

# Targeted Program for Employment Support: “Antivirus” Handbook for Employers

April 2, 2020

Aiming at protecting jobs and decreasing negative impacts of the COVID-19 outbreak in 2020, providing financial compensation of employment costs to avoid layoffs.

On March 31, the Government approved modified **targeted employment support program: Program “Antivirus” (Regimes A and B)**, the purpose of which is to compensate for all or part of wage costs in the form of wage reimbursement for employees for period of work-related obstacles caused by the quarantine, emergency measures or their secondary impacts, all related to the spread of COVID-19. These are cases where obstacles to work have not been objectively caused by the employer, but the employee cannot perform his/her work through force majeure or a decision of the state administration.

*The program proposed by the Ministry of Labor and Social Affairs approved by the Government: Usnesení vlády ČR ze dne 31. března 2020 č. 353 o zrušení usnesení vlády ze dne 19. března 2020 č. 257, usnesení vlády ze dne 23. března 2020 č. 293, o cíleném programu podpory zaměstnanosti. Signed by the Prime Minister on March 31, 2020.*

## **Eligibility period.**

March 12, 2020 to April 30, 2020. The Labor Ministry might consider to extend this period to May 2020, depending on the development of the COVID-19 infection. The extension of the Program is subject to approval by the Government.

The application can be submitted from April 6, 2020, 12:00.

## **Who is eligible for compensation.**

The employer whose economic activity has been at risk due to the COVID-19 outbreak is eligible for the compensation via the Program Antivirus. The employers will be compensated fully or partly for compensatory wage due to the obstacle on the side of employee or the obstacle on the side of the employer (see Regime A and B) if proved that the obstacle to work is a result of the COVID-19 infection.

The Program is aimed at all employers who pay **wages which are not covered by public money** (the Program thus excludes compensation of salaries).

The state will reimburse the employer for wage cost, including social and health contributions.

## **What conditions apply.**

- ◆ The employer is obliged to observe the provisions of the Labor Code.
- ◆ The employer is a private sector company (salaries covered by public money are excluded from the Program).

- ◆ The employee must be employed based on employment contract (not contracted through Dohoda o provedení práce and Dohoda o pracovní činnosti) in **the** wage sector and participate in national sickness and pension insurance system, according to Czech legislation. This applies also to the foreign employees who have to be employed under **the** Czech law and participate in national sickness and pension insurance system.
- ◆ The employment must not be terminated and the employee must not be in the notice period. This does not apply in case of notice according to §52 Labor Code, letter g) and h).
- ◆ The employer is obliged to pay the full amount of compensatory wage and general health insurance contributions, statutory social security and state employment policy contributions.
- ◆ The Job Agency can participate in the Program if the agency is the employer pursuant § 14 par. 3, letter b) Act on Employment No. 435/2004, and its employees have been contracted before the state of emergency, March 12, 2020 and will be employed for the full period of Program Antivirus.

**Who is not eligible for compensation.**

*If the employer pays salary to the employee, ie the employer pursuant to § 109 par. 3 Labor Code is excluded from the Program, as the wage costs (salary) is covered from public sources.*

*If the employee works on Dohoda o provedení práce and Dohoda o pracovní činnosti.*

*If the employer received any allowance payment from the Labor Office in a relevant calendar month, amount of which is based on real paid cost of wage or salary, including general health insurance contributions, statutory social security and state employment policy contributions.*

*If the wage is covered from state budget, municipal budget, European structural and investment funds, EU projects and programmes, and other public money.*

*If the employer is in liquidation or bankruptcy.*

*If the employer has been fined in past three years prior to the date of submission of the application for providing illegal work pursuant to §5, letter e) point 3 Act on Employment.*

**A need to prove indebtedness.**

The current legislation on the provision of contributions within the active employment policy, which also includes the Program Antivirus, limits in § 118 par. 3 Act on Employment only those employers who have no debt related to public budgets. The indebtedness is relevant only for the period of reimbursement.

*With regard to the seriousness of the current situation and the need to reduce the administrative burden, the Labor Ministry is preparing **a legislative amendment** that will abolish the above-mentioned condition for the duration of the Program. This will be addressed by the Parliament on April 7, 2020.*

**What regimes and conditions apply.**

The process comprises two parts: 1) conclude/sign an agreement followed by 2) reimbursement after the employer had paid out wages including health and social contributions. The

employer is responsible for correct categorization of the obstacle. If the categorization is not correct, this is not considered to be a breach of the agreement (between the employer and Labor Office) and will not be a reason for a need to provide the reimbursement after the compensatory wage was paid. Any penalties related to breaching the conditions is to be determined by the State Labor Inspection Office.

