

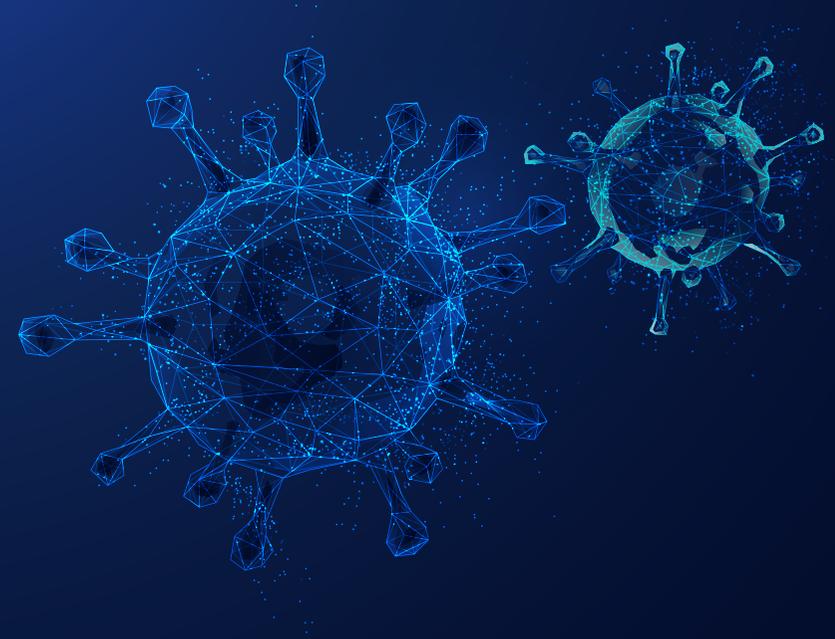


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International Bar Association

Covid-19 pandemic

Insolvency Section



Insolvency legislation initiatives as a result of the Covid-19 pandemic

A country-by-country comparison
July 2020

Information gathered with the collaboration of IBA Insolvency Section officers and members



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Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Australia	<p>Australia has a strict insolvent trading regime which makes company directors personally liable for debts incurred when the company is insolvent. Australia's federal parliament has enacted new Covid-19 legislation that provides that directors are not personally liable for debts incurred in the ordinary course of the company's business in the six-month period between 25 March and 25 September 2020, or longer if the period is extended.</p> <p>Despite this amendment, there are currently no claw-back exemptions and a company's creditors may still apply for the company to be wound up.</p>	None	<p>Australian legislation allows a creditor to serve a 'statutory demand' on a company to demand the payment of a debt. If the company does not satisfy the demand, it is presumed to be insolvent, for the purposes of an application to wind up the company.</p> <p>Australia's new Covid-19 legislation extends the time for complying with a statutory demand from 21 days to six months. It also increases the minimum value of a debt in relation to which a statutory demand can be served from AUD2,000 to AUD20,000. The changes apply to demands served between 25 March and 25 September 2020, or longer if the period is extended.</p> <p>However, the COVID-19 legislation does not suspend a company's liability to pay a debt. A creditor can still use other enforcement processes against the debtor.</p>	<p>The Covid-19 legislation allows the Treasurer to exempt classes of people from aspects of Australia's corporations law, or to modify the application of the corporations law in relation to classes of people.</p> <p>Some Australian jurisdictions have responded to the Covid-19 crisis by preventing landlords from enforcing certain rights in relation to retail premises leases, even if the lessee is in default.</p> <p>The federal government has also announced a series of economic stimulus measures, focusing on business investment, household stimulus and a large wage subsidy package.</p>	<p>Australia has announced very significant changes to its foreign investment review framework in response to Covid-19. From 29 March 2020 and for the duration of the Covid-19 crisis, all proposed foreign investment subject to the framework will require approval, regardless of the value of the investment or the nature of the foreign investor. Monetary screening thresholds have therefore been reduced to AUD0. To address the expected increase in the volume of transactions to be reviewed, timeframes for reviewing applications will be extended to up to six months.</p> <p>The foreign investment review framework includes an exemption for acquisitions of interests held as security for, or acquired by enforcement of, a money lending agreement.</p>



