



Client Information

Czech Republic

1 April 2020

Employment Protection Program – Antivirus (amended)

On Tuesday, March 31, 2020, the government approved a proposal to change the employment protection program - Antivirus. The main goal is to help companies with labor costs so that they are not forced to fire employees. Employers can apply for wage refunds starting Monday, April 6th.

Compensation is granted not only to employers who have been instructed by the government to restrict operations or who have been quarantined, but also to employers who are experiencing economic difficulties due to the spread of the coronavirus and subsequent measures.

What concrete measures are there for which situations?

The amount of compensation paid to employers is based on the average super gross salary, including compulsory contributions (CZK 48,400) and depends on the reasons for the obstacle to work.

Employers can apply at the **employment office** for the following:

Regime A: Ordered restriction of operation or quarantine

In the event of **official closure or restriction of operations** or a **quarantine order** from the competent authority:

- In the case of a quarantine, the employee receives a wage compensation of 60% of the average reduced income.
- If the company is closed by a government decree, the employee receives a 100% salary.

In both cases, the employer is reimbursed an amount equal to **80%** of the paid wages, including employer contributions, up to a **maximum of CZK 39,000**.

Regime B: related economic difficulties

In cases of obstacles to work on the part of the employer due to related economic difficulties due to the spread of coronavirus (a significant proportion of employees did not arrive at work, lack of subcontracting or there was a decline in demand).

- depending on the type of obstacle, the employee receives a wage compensation of 60-100% of the average earnings;

The employer is reimbursed an amount equal to 60% of the paid wages, including employer contributions, up to a **maximum of CZK 29,000**.

The following conditions must be met:

- The employer adheres strictly to the Labor Code;
- The employee must not be within the notice period and must not be dismissed;
- The employees must be employed and have health and pension insurance;
- The employer must pay the wages and taxes.

When should the employer apply for compensation?

Antivirus will **start from April 6th**. From then on, applications will be possible.

Implementation of the support is set up so that the employer will ask for a refund of the paid wage compensation after the end of the reporting period, ie. after the end of the calendar month for which it will apply for the contribution. **For the month of March, the employer may therefore submit an application at the beginning of April.**

How to apply?

The exact conditions and procedure **will be published this week on the Ministry of Social Affairs website**. The **submission of applications** for all the above-mentioned contributions will be completely **electronic and therefore contactless**.

Source (Czech only):

<https://www.mpsv.cz/web/cz/antivirus>

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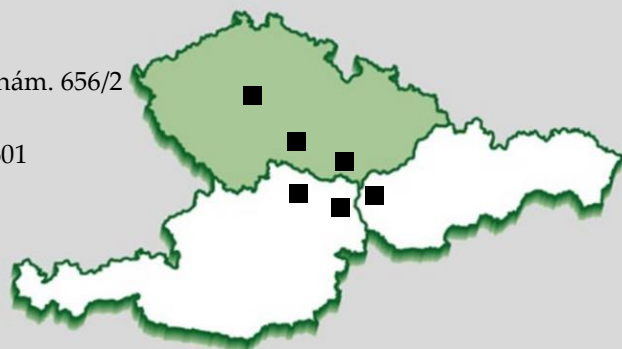
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