On March 19, 2020, the Antivirus employment protection program was approved. The state will compensate firms for the costs incurred for the payment of compensatory wages to employees during their incapacity for work due to compulsory quarantine, and, to a certain extent, payment of compensatory wages in case of obstacles to work on the part of the employer, if the obstacle to work is proven to be due to COVID-19.

The contributions will be provided by the Labor Office of the Czech Republic under two schemes:

**Scheme A** covers contributions paid to employers against compensatory wages paid to employees during their incapacity for work due to ordered compulsory quarantine. The compensatory wages are paid by the employer for the first 14 calendar days and amount to 60% of adjusted average earnings; the maximum amount of compensation is approximately CZK 201 per hour. Although, pursuant to the Labor Code, the amount of compensatory wages in cases of incapacity for work may be higher, we do not assume that any contributions will be paid beyond the minimum amount stipulated by law.

**Scheme B** covers situations where an employer cannot assign work to employees due to exceptional emergency measures adopted by the government, i.e. the employer is ordered to close down operations on grounds of government resolution on the adoption of emergency measures in connection with COVID-19. In such situation, employees are entitled to compensatory wages equal to their average earnings. The amount of contribution will be 80% of the compensatory wages paid out by employers.

We will continue monitoring the situation for you.