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Austria	<p>As a first measure, the duty to file for insolvency proceedings (including bankruptcy proceedings) has been doubled from 60 to 120 days if the insolvency (illiquidity or over-indebtedness) has been directly or indirectly caused by a Covid-19 pandemic.</p> <p>Recently, the duty to file regarding over-indebtedness has been temporarily suspended if over-indebtedness occurs between 1 March and 30 June 2020.</p>	<p>See Bankruptcy column (extension of duty to file period and suspension of duty regarding over-indebtedness).</p> <p>For pre-existing court-approved restructuring plans, there is no debt resurgence in case of payment default, when a pro rata claim of a creditor was not paid within the deadlines provided for in the plan. This requires that the written demand of a creditor regarding a liability due on or after 22 March was dispatched by the end of 30 April 2020.</p>	<p>Insolvency proceedings cannot be opened due to over-indebtedness following a creditor's application during the suspension period (1 March to 30 June 2020).</p> <p>Public institutions are partly restricted in filing creditor applications.</p>	<p>Corresponding to the suspension of the duty to file for over-indebtedness, directors are (partly) relieved from liability regarding payments made during the company's over-indebtedness.</p> <p>Insolvency avoidance regarding bridge financing in connection with public short-term work support is partly excluded and shareholder loans shall be facilitated by easing the rules on Austrian equity substitution law.</p>	<p>The changes in insolvency law were introduced or amended through the 2. Covid-19 Act (dated 21 March 2020) and through the 4. Covid-19 Act (dated 4 April 2020). Further measures are likely to follow.</p>



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Belgium	<p>There is a temporary moratorium from on bankruptcy from 24 April to 17 June 2020.</p> <p>A company may not be declared bankrupt by summons, or judicially dissolved, except on the initiative of the Public Prosecutor's Office, the provisional administrator or with the consent of the debtor.</p> <p>Suspension of the debtor's obligation to file for bankruptcy if the conditions of the bankruptcy are fulfilled due to the Covid-19 crisis. A debtor can still file for bankruptcy on a voluntary basis.</p>	<p>Deadlines for payment of a restructuring plan are extended for the duration of the moratorium and can therefore exceed the maximum period of five years.</p>	<p>The Royal Decree on the temporary suspension of enforcement and other measures for companies during the Covid-19 crisis is in force until 17 June 2020. It includes all companies which fall within the scope of Book XX of the Economic Law Code whose existence is threatened by the Covid-19 pandemic and its aftermath and which were not in default (suspension of payments) on 18 March 2020.</p>	<p>Contracts that were concluded before the Royal Decree came into force may not be unilaterally or judicially rescinded for non-payment of due debt. This provision does not apply to employment contracts.</p> <p>No preventive or executable attachment may be made and no enforcement procedure may be pursued or executed for the duration of the moratorium on the company's assets (with the exception of real estate), for all the company's debts.</p>	<p>Only the presiding Commercial Court judge may decide whether a company does not fall within the scope of the moratorium or decide to lift the moratorium for a company.</p> <p>It is still not known whether the temporary moratorium will be prolonged after 17 June 2020.</p>



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Brazil	<p>The current knowledge of the judiciary on the necessary changes in bankruptcy and judicial recovery to face the pandemic is as follows.</p> <p>The Judiciary has been acting to tackle the sudden changes in the social and legal order due to Covid-19, and magistrates have shown sensitivity. An example is the suspension of the General Meeting of Creditors in judicial reorganisation, with extension of the permanence period. The suspension period was prolonged by the same suspension period of the General Meeting of Creditors. For the first time in Brazil, a General Meeting of Creditors will be discussed and voted on virtually. Although this possibility is not foreseen in Law no 11,101/2005, the pandemic has set a precedent.</p>	<p>The draft amendment to the Substitute Project of Law No 11,101/05 (Brazil's law on Judicial Recovery and Bankruptcy), through transitional regulations, is being introduced. Its aim is to allow companies facing financial difficulties or considered insolvent to continue their commercial operations without the need to undergo judicial or extrajudicial reorganisation.</p> <p>Companies that demonstrate at least a 30 per cent reduction in their turnover compared to the average activity to the last quarter of the previous year, could be subject to a voluntary jurisdiction procedure. A judge would determine a series of measures, such as the suspension of all executions against the company for 90 days and the appointment of a negotiator. The proposal, which has a maximum 360-day term, includes a temporary suspension of lawsuits and executions against the debtor to stimulate restructuring negotiations while the company remains in business.</p>	<p>On 19 March 2020, Brazil's National Council of Justice decided to suspend all procedural deadlines until 30 April, except those involving the preservation of rights and are considered urgent.</p>	<p>The <i>rebus sic stantibus</i> clause stipulates that, when a fundamental and unpredictable change in circumstances occurs, a party may withdraw or terminate the agreement in question. This clause contrasts with the principle of <i>pacta sunt servanda</i> but, at this time, can be applied to provide flexibility to contracts, debts and other disputes, including judicial recovery. The request may mitigate the obligations proposed in the judicial recovery plan approved at the General Meeting of Creditors, without amounting to a breach of the plan and the consequent bankruptcy decree.</p>	



