

SK: Current status of measures implemented due to the COVID-19 pandemic

2 September 2020

The end of the emergency event in Slovakia will not be happening any time soon. Many of the temporary measures are still in effect.



Financial aid for employers and self-employed persons

For any of the contributions the applicant can only be an entity that was established and started its activities no later than 1 February 2020.

Based on a currently published information, it is possible to apply for the below contributions by the end of September 2020, but in view of the ongoing pandemic, it is expected that these contributions will also be available in the coming months.

Measure 1 – “kurzarbeit” alternative 1

Aid for employers that, at the time of declaration of emergency event, emergency state and serious state of emergency based on the Measure of the Slovak Public Health Authority, closed or restricted their businesses.

Since at the moment no businesses are closed or restricted based on a Measure of the Slovak Public Health Authority, this Measure 1 is currently not active, but remains in effect.

Until the end of September 2020 it is still possible to apply for contributions for July 2020.

Measure 2 – Self-employed persons

Aid for self-employed persons who,

- at the time of declaration of emergency event, emergency state and serious state of emergency based on the Measure of the Slovak Public Health Authority, closed or restricted their businesses
- or
- recorded a decline in sales

It is required to apply for this measure until the end of a calendar month following a calendar month for which the self-employed person requests a contribution.

Measure 3 (3A + 3B) – „kurzarbeit” alternative 2

Aid for employers who, at the time of declaration of emergency event, retain their employees even in the event of interruption or reduction of their operating activities or a decrease in sales.

Applicants may choose from 2 options:

- 3A – payment of salary compensation of an employee to whom the employer cannot assign work, in the maximum amount of EUR 880
- 3B – flat-rate contribution per employee, depending on the employer’s loss of sales

It is required to apply for this measure until the end of a calendar month following a calendar month in which the employees received their monthly wages.

Measure 4 – certain persons with no income

Certain self-employed persons, persons carrying out work based on agreements outside the employment relationship, as well as certain “single-person” limited liability companies who do not have any income during the emergency event and do not fall into any of the abovementioned measures may be entitled for a monthly contribution of EUR 210.

It is required to apply for this measure until the end of the month following the month in which the entitled applicant had no income.

Labour Code

The below mentioned Labour Code provisions remain in effect during the emergency event and for two months after its revocation.

Home office

- employers may order their employees to work from home
- employees are entitled to work from home
- the agreed type of work must be possible to be performed from home and no serious operational reasons that do not allow the work from home exist on the employer's side

Scheduling of working hours

- employer must notify employees about their working schedule **at least two days prior** (the original deadline is at least one week prior), a shorter period can also be agreed with an employee

Vacation

- employer must notify employees on the use of vacation days **at least two days prior** (the original deadline is at least two weeks prior)

Employee in quarantine

- is considered an employee on a sick leave and is entitled to a “pandemic sick leave allowance” – the contribution for the whole quarantine period is paid by the state

Obstacles at work

- if an employee is unable to perform work wholly or partially due to the restriction or a shutdown of employer's activities based on a decision of a competent authority or as a result of declaration of an emergency event, emergency state or serious state of emergency, **employee is entitled for a wage compensation in the amount of 80% of employee's average wage, at least in the amount of the minimum wage.** In this case no agreement with the employee nor with employee representatives is required.



Temporary protection of companies

At present, the temporary protection lasts until 1 October 2020, it can, however, be prolonged by the Slovak government via regulation up to 31 December 2020.

Effects of „temporary protection“

- bankruptcy protection
- suspension of execution proceedings initiated after 12 March 2020
- prohibition of exercising a lien on the company
- prohibition of offsetting related receivables
- profit distribution prohibition of the company under temporary protection
- prohibition of contract termination, contract withdrawal or refusal of performance
 - for the company's default in the period from 12 March 2020 to 12 May 2020
 - defaults caused by the COVID-19 crisis
 - does not apply if the other party would directly jeopardize the operation of its business
- resting of limitation and other periods
- obligation of preferential satisfaction of creditors
- right to preferential satisfaction of certain later operational obligations

State subsidy for rent

The subsidy can still be applied for until 30 November 2020.

The novelty is that the Application for subsidy may also be submitted electronically by an authorised representative, whose access to the electronic mailbox of the applicant is sufficient for submission. However, a special power of attorney is required for control purposes.

Prohibition of lease agreements termination

Until 31 December 2020 there is still in force a prohibition of unilateral termination of lease agreements by the lessor due to the tenant's delay in paying rent in the period from 1 April 2020 to 30 June 2020, if such delay has occurred due to circumstances caused by the spread of the dangerous infectious disease COVID-19.

Other claims, such as interest on arrears or any contractual penalties, are not affected by this prohibition.

Postponement of executions

Debtors who are natural persons are still able to request an execution postponement. Postponement can be requested for up to six months from the issuance of the notice of the commencement of execution but can only last until 1 December 2020.

Measures which have expired and have not been extended

Prohibition of the exercise of liens, auctions, monetarization of property and enforcement proceedings by sale of real estate

- prohibition of these actions was in force until 31 May 2020 and has not been extended; therefore, these actions can be performed again as of 1 June 2020

Extension of the deadline for filing for bankruptcy

- the deadline has been extended from the original 30 days up to 60 days from the date of the debtor's bankruptcy, however only provided that the debtor's bankruptcy occurred from 12 March 2020 to 30 April 2020

Suspension of limitation and prescription periods

- limitation and prescription periods in private law relations, intended for application or defending of rights in court have been suspended from 27 March 2020 to 30 April 2020
- limitation and prescription periods that expired between 12 March 2020 and 27 March 2020 have been automatically prolonged up to 27 April 2020

Suspension of procedural periods

- the deadlines set by law or by a court for carrying out procedural actions during court proceedings have been suspended from 27 March 2020 to 30 April 2020

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