campaign in June 2020, in coordination with the public and local stakeholders concerned, to support the recovery of the Travel & Tourism sector.

In addition to these measures which are cross-sectoral, the French Government has created a Tourism Sector Committee, which brings together public and private sector actors as well as Atout France, to monitor the impact of the crisis on the sector. On the basis of recommendations from the Committee, a draft ordinance has been put together to support the cash flow of tourism operators in the face of cancellations. Representatives of the hotel sector have also announced that they are ready to provide accommodation for medical and military personnel mobilized in the fight against the epidemic.

<table>
<thead>
<tr>
<th>Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Germany’s Finance minister pledged unlimited cash to German businesses affected by COVID-19.</strong></td>
</tr>
</tbody>
</table>

**Liquidity**
The government’s liquidity assistance envisages a massive expansion of loans provided by KfW, the country’s development bank. The German budget currently guarantees KfW a financial framework of €460bn, but officials said this could now be raised by €93bn, giving the bank more than €550bn in available firepower. These are designed to provide companies with a “protective shield” and will be offered by businesses, both small and large.

On 30 April, the government also implemented a €2 billion package of measures to help start-ups and SMEs with a sustainable business model. This is principally through the new Corona Matching Facility, whereby investors, in co-operation with public partners, such as KfW Capital and the European Investment Fund, can finance highly innovative and promising start-ups even during the pandemic.

<table>
<thead>
<tr>
<th>Financial Times</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="https://www.bmvi.de/SharedDocs/EN/Articles/DE/coronavirus-order.html">https://www.bmvi.de/SharedDocs/EN/Articles/DE/coronavirus-order.html</a></td>
</tr>
</tbody>
</table>

Pledge for unlimited cash to German businesses affected by COVID-19
Through its Economic Stabilisation Fund, which will initially run until the end of 2021, Germany will guarantee the liquidity of big corporations, and if needed, the state will assume part of its capital. The Fund comprises a guarantee framework of €400bn to help businesses find refinancing on the capital market, recapitalisation measures totalling €100bn to increase capital and ensure businesses remain solvent and loans of up to €100bn to refinance the KfW’s special programmes. The government will also expand the legislation that facilitates access to short-time allowance.

Two separate loan programmes under the Temporary Framework, have been implemented through the KfW, notably:
1- A loan programme covering up to 90% of the risk for loans for companies of all sizes. Eligible loans may have a maturity of up to 6 years and can reach €1 billion per company, depending on the company’s liquidity needs.
2- A loan programme in which both the KfW and private banks participate to provide larger loans as a consortium. For this scheme, the risk taken by the State may cover up to 80% of a specific loan but not more than 50% of total debt of a company.

From 15 April, SMEs with at least 11 employees and active since 1 January 2019 have also been eligible for a ‘quick loan’ via KfW. Credit is available up to 25% of total sales in 2019, and to a maximum of €800,000 for companies with more than 50 employees, and up to €500,000 for those with up to 50 employees.

Moreover, companies with up to five employees can apply for a one-time grant of up to €9,000, and companies with up to ten employees can apply for a one-time grant of up to €15,000. The grant is intended to serve as a liquidity aid for three months.

**Worker protection**

The eligibility criteria for reduced hours compensation benefit has been broadened and facilitated access to it for a temporary period until the end of 2020. Employees whose working hours have been reduced by at least 50% are to receive 70% of their flat-rate net pay (77% for households with children) from the fourth month of drawing the benefit and 80 percent from the seventh month (87% for households with children). This regulation also applies temporarily until the end of 2020. The Federal Employment Agency will reimburse employers their social security contributions in full.

From 1 March to 31 December 2020, employers can grant their employees financial assistance and support in the form of subsidies and non-cash benefits up to an amount of €1500, which are exempted from tax and social
security contributions. The government is likely to allow small and medium-sized enterprises to have the amount of their tax prepayments for 2019 reduced on the basis of losses incurred in 2020.

**Fiscal**
The German tax office published measures for businesses affected by the COVID-19 outbreak. In the announcement, the Ministry of Finance states that if companies are unable to make tax payments due this year because of the economic consequences of the corona pandemic, these payments are to be deferred on request and generally free of interest. Companies can apply to their tax office until December 31, 2020. Companies that are expecting a loss this year can now receive liquidity aid and take advantage of further tax relief. Employee bonus payments of up to €1,500 are tax-free for employees.

**Support to tourism**
In May, the government agreed a support package worth €9 billion euros for German airline Lufthansa. The money comes from its Economic Stabilization Fund (for which it gains a 20% stake in the airline) and from KfW-syndicated financing.

It also passed a bill on 27 May that guarantees to protect the money consumers have spent on a package tour in case the provider goes bust. This is to encourage consumers to accept a voucher for future travel instead of claiming a refund.

<table>
<thead>
<tr>
<th>Hong Kong SAR</th>
<th>Government press release</th>
</tr>
</thead>
<tbody>
<tr>
<td>Following the $30 billion measures under the Anti-epidemic Fund and the $120 billion relief package in the 2020-21 Budget, the HK SAR Government announced a new round of measures totalling $130 billion with a wide coverage, aiming to safeguard employment and the self-employed, provide extra relief to those sectors hard hit by the epidemic and pave the way for post-epidemic economic recovery. These include an $81 billion Employment Support Scheme, as well as sector-specific initiatives totalling $21 billion.</td>
<td><a href="https://www.coronavirus.gov.hk/pdf/fund/CE-Measure-12-eng.pdf">https://www.coronavirus.gov.hk/pdf/fund/CE-Measure-12-eng.pdf</a></td>
</tr>
<tr>
<td><strong>Support for tourism</strong></td>
<td>98% of all licensed travel agents in Hong Kong have registered for the payment. Each eligible travel agent may receive a one-off subsidy of $80,000.</td>
</tr>
<tr>
<td>The airport authority will purchase 500,000 air tickets to help airlines with cashflow and save the tickets for the future. It will also purchase from the supporting services at the airport to help these companies with cashflow</td>
<td></td>
</tr>
<tr>
<td>Some 1,350 travel events have received payments through the Anti-Epidemic Fund's Travel Agents Subsidy Scheme to help them tide over the financial difficulties arriving from the outbreak (approved February 21). Each</td>
<td></td>
</tr>
</tbody>
</table>
eligible travel agent may receive a one-off subsidy of HK $80,000. 98% of all licensed travel agents in Hong Kong have registered for the payment.

The Licensed Guesthouses Subsidy Scheme allows eligible guest houses to receive a once-off subsidy of either HKD 50,000 or $80,000, depending on their size, to assist them. By 13 March, 1,770 guest houses had registered for the scheme.

On 18 April the second round of measures to provide further economic relief under the Anti-epidemic Fund were approved. The Travel Agents and Practitioners Support Scheme and the Hotel Sector Support Scheme are now open for applications. Under this second round, subsidies for the T&T sector include a subsidy ranging from HKD 20 000 to HKD 200,000 to each licenced travel agent and a monthly subsidy of HKD 5000 for six months for each travel agent’s staff member and accredited freelancer whose main occupation is tourist guiding.

For accommodation, the measures include a subsidy of up to HKD 400 000 for licenced hotels and an increase of the once-off subsidy for guesthouses. The subsidy for guesthouses is between HKD 300 000 and HKD 400 000, depending on their size. For the cruise industry, the government will waive the monthly fixed rent and management fees for six months for the Kai Tak Cruise terminal and refunding berth deposits for cancelled ship calls during the suspension of immigration services at the cruise terminal when they schedule other ship calls in the future. Measures for drivers of tour service coaches are to be announced.

Worker protection
HK$81 billion Employment Support Scheme

• Offer wage subsidies to eligible employers who do not make workers redundant during the subsidy period, and to spend 100% of the subsidy on paying wages for their employees. The wage subsidies for each employer are calculated on 50% of salary at a “specified month”.

• Provide a grant a one-off lump-sum subsidy of $7,500 to about 215 000 self-employed persons

• Create sector-specific schemes for 800,000 people in the construction, catering and road transport sectors.