The amount of reimbursement is derived from the average super-gross wage, including social contributions (the maximum reimbursement set at the wage level of CZK 48,400). The program could be used by around 280,000 businesses, according to the Ministry.

**Regime A) Reduction of business operation and/or quarantine ordered:** Closure or reduction of operation as a result of emergency measures or quarantine ordered by the authority. *Regimes A-B in the previous proposal.*

⇒ in the case of quarantine, the employee receives a compensatory wage of **60%** of average reduced earnings;

*The employee cannot work due to ordered quarantine which is an important personal obstacle according to § 191 Labor Code. The employee is entitled to compensatory wage during the first 14 calendar days.*

*The calculation of the amount of compensatory wage is [here](#).*

The quarantine is also qualified as:

- **Isolation**, according to § 2 par. 6 Act on Public Health Protection No. 258/2000, pursuant to § 347 par. 4 Labor Code.
- **eNeschopenka**, if the word “karanténa” is stated in the box “profese”. The administrative procedure for eNeschopenka is to be found [here](#).
- **Quarantine** ordered by the relevant office abroad.

⇒ in the case of closure of the operation by a government order due to force majeure, the employee receives a compensatory wage of **100%** of the average earnings;

The average earnings calculation method is regulated by part 13, Head XVII Labor Code (see HR Agency and Remuneration handbook [here](#)).

The measures that can restrict operations are as following:

- **Government measures:** Government resolutions adopted following Government Resolution No. 194 of 12 March – Declaration of Emergency, to be found [here](#).
- **Other Government measures** to be found [here](#).
- Emergency measures ordered by the **Ministry of Health** pursuant to Act on Public Health Protection, to be found [here](#).
- Emergency measures ordered by **other authorities** protecting public health (regional Quarantine Stations).

⇒ **state reimbursement of 80% of the super-gross wage (amount paid by the employer, including social and health insurance contributions) up to a maximum government compensation of CZK 39,000 per employee.**

**Regime B) Related economic difficulties:** For businesses experiencing an obstacle to work on the side of the employer due to related economic difficulties of the coronavirus outbreak. *Regimes C-E in the previous proposal.*

The obstacles on the side of employers pursuant to Part 8, Head III Labor Code.

⇒ depending on the type of obstacle, the employee receives a compensatory wage /salary of 60-100% of the average earnings;

1. The significant/key number of employees is absent from work (due to quarantine, sickness, child care or other obstacle).

*In this case, this is the other obstacle on the side of the employer who is obliged to **pay 100%** of the average earning to the employee.*

1. If the operation is restricted due to limited inputs (raw materials, products, services) or significant restriction in demand for products or services.

*In case of **limited inputs**, which is so-called **idle time**, ie the obstacle on the side of the employer pursuant § 207 letter a) Labor Code, the employer is obliged to pay compensatory wage in the amount of **80%** of the average earning.*

*In case of **limited demand**, which is the so-called **partly unemployment**, pursuant to § 209 LC, the employer is obliged to pay compensatory wage at minimum amount of **60%** of average earnings. This, however, must be authorized by the trade union or internal regulations.*

The average earnings calculation method is regulated by part 13, Head XVII LC (see HR Agency and Remuneration handbook [here](#)).

For the obstacle on the side of employer please see HR Agency and Remuneration handbook [here](#).

⇒ **state reimbursement of 60% of the super-gross wage (amount paid by the employer, including social and health insurance contributions), with a maximum government compensation of CZK 29,000.**

#### **Administration procedures for applications.**

The Program will start on April 1, 2020 and the applications for reimbursement can be submitted electronically from April 6, 2020. The compensation will be provided for costs occurring after March 12, 2020, state of emergency declared, until the end of April.

The amount and duration of the provision of compensation will depend on the reason that caused the obstacle to work and the point in time when the situation occurred. It will be necessary to distinguish this for each employee.

### ***How to submit application.***

The submission of applications for all the above-mentioned compensations will be electronically through **online app, data box or e-mail with e-signature**. Other way of submitting the application will **not be allowed**.

The employer is responsible for any incorrectly stated information in the forms. The Labor Office will not request to be provided with any documents that are not stated below, this is, however, not the case during the interim or final public administration inspection.

The application is to be submitted through the Labor Office website, under the relevant local Office, according to the employer's address.

*The employer has to provide:*

- A proof of the opened bank account to which the Labor Office will send reimbursement.
- Letter of attorney in case the employer is represented by the third person.

The applicant bears full responsibility for the complete, true and correct completion of the data. Incorrectly filled applications will be returned for completion / correction and will be canceled. The applicant is responsible for the correctness of the procedure under the Labor Code.

The compensation will be paid out based on an agreement on the provision concluded between the employer and the Labor Office and will further specify the reason and conditions for compensation.

