

COVID-19 BRIEF - FRANCE

In his address on Thursday 7 May, the Prime Minister announced that the end-of-lockdown phase would begin on Monday 11 May. As such, the lockdown has been officially lifted but subject to certain conditions that will vary depending on where you are located in France.

During this address, <u>a map of the health situation in all of France's metropolitan</u> <u>départements and overseas territories</u> was presented. The red areas on this map have more restrictive end-of-lockdown measures then the green ones.

The government has clarified what is now <u>allowed or not allowed</u> depending on the endof-lockdown phase and the current health situation. You will find this information here:

You are reminded that the provisional timetable for the opening of restaurants, major museums, and tourist and cultural attractions will be announced at the end of May. Gatherings of more than 5,000 people will remain prohibited until at least September.

Therefore, as of Monday 11 May, shops – with the exception of cafes and restaurants, whose situation will be reviewed at the end of May – will be able to reopen, in compliance with social distancing guidelines.

Smaller cultural and tourist attractions will also be able to reopen, but cinemas, theatres, larger museums and concert halls will remain closed until further notice. Beaches will be opened on a case-by-case basis, subject to permission from their respective préfectures and upon the request of the local mayors.

National borders (outside the European Union/Schengen area) will also remain closed and will not reopen until at least Monday 15 June. Journeys further than 100km can only be made if you have a valid reason to do so and can provide upon request a valid certificate and other necessary supporting documents.

Health measures

Health measures will be maintained in order to limit the spread of the virus and avoid a second wave of contamination.

- Wash your hands regularly or use a hydro-alcoholic solution
- Cough or sneeze into the crook of your elbow or a handkerchief
- Blow your nose into a disposable handkerchief and then dispose of it
- Avoid touching your face
- Maintain a distance of at least one metre from other people
- Greet other people without shaking hands or embracing

Economic measures

The French government has imposed various measures to support the economy, launching a €45 billion plan of which €35 billion is dedicated to deferring social security contributions and taxes for companies.

Furthermore, €8.5 billion of this €45 billion has been dedicated to helping those on short-term contracts or furlough schemes. As such, companies will compensate 70% of their salaries and employees on the minimum wage will be fully compensated.

The government has also created a €1 billion Solidarity Fund to help small businesses turning over less than €1 million. This fund enables any small business encountering administrative closure, or loss of at least 70% of its turnover in March 2020 compared to March 2019, to receive a €1,500 subsidy. Additional funding may be available on a case-by-case basis and subject to review to help with other situations, for example, to avoid bankruptcy.

A €300 billion guarantee scheme has been devised to help banks fund companies, enabling them to grant cash loans to businesses to safeguard employment. In addition, French banks have accepted to postpone the repayment of corporate loans for up to 6 months free of charge.

Further more specific measures have been adopted, such as the emergency aid proposed for the music and live entertainment sectors by the Ministry of Culture, which will help casual workers.

Tourism-specific measures

The government has created a Tourism Sector Committee to monitor the effects of the crisis on the tourism sector and devise a specific aid plan. However, it has been decided that restaurants, cafes and bars, as well as cultural attractions, will remain closed until the end of May at the earliest.

The government has also announced that the following emergency measures will be reinforced, which will be to the tourism, hotel and catering sectors' advantage:

- retention of partial recourse to partial activity after the tourism, hotel, cafe, restaurant, events and culture sectors pick up again;
- extension of conditions allowing companies with up to 20 employees and a turnover of up to €2 million to benefit from the Solidarity Fund. The ceiling for grants under the second strand of the fund will be raised to €10,000 instead of €5,000;
- exemption of VSEs and SMEs in these sectors from paying social security contributions during the closure period. This will apply automatically to all these companies, whether or not they have already paid their contributions;
- long deferral of social security contributions and taxes for medium-sized and large companies in these sectors not benefiting from automatic exemption. Cancellations may also be requested on a case-by-case basis;
- deferred payment of the Cotisation Foncière des Entreprises (CFE) for the year 2020. The government will allow local authorities to exempt the fixed part of tourist tax;
- cancellation of public premises rents and fees due to public landlords for VSEs and SMEs in the tourism, hotel, cafe, restaurant, events, culture and sport sectors for the duration of the administrative closure period.

Further measures will be announced by the Prime Minister on May 14th.