• Make available $6 billion to create 30,000 jobs in public & private sectors for people with different skill sets and academic qualifications. Provide matching grants for training programmes in the public and private sectors ($100 million).

• Provide $2.5 billion to the Employees Retraining Board to provide 10,000 additional places and increase the maximum monthly allowance of all eligible trainees to $5,800.
- Provide $90 million in subsidies to appointed training bodies of the Employees Retraining Board and an additional $30 million to enhance Labour Department’s employment programmes

**Supporting Enterprises**
- Eligible holders of food licence are receiving a one-off grant of $80,000 or $200,000; while qualified retail shops are receiving a one-off relief grant of $80,000.
- For passenger Transport, the government is reimbursing 100% of repair and maintenance costs and insurance premium for 6 months for bus companies, ferry operators, etc; provide taxi and red minibus driver a monthly subsidy of $6,000 for 6 months.
- For licensed catering companies, subsidies ranging from $250,000 to $2.2 million are provided to about 16,000 catering outlets and their employees. The subsidies amount to about $9.5 billion.
- For the aviation Industry, one-off subsidy of $1 million per large aircraft and $200,000 per small aircraft is made available for eligible air operators. Aviation support services and cargo facility operators at HKIA will receive a one-off subsidy of up to $3 million. Hong Kong Airport Authority (HKAA), with the government’s support, is providing a total relief package valued at HK$1.6 billion (US$206 million) for the airport community including waivers on airport and air navigation fees and charges, and certain licensing fees, rent reductions for aviation services providers and other measures.

**Ease cash flow of businesses**
- Under the SME Financing Guarantee Scheme, a special 100% concessionary low-interest loan to be introduced for which the Government provides 100% guarantee. The “principal moratorium” will be extended from 6 months to 1 year, and the Government will increase its guarantee commitment from $20 billion to $50 billion. The special loan will be rolled out before end of April.
- Loans under the 80% and 90% guarantee products will enjoy an interest subsidy up to 3% and be open to application by listed companies, both valid for 1 year.
- Reduce profits tax by 100% in Year of Assessment (YA) 2019-20, subject to a ceiling of $20,000.
- Waive rates for non-domestic properties in 2020-21, subject to a ceiling of $5,000 per quarter in the first two quarters, and a ceiling of $1,500 per quarter in the remaining two quarters.
- Waive business registration fees in 2020-21 as well as registration fees for annual returns charged by the Companies Registry for 2 years.
- Provide 75% rental concession to eligible tenants of government premises and eligible holders in respect of tenancies on government land from April to September 2020. Waive 75% electricity charges
| • subsidy to non-residential accounts for 8 months with a monthly cap of $5,000 as well as 75% water and sewage charges for non-domestic accounts for 12 months till November 2020.  
| • Increase the waiver amount of rental fees of venues under the Leisure and Cultural Services Department from 50% to 75% for the period from April 2020 to September 2020.  
| • Grant interest-free deferral of loan repayment for 2 years to those self-financing post-secondary institutions and non-profit-making international schools which have taken loans from the Government.  
| • Reduce salaries tax for YA 2019-20 by 100%, subject to a ceiling of $20,000.  
| • Provide a 3-months extension of deadline for payment of salaries tax, and profits tax for YA 2018-19  
| • Waive rates of domestic properties for four quarters of 2020-21, with ceiling of $1,500 per quarter. |

**Hong Kong Tourism Board**  
An additional HKD 700 million (US$90.2 million) has been allocated for the Hong Kong Tourism Board to bolster external promotion. The Hong Kong Tourism Board will launch a plan to strengthen its support for the trade and joint promotions, with an aim to speed up the recovery of Hong Kong tourism with a budget of HK$400 million. The initiatives will cover local and overseas travel agencies, hotels, airlines and attractions, as well as the retail, dining and Meetings, Incentives, Conventions and Exhibitions (MICE) industries.

| Iceland | The government announced the first phase of crisis response measures equivalent to ISK 230 bn (1.5 bn EUR), aiming to safeguard the economic livelihood of people and businesses, protect the welfare system and create a strong demand in the economy. On this basis, the following measures have been established:  
| To ensure liquidity, the government will provide state-backed bridging loans for companies, guaranteeing 50% of the loans, with a maximum liability of ISK 35 million. It is accelerating public project investments focusing on technical infrastructure and is providing financial support for the Tourism sector. The Central Bank of Iceland also lowered interest rates and plans further actions.  
| **Worker protection**  
| The government approved an Act on temporary payments to individuals due to loss of income from being quarantined.  
| • The government is subsidising up to 75% of the salaries of full-time-workers whose hours or salary has been reduced, up to ISK700,000 (US$5,200) per month. This continues until the end of June, then will become 50% until the scheme ends on 31 August. The Minister of Social Affairs and Children also  

| Cash & Liquidity |
| Worker Protection |
| Fiscal Promotion |
submitted a bill to Parliament regarding changes to the Act on Unemployment Insurance and the Act on Wage Guarantee Fund, whereby individuals who are downgraded to part-time employment could have certain rights to unemployment benefits.

- Where an employee is quarantined but does not have the right to a salary from their employer during the quarantine, the government shall pay the employee his salary.
- Self-employed individuals will also receive greater protection. They will receive 80% of their average income in 2019, up to ISK633,000 per month, and they can hereby apply for temporary suspension of their business operations with the Icelandic Tax Authority and subsequently apply for unemployment benefits.
- It also agreed to provide access to third-pillar pension savings, to a maximum withdrawal of ISK12 million ($89,000) over a 15-month period.
- Businesses that have suffered at least a 75% loss in revenue and are forecasting continued losses through 2020 can apply for government support to subsidise up to 85% of salaries for an employee during their notice period until 30 September: up to ISK 633,000 ($467) per month for up to three months, plus vacation pay. These employees will have priority access to jobs when business activities resume, and will retain certain specified accrued rights.

From a fiscal perspective, the government deferred tax payments, provided access to third-pillar pension savings (private pension savings) and offered refund of VAT for construction projects.

Liquidity

- The Central Bank of Iceland implemented several measures e.g. lowered interest rates and plans further actions. The HF-Fund will transfer funds from the Central Bank to increase the ability of banks and creditors to provide credit to both companies and individuals.
- If certain conditions are met, companies will be able to apply for bridge loans to withstand the effects of the global outbreak. The government will guarantee 50% of such loans with a maximum total liability of ISK 35 billion.
- The government collaborated with the Icelandic Financial Services Association to enhance liquidity and payment difficulties of tourism companies.
• The government is also providing state-backed bridging loans for companies that have suffered a loss of revenues of at least 40%.
• In April, the government said it will allocate more than ISK 30 billion ($222 million) to grant subsidies of up to ISK2.4 million (ISK800,000 per employee) and non-indexed support loans to companies forced to halt their operations for public health reasons and suffered a 75% yr-on-yr loss in revenue in April 2020. It also offered immediate support loans for SMEs.

**Fiscal**

From a fiscal perspective, the government deferred tax payments, provided access to third-pillar pension savings (private pension savings) and offered refund of VAT for construction projects.

**Tourism**

The government also implemented specific Travel & Tourism related policies which together represent a 4.6 billion ISK injection into Iceland’s Travel & Tourism sector, specifically:

- **Fiscal** Payment and collection of the tax on overnight stays (bed-night tax) are suspended from 1 April 2020 through 31 December 2021. Payment of tax on overnight stays from 1 January 2020 through 31 March 2020 are also deferred. The payment due date for tax on overnight stays during this period is deferred until 5 February 2022.

- **Stimulating demand**: Icelandic residents over 18 years of age will collectively receive 1.5 billion ISK worth of travel vouchers from the Government, to spend domestically. This action will be implemented in cooperation with the Icelandic Travel Industry Association. A promotional campaign for domestic & international travel to Iceland is being developed for when conditions allow.

Measures have also been implemented to review the fiscal amount of security against insolvency for Travel & Tourism. This will allow tour operators to liquidate a substantial amount of money that has been tied up in securities. Still, securities will include reimbursements to travelers.