### ***How to conclude the agreement.***

The agreement is generated automatically once the application is filled, and together with application it is submitted to the Labor Office. The agreement is considered signed by the applicant once submitted.

In case the application needs to be canceled (incorrectly filled application), the new agreement will be generated with the new corrected application automatically.

The agreement is concluded once it is signed by the Labor Office and sent back to the applicant through data box or email with e-signature.

### ***Vyúčtování/Statement on compensatory wage.***

The compensation will be transferred to the employer upon statement (vyúčtování) which needs to be sent by the end of each calendar month following the month for which the statement was submitted.

Relevant form "Vyúčtování—Antivirus" for both regimes will be available online. The form is binding, the employer is not authorized to make any changes (other than those allowed).

Compliance with program conditions will be strictly controlled.

## Annex I

**Measures approved by the Czech Government based on the proposal of the Ministry of Labor and Social Affairs to help Czech employees and employers mitigate the consequences of the COVID-19 epidemic, as of March 31.**

	Situation	Wage compensation	Reimbursement measures
<b>A</b>	<p><b>Regime A) Reduction of operation and quarantine ordered:</b> Closure or reduction of operation as a result of an emergency measures or quarantine ordered by the authority. <i>Regimes A-B in previous proposal.</i></p>	<p>In the case of quarantine, the employee receives <u>a compensatory wage of 60% of average reduced earnings</u>;</p> <p>In the case of closure of the operation by a government order, the employee receives <u>a compensatory wage of 100% of the average earnings</u>;</p>	<p>State reimbursement of 80% of the super-gross wage (amount paid by the employer, including social and health insurance contributions), but max. up to CZK 39,000.</p>
<b>B</b>	<p><b>Regime B) Related economic difficulties:</b> Obstacle to work on the side of the employer due to related economic difficulties of the coronavirus outbreak. <i>Regimes C-E in previous proposal.</i></p>	<p>Depending on the type of obstacle, the employee receives <u>a compensatory wage of 60-100% of the average earnings</u>;</p>	<p>State reimbursement of 60% of the super-gross wage (amount paid by the employer, including social and health insurance contributions), but max. up to CZK 29,000.</p>
+	<p><b>Who is eligible?</b></p> <ul style="list-style-type: none"> <li>- private sector companies</li> <li>- applying for reimbursement of wage paid to employees who participate in the national sickness and pension insurance systems</li> </ul>	<ul style="list-style-type: none"> <li>- <u>employer who strictly observes the provisions of the Labor Code</u></li> <li>- the employment can't be terminated and the employee can't be in the notice period</li> </ul>	<ul style="list-style-type: none"> <li>- employer is obliged to pay full amount of wage and insurance dues</li> </ul>

## Annex II

### Required documents

Phase	Agreement/ Application	Statement (Vyúčtování)	Final inspection
<b>Required documents</b>	<p><b>Automatic check</b></p> <ul style="list-style-type: none"> <li>• ID</li> <li>• eligibility of the person representing the employer</li> </ul> <p><b>The employer will provide:</b></p> <ul style="list-style-type: none"> <li>• the statement of the bank account</li> <li>• letter of attorneys, if needed</li> </ul>	<p><b>Automatic check</b></p> <ul style="list-style-type: none"> <li>• Existence of employment relationship</li> </ul> <p><b>Statutory declaration</b></p> <ul style="list-style-type: none"> <li>• that wage and contributions have been paid</li> <li>• that there is the obstacle to work and its duration</li> <li>• that wage cost paid that are subject of statement (vyúčtování) are not paid from public budgets</li> <li>• declaration is part of statement (vyúčtování); by confirming the statement (via e-signature, data box) the employer automatically signs the statutory declaration</li> </ul> <p>In the case of regime A, the employer will state the relevant emergency measure (government decision), or the extraordinary measure of the Ministry of Health or of the Regional Hygiene Station, by which he/she was ordered to close operations or restrict its business. The employer needs to indicate the number of the relevant decision or reference number of the relevant document.</p>	<p>The Labor Office in cooperation with the State Labor Inspection Office will carry out the interim and final inspections.</p> <p><b>During the inspection, the employer will need to prove:</b></p> <ul style="list-style-type: none"> <li>• employment contracts</li> <li>• internal regulations regulating the obstacle to work, the agreement with the trade union, due to which the compensatory wage could be paid observing the Labor Code</li> <li>• quarantine ordered to the employee, or obstacle to work due to care of a child</li> <li>• payroll and employee's attendance records, proving the obstacle to work and a need to pay compensatory wage observing Labor Code</li> <li>• bank account statements proving the amount of compensatory wage and all relevant contributions were sent</li> <li>• in case of idle time (§207 letter a) Labor Code) or partly unemployment (§ 209), the employer will also provide the documents proving cancelation of orders, decrease in demand, restrictions to transport and other. The employer needs to prove the obstacle to work on the side of the employer.</li> </ul> <p>The inspection on observing employment relationships will be carried out by State Labor Inspection Office.</p> <p>The final inspection will be carried out at the end of the Program, however, if the Labor Office has any reasonable doubts, it will in cooperation with State Labor Inspection Office carry out interim inspection.</p> <p>The inspection will be strictly linked to the repayment of the contribution, the specific reasons for the obligation to repay the contribution will be agreed in the agreement.</p>