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Bulgaria	<p>On 13 March 2020, Bulgaria's government has adopted an Act on Measures and Activities during the Emergency Situation (the Act). It introduces a general suspension of terms specified by law, which expire during the state of emergency and relate to the fulfilment of obligations of private entities. Although the 30-day deadline for filing a request to open insolvency proceedings under the Commerce Act is not explicitly suspended, it may be argued that it is captured by the general suspension of terms under the Act. A new bill for amending the Act has been voted in the National Assembly (but not yet published). It provides that when a duty or an obligation specified in a law may not be fulfilled within the statutory term due to reasons related to the pandemic, a new term may be provided by the respective competent body following a request. Creditors are not prevented from filing for debtor insolvency (see Moratorium column).</p>	<p>Other than the general suspension of terms (see Bankruptcy column), no specific restructuring measures have yet been introduced. As courts are suspended from holding hearings on certain types of cases, parties are unable to complete stabilisation (restructuring) proceedings. Bulgaria has yet to implement Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 (Directive on restructuring and insolvency), and this is not expected to happen in the near future.</p>	<p>During the state of emergency, no default interest or penalties will be collected for late payments. The bill for amendment of the Act voted by the National Assembly proposes that this measure only applies to credit agreements and other forms of financing (factoring, forfeiting, etc) and financial leases provided by banks and financial institutions. The Bulgarian National Bank has adopted guidelines introducing moratoria on loan repayments which is applicable to the commercial banks until 9 April 2020, whereby Bulgaria's Association of the Banks has to provide the general framework for a private moratorium and each bank adopt measures for bank loan payment relief.</p> <p>The Bulgarian National Bank is currently working on the regulatory handling of the private moratorium, by which the commercial banks are focusing on business models for implementing the private moratorium concerning their customers.</p>	<p>The Act also introduces the following measures during the state of emergency:</p> <ul style="list-style-type: none"> • suspension of the terms under already commenced enforcement proceedings and suspension of sale of assets through enforcement; • there can be no acceleration, rescission of contracts or expropriation of assets due to default on payment obligations (expected to be limited to payments under loans and other forms of financing only); • no attachment over the bank accounts and salaries of individuals; • no attachment over hospitals' bank accounts; • most statutes of limitations are suspended. 	<p>Public discussions are being held ahead of introducing further measures supporting the normal operation of the business, in particular for the small and medium-sized companies.</p> <p>Proposal for adding extra measures to the Act has been made, introducing the possibility for online court hearings which could facilitate insolvency proceedings which have been already commenced.</p> <p>We note that there is no suspension of the application of the Criminal Code provision envisaging criminal liability for company directors who do not file for insolvency within the 30-day deadline. Furthermore, companies currently continue to file requests for opening insolvency proceedings and although courts have suspended some hearings, insolvency court cases are being initiated.</p>



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Canada	<p>Canada's Superintendent of Bankruptcy (the OSB) has sought and obtained court orders in all Canada's provinces and territories, effective from 27 April 2020 and applicable to all active insolvency files until 30 June 2020. The short-term relief measures provided for in these court orders include: (i) clemency for consumer proposal debtors for up to three consumer proposal payments; (ii) extending the timelines for holding meetings of creditors and mediations; and (iii) extending the time for referring certain matters to court.</p>	<p>The various Chief Justices of the superior courts (commercial lists) for the Provinces of Ontario, British Columbia, Quebec and Alberta (Canada's commercial centres) issued notices, adjourning all non-urgent matters subject to further direction from the various courts. In the meantime, Commercial List judges (those with specialist experience in commercial insolvency and litigation matters) continue to hear and decide urgent and time-sensitive matters by teleconference.</p> <p>For example, in Ontario, British Columbia and Alberta, matters that are generally considered urgent or time-sensitive include: (i) applications for Initial Orders under the Companies' Creditors Arrangement Act (the CCAA), Canada's large company insolvency statute; (ii) extensions of stays of proceedings granted under the CCAA; (iii) applications for the appointment of a receiver or interim receiver under the Bankruptcy and Insolvency Act (BIA), Canada's liquidation and small-company restructuring statute; (iv) motions for the approval and implementation of plans of compromise or arrangement under the CCAA; (v) motions for injunctive relief; and (vi) motions for approval and vesting orders.</p>	<p>Stays of proceeding remain available under the CCAA and BIA in accordance with the existing statutory frameworks. These are subject to meeting the test for urgency or time sensitivity noted under the Restructuring column of this document.</p>	<p>Other than the guidance provided by the OSB and the various courts, there have been no substantive or legislative changes to Canada's bankruptcy and insolvency laws. The temporary relief measures set out in the foregoing sections will continue subject to further orders of the applicable court.</p>	<p>Under Canada's insolvency regime, substantial deference is generally given to lower court judges to manage the conduct of matters with which they are involved. To date, this flexibility has allowed courts to manage the effects of the Covid-19 pandemic and related economic crises without substantive federal or provincial legislative intervention.</p>