The response package, which includes a special ISK 15 billion investment acceleration initiative, has several projects that are aimed at supporting the Travel & Tourism sector, notably:
**India**

- The allocation of an additional 650 million ISK for infrastructure at national parks and protected areas including public tourist sites as well as an extra 200 million ISK for the Tourist Site Protection Fund.
- The extension of Akureyri airport terminal in North Iceland and improvements at both Akureyri airport in North Iceland and Egilsstaðir airport in East Iceland.
- The improvement Harbour and road improvements across the country.
- The acceleration of infrastructure investment for the electrification of harbours and rental car fleet.
- The renovation of Harpa Concert and Conference Centre in Reykjavik.
- Allocation 400 million ISK to boost innovation through the Technology Development Fund.

At the municipal level, Reykjavik announced an action package including the extension of deadlines for taxes and charges, the lowering of commercial property tax, investment acceleration and a marketing campaign for Reykjavik as a destination once the situation returns to normal.

### Liquidity

**For small businesses**

- Collateral free loan of Rs 3 lakh crores for MSMEs — a move that will enable 45 lakh units to restart work and save jobs.
- Subordinate debt provision of Rs 20,000 cr for 2 lakhs stressed MSMEs. There will also be Rs 50,000 crore equity infusion via Mother fund-Daughter fund for MSMEs that are viable but need handholding. A fund of funds with corpus of Rs 10,000 crore will be set up to help these units expand capacity and help them list on markets if they choose.
- Definition of MSMEs revised — the move will allow MSMEs to aim for expansion without losing benefits. Also, there will be no distinction between manufacturing & services sector MSMEs.
- The government will ensure e-market linkages are provided given the non-participation in trade fairs due to COVID-19. The Central government and PSUs will clear all MSME receivables in next 45 days.

**Cash & Liquidity**

Worker Protection

Fiscal

For non-bank lenders

- Rs 30,000 crore special liquidity scheme for investing in investment grade debt paper of Non-Banking Financial Companies (NBFCs), Housing Finance Companies (HFCs) and Microfinance Institutions (MFIs). These NBFCs are those that are also funding MSMEs. These will be fully guaranteed by the government of India.
- A Rs 45,000 crore partial credit guarantee scheme 2.0 for NBFCs. The first 20% loss will be borne by the guarantor that is the government of India.

Worker Protection

- The government will provide liquidity relief of Rs 2,500 crore EPF support to all EPF (Employees' Provident Fund) establishments. The EPF contribution will be paid by the government for another 3 months (till August). It will benefit more than 72 lakh employees.
- Statutory EPF contribution for all organisations and their employees covered by EPFO to be reduced to 10% from 12% earlier (This doesn’t apply to govt organisations). This will help infuse Rs 6,750 cr of liquidity into these organisations.

Fiscal

- A reduction of 25% of existing rates of Tax Deducted at Source (TDS) & Tax Collection at Sources (TCS) from tomorrow till March 31, 2021. This will release Rs 50,000 crores.

Civil Aviation (Airspace Management, World Class Airports Through PPP, MRO HUB)
The government is working hard to make India a global hub for aircraft maintenance, repair and overhaul. In this context, the Airports Authority of India has awarded 3 airports out of 6 bids for operation & maintenance on (PPP) basis. Additional investment by private players in 12 airports in first & second rounds is expected around Rs 13,000 crores.
To address COVID-19 and mitigate the impact of implementing nationwide quarantine restrictions, Italy put in place emergency economic measures and suspended mortgage payments. Specifically, the Italian government initially launched a **25-billion-euro rescue plan** designed to shield families and businesses from the fallout of the coronavirus pandemic. On 13 May, Italian Prime Minister Giuseppe Conte presented a **new package of measures worth €55 billion** to tackle the economic impact of the coronavirus pandemic. The stimulus package includes a mix of grants and tax breaks to help firms ride out the downturn. It also offers help to families, including subsidies for childcare and incentives to boost the ravaged tourism sector.

As part of the 'Italy Cure' rescue plan, €10 billion was allocated "to support employment and workers" and another €3.5 billion to help the healthcare system. Among other initiatives, Italy re-activated the Cassa integrazione for all the sectors, whereby the government pays 80% of the employee salaries.

### Worker protection
- Self-employed or seasonal workers can apply for a special pay-out of €600 in March. Families can apply for permission to suspend their mortgage payments if business shutdowns caused by the pandemic threaten their livelihoods. What's more, parental leave has been extended to 15 days and in March and April, people caring for a loved one with disabilities are entitled to take up to 12 days' leave a month instead of three. Finally, employees can claim time under quarantine as sick leave.
- In May, the government also earmarked €25.6 billion to extend existing unemployment benefits; and introduced a so-called 'emergency income' of up to €800 for low-income families.

### Liquidity
- **Created a Moratorium on SME loans and micro-enterprises**, which provides the bank or other financial intermediary that granted the credit, with a 33% public guarantee. A tax bonus is provided for the sale of impaired loans. Italy has also strengthened its Guarantee fund for SMEs. For 9 months, the State provides a guarantee for loans of up to € 5 million aimed at investments and restructuring of debt situations, in compliance with the guarantees and limits established by the provision itself.
- **Set up a 500 million Euro fund to deal with the damage suffered by the aviation industry** and the Alitalia operation.
- As part of the May announcement, the government is allowed to intervene and recapitalize struggling companies in line with new EU state aid rules allowing public capital injections.

### Fiscal

---

**Worker Protection**

[Italian National Tourist Board](http://www.italia.it/en/useful-info/covid-19-information-and-updates-for-tourists.html)

[https://www.gazzettaufficiale.it/eli/id/2020/03/17/20G00034/sg](https://www.gazzettaufficiale.it/eli/id/2020/03/17/20G00034/sg)

- Suspended all tax obligations expiring between 8 March 2020 and 31 May 2020. Companies established in Italy operating in the tourism and hospitality sectors, as well as companies with their main activity relating to sports, transport, and catering, can benefit from the suspension of tax duties other than payments, such as the VAT return, expiring in the period 8th March 2020 – 31st May 2020.
- **Offered a tax credit of 60% of the amount of the rent**, relative to the month of March, is recognized for shop owners and shopkeepers. There is also a tax credit, of up to 50% of sanitation costs, to encourage the sanitation of the workplace up to a maximum of 20,000 euros. The tax credit is recognized until the maximum amount of 50 million euros is exhausted for 2020.
- As part of the new decree, the government temporarily freezes corporate tax for all companies with an annual turnover below €250 million and grants non-repayable aid of up to €40,000 to small businesses.

**Support for Tourism**
- The new measures introduced in May also include support for tourism, a sector that accounts for nearly 13 percent of Italian economy.
- Low-income families will receive a “holiday bonus” of up to €500 to be spent on accommodation, while hotels and beach resorts will benefit from tax discounts.
- The government also announced €2 billion in aid to help businesses which will have to adapt their activities to meet new social distancing requirements, particularly in the tourism sector.
- The government set up a 500 million Euro fund to deal with the damage suffered by the aviation industry and the Alitalia operation.

<table>
<thead>
<tr>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>To counter the economic crisis caused by the global coronavirus pandemic, Japan adopted on 26 May its largest-ever emergency economic package worth ¥108 trillion, equivalent to about 20% of its gross domestic product. The stimulus, with ¥39.5 trillion in direct fiscal spending, includes emergency measures worth ¥2.1 trillion already announced after the virus outbreak, and a set of programs worth ¥19.8 trillion, compiled in December, aimed at mitigating the economic impact of last year’s consumption tax hike. Of the total amount, ¥1.68 trillion has been earmarked to stimulate consumption and help <strong>tourism-related industries recover</strong> after the spread of the virus is finally contained.</td>
</tr>
</tbody>
</table>

**Liquidity**
*For large businesses:*

| Fiscal |  |
• The Development Bank of Japan (DBJ) will offer large businesses, e.g. airlines companies, low interest rate loans with no upper limit to the loans.

SMEs
The Japan Finance Corporation, a policy institution wholly owned by the Japanese Government, is tasked with the aim to address the financial needs SMEs, and offers a number of special lending schemes as outlined below.

