

**COVID-19 in Belgium:
Main government measures
State of play on March 27th 2020¹**

1. (Non) Essential companies/ Social distancing

The federal government has approved several measures affecting the organization of companies.

1. Movements necessary for commuting are permitted.

People are obliged to stay at home. It is forbidden to be on public roads or in public places, except in case of necessity and for urgent reasons such as carrying out professional travel, including commuting.

1. Lessons are suspended

However, there is emergency childcare service for children whose parents are unable to provide care.

2. Obligations for non-essential companies

Non-essential businesses include, in principle, all businesses, whatever their size, unless they are explicitly included in the list of critical sectors or essential services. Telework is compulsory for those companies, regardless of their size, for all staff members whose position allows to it.

For those functions where teleworking cannot be used, companies must take the necessary measures to ensure social distancing, in particular maintaining a distance of 1.5 metres between each person. This rule also applies to commuting organised by the employer.

Non-essential companies that are unable to implement teleworking or social distancing are obliged to close down (and apply temporary unemployment).

The government is determined to monitor these measures and the ministerial decision is clear on them. A "non-essential" company (see point 3 above) that still does not respect social distancing after an initial observation will be closed down.

3. Obligation for essential companies

These companies should, if possible, apply the same rules as for teleworking and social distancing in point 3. However, if this is not possible, these companies should not close down.

These measures entered into force on 18 March at 12 noon and will continue until 19 April. The list of essential companies and joint committees was updated by a ministerial decree of 23 March and is annexed to the ministerial decision which can be found [here](#) in Dutch and French.

4. What about a non-essential company performing tasks within/for an essential company

Agoria continues to provide maximum support to its member companies to ensure that industrial and service activities are included in the annex to the ministerial decision insofar as they provide essential goods and services to the sectors listed above (and irrespective of the Joint Committee to which they belong).

Since 24/3, some sectors have been added:

¹ State of play based on the Agoria FAQ ([French/Dutch](#)).

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- Joint Committee 111, limited to "maintenance, production and repair of agricultural machinery";
- businesses engaged in cleaning, maintenance and repair for other critical sectors and essential services ;
- the chemical industry, including contracting and maintenance.

In general, we believe that if the company can reasonably demonstrate that the tasks it performs are necessary for or in an essential company, they can also be considered essential. This, while of course respecting social distancing and maximum protection of workers as much as possible.

2. Main support measures

The federal and regional governments have approved measures to support affected businesses.

Employment

- Easing of the application of short-time work on grounds of force majeure, which is now possible for all cases of short-time work linked to coronavirus.
- On 25 March Agoria reached a Collective Agreement with the Trade Unions regarding short-time work due to the COVID-19 situation for white collar workers (Joint Committee 209). The collective agreement has been signed on 27 March. White collar workers will receive an additional compensation on top of the unemployment benefit due to COVID-19 related short-time work for all companies in the sector.
- Regional authorities and federal Home Office have eased the procedures to introduce an application for a work permit/single permit for third country nationals. Applications can be introduced by email.
- The Belgian social security administration has agreed that there will be no impact for frontier workers (who work in Belgium, but live in another country, and pay Belgian social security contributions) regarding the applicable social security system. Workers who are obliged due to the COVID-19 situation to work from home and who live in another country, will remain subject to the Belgian social security scheme.
- The Belgian tax authorities have reached an agreement with the respectively the French and the Luxembourg tax authorities regarding frontier workers who now work from home. The number of days worked from home will not be counted towards the maximum number of days that the frontier worker can work outside the border region.

Taxation

- Measures aimed at obtaining payment facilities (payment plan, exemption from interest on late payments, remission of fines for non-payment) : withholding tax, VAT, corporation tax (...)
- Measures regarding the deferral of Corporate Tax Returns
- Automatic deferral of two months for the payment of VAT and withholding tax without having to pay fines or interest on arrears.
- An additional period of two months will be automatically granted, in addition to the normal period, for the payment of corporation tax, (...).

Support measures may not be granted to undertakings which, irrespective of the coronavirus, have structural payment problems and must be applied for before 30 June 2020.

- The regions have also suspended local taxes owed by businesses.

Liquidity/financing

- The financial sector provides a deferral of payments until 30 September 2020 to viable non-financial companies, self-employed persons (as well to mortgage borrowers) who are experiencing payment problems due to the coronavirus crisis, without charging fees.

The government will guarantee state-backed credit lines for companies for the duration of 12 months (€50bn) to cover losses incurred on future loans. Losses up to 3% of the capital loaned will be fully borne by the financial

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sector. Losses of between 3% and 5% will be shared – half for the government and half for the financial sector. Losses that are greater still will be borne for 80% by the government and 20% by the financial sector.

Other measures

- The regional governments have also released funds to support the affected companies (aid targeted at certain sectors, primes, etc.) and mobilised their financial tools (guarantee coverage, granting of loans, freezing of repayments for guarantees/credits in progress, etc.).

3. Others

Public tenders

- For all federal public contracts for which it is demonstrated that the delay or non-implementation is due to COVID-19, the federal state will not impose fines or penalties on the contractors.