# Other Government Employment Support

## Government support for the employees - care giver's allowance

On March 24, the Parliament approved **extended care giver's allowance**, an extraordinary bill to alter the period of validity for payment allowance, to last as long as the school facilities remain closed. The age limit for children has been raised from 10 to 13 years of age. The resolution will also apply retroactively and families who are already receiving the care allowance will not have to apply for it again. The employee will be paid compensatory wage/salary of 60% of average reduced earnings. The allowance is paid out by the Social Security Administration Office.

*Zákon o některých úpravách v sociálním zabezpečení v souvislosti s mimořádnými opatřeními při epidemii v roce 2020, [sněmovní tisk 784](#). Signed by the President on March 26, 2020.*

## **Administration procedures for applications.**

According to an extraordinary act approved by the Government and the Parliament of the Czech Republic, the employees are entitled to care-giver's allowance for children under the age of 13 or for persons dependent on the assistance of another person at least in a degree of light dependence, for the entire duration of the state of emergency.

**Application for caregiver's allowance for the employees** due to the closure of an educational institution (school) to be downloaded [here](#). The form has two parts, the second part is to be filled in if the parents/or persons who take care of a child or another person in a degree of dependence take turns in care of a child/another person.

How to fill the form is to be found [here](#). E-application to be filled in [here](#). Printed version to be downloaded [here](#).

## Government Support for the self-employed persons

The state will also help **self-employed persons**, who are taking care of a child up to 13 years of age and are not able to go to work due to the coronavirus, by CZK 424 per day (CZK 13,144 per month).

On March 24, the Parliament passed proposals by Ministry of Labor and Social Affairs, Ministry of Health and Ministry of Finance deferring pension insurance payments for self-employed individuals. All self-employed, who have income only from their business, will be given a six-month holiday in the payment of health and social insurance. Holidays cover the amount of the minimum insurance premium, i.e. CZK 4,986 per month.

On March 31, the Government approved a state support "**Petadvacitka**" for self-employed person amounting up to CZK 25,000 (CZK 500 per day) from March 12, 2020 until April 30, 2020 to those who are negatively affected by COVID-19 outbreak. The Program is to be approved by the Parliament **on April 7, 2020**, in the state of legislative emergency.



*[Vládní návrh zákona, kterým se mění zákon č. 592/1992 Sb., o pojistném na veřejné zdravotní pojištění, ve znění pozdějších předpisů. Signed by the President on March 26, 2020.](#)*

*[Vládní návrh zákona o některých úpravách v oblasti pojistného na sociálním zabezpečení a příspěvku na státní politiku zaměstnanosti a důchodového pojištění v souvislosti s mimořádnými opatřeními při epidemii v roce 2020. Signed by the President on March 26, 2020.](#)*

*[Vládní návrh zákona o kompenzačním bonusu v souvislosti s krizovými opatřeními v souvislosti s výskytem koronaviru SARS Co-V-2.](#)*

#### **Administration procedures for applications.**

**1) A six-month holiday** in the payment of **health and social insurance** for all self-employed persons. (March - August 2020). There is no need to fill in the form.

**2) Caregiver's allowance:** According to an extraordinary act approved by the Government and the Parliament of the Czech Republic, the self-employed persons are entitled to care-giver's allowance for children under the age of 13 or for persons dependent on the assistance of another person at least in a degree of light dependence, for the entire duration of the state of emergency.

The self-employed persons can submit the application for caregiver's allowance through [the Ministry of Industry and Trade](#). Online application to be found [here](#).

The applications have to be filled in Czech language and submitted to the Trade Ministry via data box (datová schránka) stating a subject **fpmpo20**, or email with the application verified by e-signature to [fpmpo20@mpo.cz](mailto:fpmpo20@mpo.cz) stating a subject **fpmpo20**, or a paper version sent to the Trade Ministry's postal address.

**3) Application for a state support of up to CZK 25,000 per month "Petadvacitka"** to be specified once [the Program is approved by the Parliament](#) on April 7, 2020, in the state of legislative emergency. The program will be administered by the Financial Administration.