• The COVID-19 Special Loan is provided by JFC to any SME or small enterprise suffering a temporary deterioration of business condition. The maximum amount of a loan is 300 million yen (approx. USD2.8 million) for SMEs and 60 million yen (approx. USD561,000) for other smaller business operators.

• The COVID-19 Managerial Improvement Fund Loan is available to any small enterprise if its monthly revenue has decreased by 5% or more compared with the corresponding month of the previous year or two. It offers a loan facility of up to 10 million yen (approx. USD93,000) in addition to the ordinary managerial improvement fund loan which JFC may provide to those who has been advised by the Chambers of Commerce and Industry or other regional commercial advisory bodies.

• The Safety Net Loan is provided by JFC to any SME or small enterprise if it is suffering or is likely to suffer a temporary deterioration of its business condition. In light of the COVID-19 crisis, the eligibility requirements for Safety Net Loan have been loosened so that financial assistance can be offered to SEMs and small enterprises that are expected to be in a financial stress without having to provide any numerical evidence such as drop in revenue. The maximum amount of Safety Net Loan for an SME is 720 million yen (approx. USD6.7 million).

• Through the Interest Subsidy Program, any SME may be granted interest subsidy if (i) it has utilised one or more of applicable JFC’s lending schemes above or SCB/DBJ’s Crisis Response Loan (see the preceding section), and (ii) its revenue has fallen by 20% or more (or 15% or more in case of smaller enterprises) due to the COVID-19 outbreak.

• In relation to Credit Guarantees, the Ministry of Economy, Trade and Industry (METI) decided to use safety net guarantee program (guarantee limit: JPY280 million (approx. USD2.6 million) per company) and crisis related guarantee (guarantee limit: JPY280 million) to support SMEs.

• The Business continuity grant was announced by the Ministry of Economy, Trade and Industry (METI) to provide subsidies of up to 2 million yen to all companies with a paid-in-capital of less than 1 billion yen (which could be broader than the definition of SME below), if such companies’ revenue from business in any given month fall more than 50% compared to those in the same month of the preceding year.
- The Japanese government is issuing ¥1.6 trillion to help micro and small to medium-sized enterprises through a reduced rate loan program with interest-free unsecured financing support. Private financial institutions will provide new loans and change terms for existing debt.

**Worker Protection**
The government announced its plan to increase the subsidies for employment adjustment (koyochosei joseikin) from 66.7% to 90% of the paid salary to SMEs (from 50% to 66.7% in the case of non-SMEs) whose employment was maintained but who are put on temporary leave, training or secondment (such measures, collectively, “Employment Adjustment”) during the period between April 1 and June 30, while also relaxing other requirements to be eligible for these subsidies. The subsidy was capped at JPY 8,330 a day per employee on leave as of April, but this seems set to be increased to JPY 15,000 a day per employee.

**Fiscal**
Companies hit by the virus will be able to defer income and regional tax payments for a year. Some smaller businesses will see their property taxes cut back as far as zero.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The Netherlands</td>
<td>Worker Protection</td>
<td></td>
</tr>
<tr>
<td>The Netherlands</td>
<td>Fiscal</td>
<td></td>
</tr>
<tr>
<td>The Netherlands</td>
<td>Liquidity</td>
<td></td>
</tr>
</tbody>
</table>

---

- The Dutch government has implemented a series of economic measures designed to protect health, people’s jobs, and livelihoods and to minimise the impact on self-employed people, SMEs and major companies. Under the newly announced measures, billions of euros will be invested into the economy every month, for as long as necessary. The measures will ensure that companies are able to pay their employees’ wages, grant a bridging arrangement for self-employed people and allow companies to hang on to their money through relaxed tax provisions, allowances, and supplemental lines of credit.

**Worker Protection**
- Employers with more than 20% turnover loss can apply for the Temporary Emergency Bridging Measure for Sustained Employment (NOW, Noodfonds Overbrugging Werkgelegenheid) to receive up to 90% compensation of their employees’ wages. The Employee Insurance Agency will provide the company with an advance amounting to 80% of the requested allowance. This will allow companies to keep paying their employees’ salaries. To be eligible, companies must not dismiss any employees from their jobs for economic reasons during the period covered by the allowance.
- Self-employed professionals can apply for a temporary benefit or loan for self-employed professionals (Tozo) to bridge the loss of income from 1 March onwards, in the municipality where they live.
- Tozo for entrepreneurs living abroad: If one’s company is in the Netherlands, but the individual lives abroad (in the EER or Switzerland), one can apply to the municipality of Maastricht for a business loan with retroactive effect from 1 March.
- The €4,000 Reimbursement for entrepreneurs in affected sectors scheme (TOGS) is open for entrepreneurs in a number of specific sectors who have been affected by the coronavirus, including hospitality, until 26 June 2020.
- From 16 March 2020 to 1 April 2021, the SME credit guarantee (BMKB) scheme is extended to help SMEs that are affected by the coronavirus secure bank guarantees and bridge financing.
- Start-ups and scale-ups can apply for the ‘Corona-Overbruggingslening’ (Corona Bridging Loan or COL) via the TechLeap.nl website. Regional Development Companies (ROMs) supply the loans, that vary between €50,000 and €2 million.
- The Business loan guarantee scheme (GO) has been extended. GO makes it easier for large and medium-sized companies in the Netherlands to borrow substantial amounts of money. Capital providers receive a 50% guarantee from the government. Due to the crisis, the amount for which the government stands as guarantor has been increased to €150 million. The maximum guarantee percentage has been increased from 50% to 80% for large companies (public limited companies, nv) and to 90% for SMEs. The GO guarantee ceiling has been raised to €10 billion.
- Entrepreneurs who have a loan from microcredit provider Qredits do not have to repay their loan for a period of 6 months. During this period, the interest will be reduced to 2%. The government supports Qredits with 6 million euros. Qredits, a provider of microcredit, finances and coaches a large number of small start-ups, which generally have difficulty obtaining loans from a bank.
- Growth Facility Scheme: The intended phasing out of the Growth Facility Scheme will be extended by one year, to 1 July 2021. Under the scheme, financiers who provide venture capital to SMEs receive a guarantee. If an SME incurs a loss on the investment, they can reclaim 50% of that loss.
- Businesses that make use of the Proof-of-concept funding scheme (VFF) or the Innovation credit scheme (IK) can apply for a repayment extension. Also, no interest will be levied on the VFF. As a result of the corona crisis, conditions for Proof-of-concept funding (VFF) have been eased.

Fiscal
<table>
<thead>
<tr>
<th>New Zealand</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>It will be made easier for companies that have been impacted by the coronavirus to request a deferment of tax payment. The Dutch Tax and Customs Administration will halt the collection of taxes (income, corporation, and VAT) at once upon receiving the request for deferment. Any fines that may be imposed for the late payment of taxes do not need to be paid. Moreover, companies will be provided more time to submit evidence. The interest on all types of overdue tax normally levied after the term of payment has expired will be temporarily lowered from 4% to nearly 0%. The rate for interest on tax will be temporarily lowered to practically 0% as well. This reduction will apply to all types of tax that are subject to interest on tax.</td>
<td></td>
</tr>
<tr>
<td>On 26 June, the government announced it will provide financial support to KLM, notably, a guarantee for bank loans of up to €2.4 billion and a direct loan from the government of up to €1 billion euros (until 2025). KLM must reduce costs by 15% and actively contribute to sustainability. The notice period for termination of state guarantees, which safeguard Schiphol airport’s hub function, will be extended from nine months to five years.</td>
<td></td>
</tr>
<tr>
<td>The government announced a $12.1 billion package to support New Zealanders and their jobs from the global impact of COVID-19. The package represents 4% of GDP and is more than the total of all three budgets’ new operating spending in this term of government put together.</td>
<td></td>
</tr>
<tr>
<td>The package includes $5.1 billion in wage subsidies for affected business in all sectors and regions as of 17 March; $126 million in COVID-19 leave and self-isolation support; $2.8 billion income support for the country’s most vulnerable; $2.8 billion in business tax changes to free up cash flow, including a provisional tax threshold lift.</td>
<td></td>
</tr>
<tr>
<td>This cash injection is on top of the $12 billion New Zealand Upgrade Programme announced in January.</td>
<td></td>
</tr>
<tr>
<td>The government will open a NZ$900 million (US$580 million) loan facility to the national carrier as well as an additional NZ$600 million relief package for the aviation sector.</td>
<td></td>
</tr>
<tr>
<td>Fiscal Policies</td>
<td></td>
</tr>
<tr>
<td>A legislative package was enacted in New Zealand to mitigate the impact of COVID-19. Key measures include:</td>
<td></td>
</tr>
<tr>
<td><strong>Business Income Tax</strong></td>
<td></td>
</tr>
<tr>
<td>• Reintroduction, from the 2020-21 income year, of a 2% DV depreciation deduction for commercial and industrial buildings, including hotels and motels.</td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Liquidity</td>
<td>Government press release</td>
</tr>
<tr>
<td>Worker Protection</td>
<td>Package of $5.1 billion in wage subsidies for affected businesses across sectors including Travel &amp; Tourism. There will also be an initial $600 million aviation support package.</td>
</tr>
<tr>
<td>Fiscal</td>
<td></td>
</tr>
</tbody>
</table>
• Temporary increase in the threshold for expensing low-value assets from NZ$500 to NZ$5,000 during the 2020-21 income year. The threshold would be NZ$1,000 from the 2021-22 income year.
• NZD 2.8 billion in business tax changes to free up cash flow, including a provisional tax threshold lift, the reinstatement of building depreciation and writing off interest on the late payment of tax