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Chile	There are currently no amendments to the Insolvency Law (Chilean Insolvency Act No 20,720), which provides companies with alternatives to resolve their financial difficulties, and related liquidation (voluntary and forced).	There are currently no amendments to the Insolvency Law (Chilean Insolvency Act No 20,720), which provides companies with alternatives to resolve their financial difficulties through reorganisation or pre-packaged agreements.	<p>The Chilean Financial Market Commission (CMF) has announced five measures to promote the flow of credit to individuals and companies:</p> <p>i) A regulatory exception for banks that facilitates deferring up to three instalments in the repayment of mortgage loans without new provisions.</p> <p>ii) A regulatory exception for banks to extend credits terms by up to six months to individuals and SMEs, without considering this as a renegotiation for provisions purposes.</p> <p>iii) The use of surplus mortgage guarantees to back loans to SMEs.</p> <p>iv) Exceptional authorisation of an 18-month extension to banks to sell assets received in payment.</p>	<ul style="list-style-type: none"> • Chile's Central Bank has reduced the monetary policy interest rate by 1.25 basis points, to 0.5 per cent. • The Chilean Government has expanded its Emergency Economic Plan that envisages fiscal resources of up to USD\$11.75 bn, which is equivalent to 4.7 per cent of Chile's GDP. • Chile's Central Bank has implemented additional measures aimed at providing liquidity to the economy and supporting the flow of credit. 	



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China	<p>Pursuant of guidelines issued by the courts in Guangzhou City, Jiangsu Province and Hunan Province respectively on February 17, 18, and 27 2020, insolvency applications submitted by creditors against debtors that operated before the Covid-19 pandemic but are temporarily unable to pay debts as a result of the epidemic, may raise the thresholds for triggering insolvency proceedings raised by the court. Courts will also encourage debtors to reach settlements with creditors rather than commencing insolvency proceedings.</p> <p>Under the guidelines issued by the courts in Hangzhou City, Guangzhou City and Jiangsu Province on 6, 17, and 18 February 2020 respectively, creditors may extend the period of declaring claims during the pandemic control period with consent of the court. If creditors fail to declare their claims on time due to the pandemic, they may apply for supplementary declaration without paying an additional fee.</p> <p>Pursuant to the guidelines issued by the court of Nanjing City on 5 February 2020, if the estimated realisation value of a debtor's assets is greatly affected by the pandemic, then the statutory administrator may suspend disposal of the assets until the situation is under control.</p>	<p>According to the guidelines issued by courts in Hangzhou City, Zhejiang Province and Beijing Municipality on 6, 9, and 11 February 2020 respectively, stakeholders in insolvency proceedings such as creditors, statutory administrators, debtors, and etc who have been unable to convene the creditors' meeting, submit a restructuring plan, introduce new investors or obtain new funding on time due to the Covid-19 pandemic, can apply for an extension period, which may be further extended, subject to court approval.</p> <p>According to guidelines issued by the courts in Guangzhou City and Jiangsu Province on 17 and 18 February 2020 respectively, in cases of debtors who have the ability to produce goods which fight the pandemic, or meet other pandemic prevention needs, the court or statutory administrator may sustain their debtor's operations and production, and take measures to facilitate the restructuring such as soft closedown (permitting the debtor to continue to use part of their production equipment), and introduce pre-package restructuring etc.</p>	<p>A Notice on the Implementation of the Temporary Postponement of Repayment of Loans and Interest was issued by China's Banking and Insurance Regulatory Commission, People's Bank of China, National Development and Reform Commission, Ministry of Industry and Information Technology and Ministry of Finance on 1 March 2020. Under its conditions, banks may permit the extension of loan repayment periods for loans due from 25 January 2020 for qualified medium/small/ micro-sized enterprises encountering difficulties due to the pandemic. The deadlines may be extended up to 30 June 2020.</p>		<p>China has not had any changes to insolvency legislation as result of the Covid-19 epidemic at a national level. However, in response to the pandemic, a few provinces or cities announced local guidelines in February and March 2020 to reduce the impact of Covid-19 on corporations and businesses.</p>



