

Covid-19

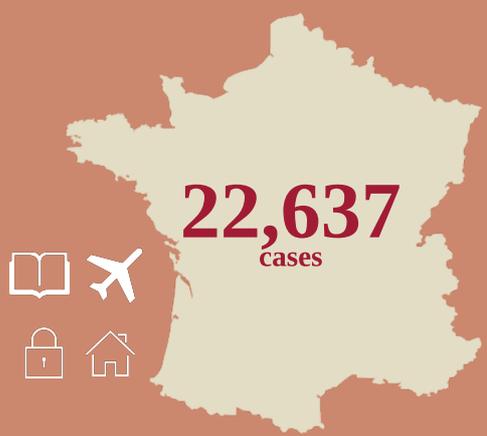
Analytical Framework

March 25, 2020

Covid-19 is a global pandemic, to which each government responds with its own crisis management strategy. We observe a similar strategy within countries that are Turkey's most important trade partners, a strategy modelled on the Chinese response. These countries opt to contain the outbreak by imposing strong measures to limit social interaction, leading to significant business disruption. And they put in place financial and regulatory support packages to reduce the impact on businesses. This report is a compilation of the most common economic support measures associated with this crisis management strategy. We note that other crisis management strategies exist, such as the South Korea, Japan model, which place the emphasis on testing and selective confinement rather than general limitations. This alternative strategy has much less impact on daily routine and economic activities.

France

First case: 24 January 2020



Italy

First case: 31 January 2020



United Kingdom

First case: 31 January 2020



Germany

First case: 27 January 2020



China

First case: 1 December 2019



-  All schools and universities have been shut down
-  All non-essential shops have been shut down

-  Travel bans and border controls have been enforced
-  A lockdown has been implemented

Easing pressure of fixed operating expenditures

- Social security contributions and compulsory insurance deferment 
- Deferment for withholding payments, contributions and premiums for the tourism-hotel sector 
- Company VAT and other taxes deferment 
- Company utility bills deferment
- Credit payments deferment 
- Certified debts deferment and instalment for partial payment arrangements of certified debt
- Salary support to minimize lay-off
- Recognition of firms that have defaulted during the crisis to have "force majeure" noted in their credit registry 
- Allowances for short-term employees 

Easing pressure on legally binding agreements

- Deferment of payment for the loads entrusted to the collection agent
- Recognition by the State of coronavirus as a case of force majeure for its public contracts
- Abolition of fines for companies not fulfilling a public contract in time
- Suspension of administrative requirements in order to facilitate the gradual access of workers and avoid overcrowding in the workplace

Helping businesses enforce containment efforts

- Simplified and reinforced partial unemployment system
- Liquidity aid for particularly hit companies
- Businesses tax credit for the costs of sanitizing environments and work tools
- Support for the treatment of a conflict with customers or suppliers by the Business Mediator
- Increase of credit guarantee fund for SMEs 

Enhancing work performance

- Provision of coupons for childcare assistance
- Increase days of paid leave for families with children
- Policies to improve flexible and home-based work 