**Filing/Payment Deadline Extension**
• The threshold for paying provisional tax will increase from $2,500 to $5,000 of residual income tax, from the 2020-21 income year.
• Inland Revenue will be given the power to write off interest on late payments

The **Reserve Bank** announced an emergency policy rate cut by 75 basis points, to 0.25%, accompanied by forward guidance saying this is for at least 12 months. The Reserve Bank announced further measures to support commercial banks to strengthen liquidity

**Inland Revenue** will also administer a Small Business Cashflow Loan scheme, offering up to $100,000 to firms employing 50 or fewer full-time equivalent employees. The loan amount is calculated as $10,000 for an applicant plus $1,800 per full time employee.

**Support for tourism**
As part of its 2020 budget, the government injected NZD 400 million into the Tourism Sector Recovery Plan to support the first stages of an action plan agreed with the industry. It includes a transitions programme to help businesses plan for the next steps, a fund to ensure key tourism assets survive, a domestic tourism marketing campaign, and a public/private taskforce to shape the future of the industry.

The government also announced a $600 million aviation support package, including funding for airlines to pay passenger-based government charges, Airways (air traffic services) related fees and support due to declining revenue covered for six months.

<table>
<thead>
<tr>
<th>Norway</th>
<th>Cash &amp; Liquidity</th>
<th>Fiscal Promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>The government announced that it will establish two guarantee and loan schemes totalling at least NOK 100 billion ($8.7 billion). The following two measures were put in place to secure Norwegian workplaces and businesses, following a recognition of the particularly vulnerable nature of tourism, with its many SMEs, and the need for liquidity:</td>
<td></td>
<td><a href="https://www.nrk.no/norge/her-er-regieringens-tiltak-for-naeringslivet-1.14945564">https://www.nrk.no/norge/her-er-regieringens-tiltak-for-naeringslivet-1.14945564</a></td>
</tr>
</tbody>
</table>
- A state loan guarantee for bank loans aimed especially at small and medium-sized businesses. This includes new loans to companies that the banks believe will be profitable in the long term, and the state will guarantee a greater proportion of the loans. Initially, the scheme will receive a limit of NOK 50 billion ($4.35 billion).
- Restoring the government bond fund as a measure aimed at the largest companies in Norway. The measure will contribute to increased liquidity and capital inflows in the bond markets so that the companies still receive loans. The Government will propose to the Storting that the Fund receive a limit of up to NOK 50 billion ($4.35 billion). The fund will be managed by Folketrygdfondet.

The government also decided to postpone the payment of the employer's contribution due May 15.

**Support for tourism**

Innovation Norway has allocated EUR 17 million in an effort to support the country's internal tourism industry, amid the Coronavirus pandemic (COVID-19). Specifically, for aviation, the government is providing a conditional state loan-guarantee for its aviation industry totalling NKr 6 billion ($533 million).

<table>
<thead>
<tr>
<th>Portugal</th>
<th>Cash &amp; Liquidity</th>
<th>Information received from government</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Worker Protection</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fiscal</td>
<td></td>
</tr>
</tbody>
</table>

**Mitigation of economic impacts, supporting companies and protecting jobs:**

- Extraordinary support for the maintenance of employment contracts in a company in the amount of 2/3 of the remuneration, and ensuring 70% of Social Security, the remainder being borne by the employer;
- Offering of training scholarships in the Institute for Employment and Vocational Training in Portugal (IEFP);
- Promotion, in the contributory scope, of an exceptional and temporary regime of exemption from the payment of social security contributions during the lay off period by employers.
- Measures to accelerate payments to companies by the Public Administration.
- Strengthening the response capacity of IAPMEI (specialised public agency of the Ministry for the Economy providing technical and financial support to enterprises, in particular SMEs) and Turismo de Portugal in assisting the impact caused by COVID-19.
- Extension of deadlines for payment of taxes and other declarative obligations.

### Social protection of workers and families
- Exceptional financial support for employees who have to stay at home to accompany their children up to 12 years old, in the amount of 66% of the basic remuneration (33% paid by the employer, 33% paid by Social Security).
- Exceptional financial support for self-employed workers who have to stay at home to accompany their children up to 12 years old, in the amount of 1/3 of the average salary.
- The deferring of contributions payments of self-employed workers;
- The creation of an extraordinary support for professional training, in the amount of 50% of the worker’s remuneration up to the limit of the National Minimum Wage, plus the cost of training, for the situations of workers without occupation in productive activities for considerable periods.
- Guarantee of social protection for trainees and trainers in the course of training actions, as well as for beneficiaries engaged in active employment policies who are prevented from attending training actions;
- Workers who are decreed, by the health authority, the need for prophylactic isolation will have ensured the payment of 100% of their remuneration during the respective period.

The government developed specific initiatives focusing on Travel & Tourism focusing on Tourism businesses, tourists as well as residents. Specific initiatives were developed in the area of communication focusing on tourists with information on consumer rights in the context of the crisis, protection advice, restrictions and useful contacts. Turismo de Portugal also changed its destination communication to one of hope, from #cantskipportugal to #cantskiphope.

The government approved credit lines for companies guaranteed by the state, allocating €600 million for restaurants and similar businesses, including €270 million for micro and small businesses. Travel agencies, recreational services enterprises and events organizers have been allocated €200 million of which €75 million are for micro and small business. €900 million have been allocated to hotels and accommodation
establishments of which €300 million are for micro and small businesses. These credit lines include a 4-year repayment term, including a grace period until the end of the year. To support businesses, Turismo de Portugal has created a support line for Tourism Micro-enterprises Liquidity, which has been allocated €60 million, to support micro-enterprises in distress. The government is also supporting the reimbursement costs incurred by organizers whose events in 2020 were postponed or cancelled. It was also decided to exempt rents related to properties held by Turismo Fundo (real estate investment funds). These investment support measures were further reinforced with measures to accelerate payments and reimbursements within the scope of the OREN and Portugal 2020 (EU Funds) and all Turismo de Portugal’s funding instruments and to give moratoriums for payments of credits to Turismo de Portugal. It was also decided to exempt rents related to properties held by Turismo Fundo (real estate investment funds). Finally, the Government decided to postpone the fulfillment of several corporate tax obligations.

In addition to financial support for companies, advisory services were created for tourism entrepreneurs, supporting the management of companies at a critical moment of their existence. These include:

- Upgrading the information and advisory team at Turismo de Portugal (Development of phone and online channels to support companies regarding advice on financial support instruments)
- Specialized online support to companies by the Portuguese Tourism Schools (Turismo de Portugal provides online support service with team of 60 trainers from the Hotel and Tourism Schools who are available to help companies to provide advisory in dealing with specific operational issues)
- Updated data on International Source Markets to Portugal (Daily update of market information for enterprises (air transport, reservations, tour operators and travel restrictions), produced by the offices of Turismo de Portugal worldwide and publicly available on Turismo de Portugal’s knowledge management platform.
- Monitoring the flow of tourists to Portugal, using mobile and airlines data.