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Croatia 1/2	<ul style="list-style-type: none"> • Suspension of enforcement proceedings (with certain exceptions) • Bankruptcy proceedings cannot be initiated based on the bankruptcy reasons that occur until 1 August 2020 (with certain exceptions) • Moratorium of statutory default interests. <p><u>Duration of measures:</u> until 1 August 2020 i.e. 3 months after the laws prescribing these measures entered into force (the Law on Amendments to the Law on Enforcement of Funds (Cro. <i>Zakon o dopuni Zakona o provedbi ovrhe na novčanim sredstvima</i>) and Law on Intervention Measures in Enforcement and Bankruptcy Proceedings during Special Circumstances (Cro. <i>Zakon o interventnim mjerama u ovršnim i stečajnim postupcima za vrijeme trajanja posebnih okolnosti</i>). The Government of Croatia can prolong this period for further 3 months i.e. until 1 November 2020.</p>	<ul style="list-style-type: none"> • Rescheduling of existing loan obligations toward Croatian Bank for Reconstruction and Development (HBOR) with the introduction of a grace period for repayment of loan principal. • HBOR's approval of new favourable loans for liquidity of business entities in cooperation with commercial banks to finance basic operating expenses (the so-called 'idle mode'). • HBOR's portfolio insurance policies (guarantees) as collateral for new liquidity loan approval intended for exporters and the tourism sector to maintain levels of economic activity, liquidity of economic operations and retaining jobs. • Croatian Bank for Reconstruction and Development's working capital Covid-19 measure which is funded by the European Regional Development Fund. • Increasing allocation for the European Structural and Investment Funds (ESIF) financial instrument Micro Working Capital Loans for micro and small businesses. • Reduction of interest rates on investment loans ESIF Micro and Small Loans, with 30 per cent share of working capital, to 0.1 - 0.25 - 0.5 per cent, depending on the development index. 	<ul style="list-style-type: none"> • Payment deferral/exemption of direct taxes (approximately €1.5bn) • Deferral of payment of concession fee for the use of the tourist land in camps (approximately €3.3m) • Deferral of payment of tourist membership fees for business entities and private renters and tourist tax for private renters (lump sum) (approximately €132m) • Suspension of payment of monument rent • Deferral on payment of rent and concession fees for agriculture land owned by the Republic of Croatia and concession fees and mooring of vessels in fisheries • Deferral of contractual obligations to the beneficiaries of all investment measure of the Rural Development Programme • Temporary suspension of membership fees to the Croatian Chamber of Commerce • Three-month moratorium on Croatian Bank for Reconstruction and Development clients' loan obligations falling due after 29 February 2020 under existing placement. 	<ul style="list-style-type: none"> • Aid to retain jobs in the sectors affected by Covid-19 (approximately €1.1bn) • Reduction of the tax base for the calculation of income tax by the amount of aid received • Co-financing the costs of extended pension insurance for permanent seasonal workers • Interest-free loans to local and regional administration • Extended deadline for submission of financial statements and accounting documentation of the current year for the previous year, until 30 June 2020. 	



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Croatia 2/2		<ul style="list-style-type: none"> • Increase of the maximum guarantee rate for ESIF individual guarantees for working capital loans from 65 per cent to 80 per cent of the loan principal through 17 financial institutions. • Establishment of a new financial instrument 'Covid-19 Loans' which are loans for SMEs' working capital. • Establishment of a new financial instrument, the Rural Development Micro Loan for working capital, which provides additional liquidity to small business entities in the agricultural, processing and forestry sectors. 	<ul style="list-style-type: none"> • Moratorium on all instalments of ESIF Micro and Small Loans and Micro and Small Rural Development Loans until 31 December 2020 and the extended repayment/term of the loan for which the guarantee has been issued 		