For residents, all Turismo de Portugal’s Tourism Schools are now delivering classes fully online and the tuition fees were suspended during this period. Together with private sector associations such as ALEP, AHRESP and AHP, Turismo de Portugal has made available a fund of €250,000 to support, accommodation and hotel owners, with electricity, water, gas and cleaning costs. Likewise, Turismo de Portugal also provides, at zero cost and immediately, the accommodation available in its tourism schools in Setúbal, Faro and Lamego.

**Saudi Arabia**
The Kingdom of Saudi Arabia (KSA) introduced a $32 billion (SR 120 billion) stimulus package to support the private sector and boost the Kingdom’s economic growth, alleviate volatility in cash flows, support working
capital, boost local economic growth and maintain employment rates within the private sector. The $32 billion are divided into two packages, notably:

- A $13.4 billion (SR 50 billion) package from the Saudi Arabian Monetary Authority (SAMA) has been allocated to help SMEs cope with the economic impact of COVID-19. The SAMA package to banks allows the deferral of the current instalments due by SMEs by 6 months; the extension new short- and medium-term loans to manage the forecasted squeeze in liquidity, as well as the partial reduction of financing costs for SMEs. The package also reduced financing costs and grants new loans for companies.

- A $18.6 billion (SR 70 billion) package from the Ministry of Finance (MoF) to aid businesses, including the postponement of tax payments and exemptions of various government levies and fees. Among other measures, businesses are able to postpone VAT and Expats Fees for a period of three months.

The Kingdom has also raised the debt ceiling from 30% to 50% of the GDP, giving room to the government to borrow money to help offset the deficit, and introduce the aforementioned packages in a low oil prices environment.

The government announced several incentives to safeguard jobs and ease the impact of COVID-19 on businesses including the temporary suspension of the Wages Protection Law (Pending Review); permitting foreign workers transfer between companies without any conditions (sponsorship change); as well as lifting the suspension on existing companies that have due unpaid penalties and levies.

On 2 July, the government extended relief measures including unemployment insurance (SANED); lifting suspensions of businesses that fail to meet wage laws during the pandemic; postponing the collection of customs duties on imports for a period of 30 days against the submission of a bank guarantee; accepting instalment requests without applying the advance payment condition; accelerating VAT refunds; and a two-month postponement of VAT, excise tax, income tax, and Zakat payments.

<table>
<thead>
<tr>
<th>Country</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>Since Singapore began dealing with COVID-19 on 23 January, the government has rolled out a number of policies and measures to support the Travel &amp; Tourism sector with a focus on confidence building and providing assistance to the sector. To build confidence, the government is providing support for professional environmental cleaning and disinfection costs for hotels who have provided accommodation for suspected/confirmed cases. In fact, up to</td>
</tr>
</tbody>
</table>

| Fiscal | |

37
50% of third-party professional cleaning fees capped at $20,000/establishment for hotels with confirmed cases; $10,000 per establishment for hotels with suspected cases. What’s more, Singapore created a Clean Certification to provide assurance to locals and visitors on tourism venues and facilities being implemented and audited with rigorous preventive measures.

To support the sector, Singapore has also:

- Waived the license fees for STB-licensed hotels, travel agents and tourist guides for 2020.
- Reduced by 50% the industry participation fees for STB-led tradeshows.
- Enhanced the training scheme through Training Industry Professionals in Tourism (TIP-IT) fund, funding up to 90% of training course fees and trainer fees. Funding for absentee payroll will be increased $4.50/hour to 90% of the worker’s hourly basic salary, capped at $10/hour.
- Enhanced training through SkillsFuture (SSG), including enhanced Absentee Payroll (AP) support at 90% of hourly basic salary capped at $10 per hour and course fee support at 90% of course fees.
- Provided salary support through Workforce Singapore, of up to 70% of fixed monthly salaries capped at $2,000 per month per employee for the training duration for up to 6 months.
- Licensed self-employed tourist guides will receive wage support of $1,000 to assist with some of their basic living expenses, provided they are Singaporean citizens or permanent residents.
- Waived license renewal fees for tourist guides.
- Waived test fees for multi-language proficiency test and area tourist guide.
- Allowed temporary relief from leases or rental agreements for commercial equipment or commercial vehicles (including tour buses), effective from June 20 until October 19.

The government has also created a temporary bridging loan programme for cash flow support, has implemented rebates on aircraft landing and parking charges as well as rental rebates for shops and cargo agents at Changi, valued at $82 million ($512 million). It has created a point-to-point support package for taxis and private hire car drivers. To further support jobs, it has created a job support scheme with a one-off wage support to help enterprises retain their workers. For employers that cannot resume business operations, the government will continue to provide wage support at 75% until August 2020 or when they are allowed to re-open, whichever is earlier. To further enable cash flow, it enhanced its Enterprise Financing Scheme-SME Working Capital Loan as well as well as implementing a corporate income tax rebate for YA2020 of 25% of tax payable, capped at $15,000 per company.

<table>
<thead>
<tr>
<th>Sweden</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The government is ready to consider further measures if and when necessary.</td>
<td></td>
</tr>
<tr>
<td>The government presented a number of measures to alleviate the impact of the crisis on jobs, the economy and businesses, notably:</td>
<td></td>
</tr>
<tr>
<td><strong>Protection of workers and individuals</strong></td>
<td></td>
</tr>
<tr>
<td>• Temporary reinforcement of the unemployment insurance through increased funding to Arbetsformedlingen (the Swedish public employment service) and labour market policy programmes. More places and more distance learning at higher education institutions are proposed, as well as opportunities for vocational education and training throughout the country.</td>
<td></td>
</tr>
<tr>
<td>• The central government will assume the full cost of all sick pay during April-May. Self-employed persons will also be compensated in that they can receive standardised sick pay for days 1-14.</td>
<td></td>
</tr>
<tr>
<td><strong>Liquidity</strong></td>
<td></td>
</tr>
<tr>
<td>• The central government is guaranteeing 70% of new loans banks provide to companies that are experiencing financial difficulty due to the COVID-19 virus but that are otherwise robust.</td>
<td></td>
</tr>
<tr>
<td>• To reduce costs for companies in sectors such as hotels and restaurants, support will be granted to facilitate and speed up renegotiation of rents. The central government will cover 50% of the rental reduction up to 50% of the fixed rent.</td>
<td></td>
</tr>
<tr>
<td>• Increased loan facilities and credit guarantees for Swedish businesses will make it will be easier for Swedish businesses, particularly SMEs, to access finance. Almi Företagspartner AB will receive a capital contribution of SEK 3 billion to increase its lending to SMEs throughout the country. The Swedish Export Credit Corporation’s credit framework will be increased from SEK 125 billion to SEK 200 billion and can be used to provide both state-supported and commercial credit to Swedish export companies. Furthermore, the Swedish Export Credit Agency will decide on credit guarantees that entail new and improved credit opportunities for businesses.</td>
<td></td>
</tr>
<tr>
<td>• For short-term layoffs the Central government will cover 75% of costs when staff working hours are reduced, compared with short-time work where it covers 1/3 of the costs, halving employers’ wage costs while employees receive more than 90% of their wage.</td>
<td></td>
</tr>
<tr>
<td>Fiscal</td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Liquidity</td>
<td></td>
</tr>
<tr>
<td>Worker Protection</td>
<td></td>
</tr>
</tbody>
</table>
- Temporary reduction of employers’ social security contributions has been proposed for the period 1 March to 30 June 2020 so that only the old age pension contribution is paid.
- The rules for tax allocation reserves will be temporarily changed so that sole proprietors severely affected by the crisis will receive tax cuts. The new rules mean that 100% of the taxable profits for 2019, up to SEK 1 million, can be set aside in the tax allocation reserve, which can then be set off against possible future losses, i.e. people can get back the preliminary tax they paid in 2019.
- The proposal on new opportunities to defer tax payments will be expanded, i.e. VAT reported annually from 27 Dec 2019–17 Jan 2021 will also be covered by the proposal.
- Companies can defer payment of employers’ social security contributions, preliminary tax on salaries and VAT that are reported monthly or quarterly. The payment respite covers tax payments for three months and is to be granted for up to 12 months. It is proposed that the new regulations will take effect on 7 April 2020, with retroactive effect from 1 January 2020.

**SEK 1 billion to culture and sport**
The Government proposed an extra SEK 1 billion to the cultural sector and sports movement in support due to the economic consequences affecting these sectors.

**Credit guarantees for airlines due to SARS-CoV-2**
The Government proposed that airlines be able to receive credit guarantees in 2020 amounting to a maximum of SEK 5 billion, of which SEK 1.5 billion is intended for SAS.

**Other measures**
The Riksbank is loaning up to SEK 500 billion to companies via the banks to safeguard the supply of credit to Swedish companies. During the year, the Riksbank also intends to buy securities for up to an additional SEK 300 billion. Meanwhile, Finansinspektionen (the Swedish financial supervisory authority) is lowering the countercyclical capital buffer for banks from 2.5% to 0% to safeguard a well-functioning credit supply and help companies and households to keep up production, consumption and investment.

<table>
<thead>
<tr>
<th>Country</th>
<th>Fiscal Cash &amp; Liquidity</th>
<th>Link</th>
</tr>
</thead>
</table>

**The total economic support provided by the Swiss government for the crisis totals CHF 40 billion, with the aim being that the Swiss economy runs at 80%.**

**Liquidity**
The government set up a guarantee programme with a volume of CHF 40 billion to ensure that affected SMEs (sole proprietorships, partnerships and legal entities) obtain transitional bank credits. The aim is that the companies with less than CHF 500 million turnover in 2019 concerned are able to access credits of up to 10% of their turnover or up to CHF 20 million quickly and simply. Companies can contact their banks to ask for a credit of up to CHF 500,000. In this case, the government will underwrite the loans and no review is required from the bank. For loans over CHF 500,000, the credit is guaranteed 15% by the bank and 85% by the Swiss government.

Moreover, CHF 280 million was released for immediate assistance and cancellation compensation for independently managed publicly accessible companies like bars and restaurants, as well as self-employed people like freelance artists who have to cancel events and performances as a result of the virus.

**Worker protection**
Temporary workers including apprentices are entitled to compensation for loss of work, matching existing protections for fixed-term workers. The government also removed the existing requirement that employees need to use up their overtime hours before they can apply for unemployment.

Freelancers and the self-employed are compensated for work lost, paid 80% of their daily salary to a maximum of CHF 196 per day.

**Protection for culture and sport**
Professional sports clubs will be eligible to receive a share of CHF 50 million, while sporting organisations will also be eligible for a share of CHF 50 million if they are in danger of going out of business. The Swiss cultural sector - which is defined as including performing arts, design, film, visual art, literature, music and museums - will be supported by CHF 280 million in emergency aid.

**Fiscal**
Default interest for the late payment of taxes, customs duties and incentive taxes will be waived until the end of 2020.

**Tourism**
The tourism sector will be supported by a loan fund of CHF 530 million which has been made available to the industry through the cantons. The economics ministry and parliamentary committees are examining a proposal...
<table>
<thead>
<tr>
<th>Country</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td>by the national marketing organisation, Switzerland Tourism, for a stimulus package worth CHF 40 million ($41.3 million). However, the investment depends on the industry first surviving the pandemic. On 29 April, the Federal Council decided to provide support to the airlines Swiss and Edelweiss to bridge liquidity shortfalls. This will be provided by a consortium of banks, with the help of COVID-plus credits, secured by federal guarantees for 85% of the funds drawn down, but no more than CHF 1.275 billion (US$1.3bn).</td>
</tr>
<tr>
<td>Turkey</td>
<td>The government announced a $15.4 billion economic relief package to mitigate the impact of COVID-19. The package includes tax cuts, debt payment delays and regulations to encourage employers to allow remote working. It is also including direct measures for tourism sector. <strong>Fiscal Incentives</strong> - Social security premiums and VAT deductions have been suspended for six months across various sectors, including retail, malls, tourism transportation-travel agencies, cinema-theatre, accommodation food &amp; beverage and event organizations. - The postponement of accommodation tax to November. - The suspension of amounts related to hotel rental easement rights and revenue share payments for six months. - VAT on domestic airline flights has been cut to 1% from 18% for three months. <strong>Liquidity &amp; Cash</strong> - From March to June, the penalties for “churning” and “not filling the quota” will not be applied to travel agencies. - No-show penalties for the airline tickets issued before 19 March and for the tickets that could not be used between 12 March and 12 April 2020 will not be applied. These tickets can be used for one year after the removal date of the flight restrictions. - Travel agencies that have the authority to buy group discounted tickets will receive an additional 10% discount rate, valid from 16 March to 15 October. - The postponement of credit payments for firms who are facing cash flow disruptions for three months. - The Credit Guarantee Fund limit is increased from TL 25 billion to TL 50 billion and will be provided to SMEs and companies with liquidity needs and collateral deficit.</td>
</tr>
</tbody>
</table>
To protect workers and individuals, the government is encouraging the provision of credit packages for citizens under favorable and advantageous conditions. The government has also increased the lowest pension amount to 1,500 Turkish Liras and introduced loan packages for social purposes under favorable and advantageous conditions.

<table>
<thead>
<tr>
<th>UK</th>
<th>Fiscal Cash &amp; Liquidity</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Chancellor has set out a package of temporary, timely and targeted measures to support public services, people and businesses, currently amounting to £330 billion, through this period of disruption. This includes measures focusing specifically on supporting business in these challenging times, with a number directly targeting the Travel &amp; Tourism sector and many more supporting the sector indirectly, notably:</td>
<td></td>
</tr>
<tr>
<td>• 12-month business rates holiday for all retail, hospitality and leisure businesses in England</td>
<td></td>
</tr>
<tr>
<td>• A grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value of more than £15,000 and less than £51,000</td>
<td></td>
</tr>
<tr>
<td>• Small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief</td>
<td></td>
</tr>
<tr>
<td>• The Coronavirus Business Interruption Loan Scheme, offering loans of up to £5 million for SMEs through the British Business Bank, was launched on 23 March. The government will provide lenders with a guarantee of 80% on each loan to give lenders further confidence in continuing to provide finance to SMEs. Businesses can access that finance interest-free for the first 12 months. The government will also make a Business Interruption Payment to cover the first 12 months of interest payments and any lender-levied fees, so businesses will benefit from no upfront costs and lower initial repayments.</td>
<td></td>
</tr>
<tr>
<td>• The Coronavirus Large Business Interruption Loan Scheme (CLBILS) supports large businesses, with an annual turnover of over £45 million, who can apply for up to £25 million of finance. Firms with a turnover of more than £250 million can apply for up to £50 million of finance. The scheme is available through a series of accredited lenders, which are listed on the British Business Bank website. The government provides lenders with an 80% guarantee on individual loans. This gives banks the confidence to lend to many more businesses which are impacted by coronavirus. Facilities backed by a guarantee under CLBILS are offered at commercial rates of interest.</td>
<td></td>
</tr>
<tr>
<td>• The Future Fund will provide government loans to companies ranging from £125,000 to £5 million, subject to at least equal match funding from private investors. These convertible loans may be a suitable option for businesses that rely on equity investment and are unable to access the Coronavirus Business Interruption Loan Scheme. The scheme will be delivered in partnership with the British Business Bank.</td>
<td></td>
</tr>
</tbody>
</table>

| Government financial support guidance |
• The Bounce Back Loan scheme (launched: 4 May) will help SMBs to borrow between £2,000 and £50,000. The government will guarantee 100% of the loan and there won’t be any fees or interest to pay for the first 12 months. Loan terms will be up to 6 years. No repayments will be due during the first 12 months. The government will work with lenders to agree a low rate of interest for the remaining period of the loan. The scheme will be delivered through a network of accredited lenders.

To support self-employed individuals, the government will provide a direct cash grant of 80% of their average profits, up to £2,500 per month. The scheme will operate for three months and is open to anyone with average profits of £50,000 or less. However, given the time needed to establish the scheme, it will not be available until June, and those eligible will receive a one-off payment for the whole three-month period.

To support larger firms, the Bank of England has announced a new lending facility to provide a quick and cost-effective way to raise working capital via the purchase of short-term debt. This will support companies which are fundamentally strong, but have been affected by a short-term funding squeeze, enabling them to continue financing their short-term liabilities. No business will pay VAT from now until the end of June. At the same time, the Universal Credit standard allowance has been increased by £1,000 a year and the working tax credit basic element will also be increased by £1,000.

The government has also stepped in to pay people’s wages with the Job Retention Scheme, ending in October. A grant will cover 80% of wages up to £2,500 for those employees on furlough kept on payroll as well as national insurance and pension contributions. Employees on furlough will be permitted to volunteer without risking their pay for the NHS during the outbreak. The first payments will be made by the end of April. The government also announced that workers who have not taken all of their statutory annual leave entitlement due to COVID-19 will now be able to carry it over into the next two leave years. A Job Retention Bonus, announced on 8 July, will ensure employers receive a one-off bonus of £1,000 for each furloughed employee who is still employed as of January 31, 2021.

There will also be a £500m hardship fund for local authorities. The cost of a business having to have someone off work for up to 14 days will be refunded with £2bn allocated to cover firms that lose out because staff are off sick. This will apply to firms that employ fewer than 250 staff.

The government has confirmed that government advice to avoid pubs, clubs and theatres etc. is sufficient for businesses to claim on their insurance where they have appropriate business interruption cover for pandemics.
in place. What's more, to support the food industry and help provide meals for people who need to self-isolate, it will relax planning regulations to allow pubs and restaurants to start providing takeaways without a planning application.

The government announced a Destination Management Resilience Scheme which repurposes £1.3m of DEF funding to help support DMOs so they can be in a position to lead the recovery of industry in their area. The funding is available to at-risk DMOs in England which usually receives at least 50% of its income from commercial sources, following a light touch application process. DMOs are able to apply for support to cover the costs of up to two members of staff with an upper threshold of £2,500 per employee per month, plus employer on-costs restricted to National Insurance and pension contributions for a three-month period. This support is for up to three months. The scheme must support frontline business engagement and communication posts, with up to Up to £5,000 towards operating costs over this three-month period.

This scheme will issue convertible loans between £125,000 to £5 million to innovative companies which are facing financing difficulties due to the coronavirus outbreak.

The £10 million 'Kick-starting Tourism Package' will boost recovery and renewal in the sector in England. SMEs in tourist destinations can access government grants of up to £5,000 to help them adapt businesses after COVID-19. What's more, the government will accelerate the distribution of over £50 million by this autumn to tourism-related infrastructure projects already in development.

On July 8, the government announced a VAT rate cut from 20% to 5% for tourism and hospitality-related activities and a £1.57 billion support package in funding and investment for cultural, arts, and heritage institutions. This includes support to restart construction work paused by the pandemic.

<table>
<thead>
<tr>
<th>USA</th>
<th>Cash &amp; Liquidity</th>
<th>US Travel Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>The CARES Act now amounting to $2.6 trillion following the approval of an additional $484 billion on 23 April, provides relief to individuals, businesses, state and local governments, and the health care system. Some of the key provisions include:</td>
<td>Worker Protection</td>
<td><a href="https://www.cpapracticeadvisor.com/tax-compliance/news/21131709/summary-of-the-coronavirus-aid-relief-and-economic-security-cares-act">https://www.cpapracticeadvisor.com/tax-compliance/news/21131709/summary-of-the-coronavirus-aid-relief-and-economic-security-cares-act</a></td>
</tr>
<tr>
<td>Direct Payments to Americans amounting to $290 billion: The government will make direct payments of up to $1,200 per person, with additional payments of $500 per child. Payments will be phased out for those earning more than $75,000 a year and would exclude individuals earning more than $99,000.</td>
<td>Fiscal</td>
<td><a href="https://home.treasury.gov/news/press-releases/sm1026">https://home.treasury.gov/news/press-releases/sm1026</a></td>
</tr>
<tr>
<td>Enhanced Unemployment Aid amounting to $260 billion: The government will enhance existing state</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


unemployment insurance programs, including allowing furloughed workers to receive unemployment insurance benefits. It will waive the 7-day waiting period for regular unemployment insurance, extend the duration of unemployment insurance benefits, and promote short time compensation benefits for workers forced to cut hours. Self-employed workers and independent contractors are also eligible.

**Small Business Loans and Grants amounting to over $700 billion:** The government will provide help to Small Businesses and Non-Profits in loans and loan forgiveness, including small travel businesses. Specifically:

- **Existing SBA Loans:** $17 billion for the SBA to cover the next 6 months of loan payments due on existing SBA 7(a) loans, Certified Development Company loans, and microloans.
- **SBA Disaster Loans:** Provides $60 billion for the SBA to provide economic injury disaster loans until 31 Dec, 2020. SBA is also authorized to give grants (up to $10,000) to any business or private non-profit within 3 days of receiving an application, to cover needed expenses.
- **SBA Interruption Loans:** $349 billion for the SBA to provide “interruption loans”. The amount is based on 250% of the borrower’s average monthly payroll cost before the crisis hit, up to $10 million.
- **SBA Express Loans:** Increases the max amount for an SBA Express loan from $350,000 to $1 million.

The Paycheck Protection Programme: Provides small businesses, including tourism businesses, funds to pay up to 24 weeks of payroll costs including benefits to a cap. Funds are provided in the form of loans that will be fully forgiven when used for payroll costs, interest on mortgages, rent, and utilities. At least 60% of the forgiven amount must be used for payroll. Loan repayments will be deferred for six months without any additional fees. The government will suspend reductions in loan forgiveness based on any reductions in the number of employees due to compliance with COVID-19 safety measures and/or an inability to rehire similarly skilled staff by December 31.

**Economic Stabilization Assistance amounting to $454 billion:** The government will assist impacted travel businesses and governmental entities through secured loans, loan guarantees and other financial measures. The broad eligibility under this program ensures any impacted business or organization, including large or mid-sized businesses like major hoteliers, or DMOs classified as political subdivisions, can access cash to keep workers employed and stay afloat through the worst months of this crisis. This package includes $46 billion for the Treasury Department to give direct loans to airlines, cargo air carriers, and businesses critical to national security.

---

[https://www.whitehouse.gov/briefings-statements/bill-announcement-98/](https://www.whitehouse.gov/briefings-statements/bill-announcement-98/)
(e.g. Boeing). It also includes $32 billion in grants to passenger airlines, cargo air carriers, and air service contractors (including airline catering services) for payroll costs under strict conditions.

**Business Tax Relief:** The government, through its Employee Retention Tax Credit, will provide a temporary tax credit against employer payroll taxes, worth 50% of wages (up to $10,000 of qualified wages per employee per quarter) paid this year by a qualified employer. It will also defer payments for Social Security taxes on employers and the self-employed until 1 January 2021. The government has allowed businesses to fully carry back net operating losses occurring in 2018-20 to the previous 5 years and enabled them to amend previous tax returns to get a refund. The Refundable Credits for Prior Year Corporate Alternative Minimum Tax (AMT) are enabling businesses to accelerate their recovery AMT credits, allowing the immediate claiming of refunds. The government has temporarily increased the cap on the business interest expense deduction for the 2019 and 2020 tax year. What’s more, the government allowed restaurants and retail stores to fully expense the cost of property improvements in the year the cost occurs, rather than through a depreciation schedule.

Specifically relating to Airport and Tourism Grants, the government allocated $10 billion in grants to airports for the purpose of maintaining airport operations. It also allocated $5 billion in Community Development Block Grants to States and local governments to mitigate economic disruptions, including making direct grants to impacted tourism businesses. The government set up $1.5 billion in Economic Development Agency grants to be used by State and local governments for economic injuries to impacted industries, including tourism. On 7 July, the government announced that major US airlines have signed letters of intent with the government to extend their loans under the CARES Act.