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Czech Republic	<p>The Act on the Mitigation of the Impact of an Epidemic temporarily abolishes a debtor's requirement to file an insolvency petition until six months after the end of the Emergency Measures, or no later than 31 December 2020. That is, provided the insolvency occurred as a result of the pandemic.</p> <p>The new Act also makes it impossible to file a creditor's insolvency petition (petitions will have no legal effect) until 31 August 2020.</p>	<p>It is possible to apply for a temporary suspension of a reorganisation plan during the period of the emergency measures taken by Czech Authorities to counter the Covid-19 pandemic. Such applications are only possible in the event that plans had been approved by 12 March 2020 at the latest and had not yet been fully performed. If granted, a reorganisation cannot be turned into bankruptcy proceedings during the emergency period.</p>	<p>A debtor-entrepreneur who was not insolvent as of 12 March 2020 will have the opportunity to file a proposal for an extraordinary moratorium, known as the 'Extraordinary Moratorium'. If extended, such a moratorium can last for up to six months and has been introduced directly into the Insolvency Act.</p> <p>With some exceptions, most of the effects normally associated with the initiation of insolvency proceedings are suspended. Generally only effects which benefit the debtor remain in place.</p>	<p>The Act on the Mitigation of the Impact of an Epidemic abolishes a debtor's requirement to file an insolvency petition until six months after the end of the Emergency Measures, or no later than 31 December 2020. That is, provided the insolvency occurred as a result of the pandemic.</p> <p>Until 31 August 2020, it will not be possible to file a creditor's insolvency petition (petitions will have no legal effect) as part of the Act on the Mitigation of the Impact of an Epidemic.</p>	<p>The changes to the Czech Insolvency Law are to be introduced as part of a raft of measures to mitigate the effects of the Covid-19 epidemic on parties involved in legal proceedings, affected persons, crime victims and legal entities, and to amend the Insolvency Act and the Enforcement Code (the Act on the Mitigation of the Impact of an Epidemic).</p> <p>The draft of the Act on the Mitigation of the Impact of an Epidemic was approved by the Czech government, and has been sent to the Chamber of Deputies to be adopted in an abbreviated procedure under a State of Legislative Emergency. The adoption of the Act can therefore be expected to take place during the first half of April 2020.</p>



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Denmark				<p>Guarantee scheme for 'Corona loans' to large companies The scheme covers up to 70 per cent of loans issued by a financial institution to large companies (as defined by the EU), where the loan is newly issued for the purpose of funding a realised or expected revenue loss resulting from the Covid-19 pandemic. The loan must be priced on the basis of realised or expected loss of revenue of more than 30 per cent over a minimum 14-day period 1 March to 30 September 2020.</p> <p>Guarantee scheme for loans and credit lines to SMEs The scheme covers up to 70 per cent of loans and lines of credit issued by a financial institution to SMEs (as defined by the EU), where the loan or line of credit is newly issued for the purpose of funding a realised or expected revenue loss resulting from the Covid-19 pandemic. The loan or line of credit must be priced on the basis of a realised or expected loss of revenue of more than 30 per cent over a minimum 14-day period within the period 1 March to 30 September 2020.</p> <p>Salary compensation scheme The scheme applies to all private enterprises, which have been hit particularly hard by the Covid-19 pandemic and therefore would need to dismiss 30 per cent or more of their total employees, or dismiss more than 50 employees. Salaried employees' compensation is 75 per cent of their salary, subject to a maximum of DKK30,000 (approx. €4,000) per employee per month. Compensation to hourly-paid employees is 90 per cent of the employee's wage, also subject to a maximum of DKK30,000 (approx. €4,000) per employee per month.</p> <p>Emergency tax legislation Three tax initiatives have been introduced to improve liquidity of business: 1) Postponed payment deadlines for payroll tax and labour market contribution; 2) Postponed VAT payment deadlines for large businesses; 3) Increased credit balance limits in tax accounts.</p> <p>Compensation scheme for companies' fixed expenses A scheme compensating fixed expenses (eg, rent, interest and lease expenses) for private companies anticipating a revenue loss of 40 per cent or more as a result of Covid-19. The company's total fixed expenses during the compensation period 9 March to 8 June 2020 must exceed DKK25,000 (approx. €3,350). Expenses will be compensated at 25 to 80 per cent, capped at DKK60m (approx. €8m) per company.</p> <p>Compensation scheme for self-employed A scheme compensating self-employed (with a maximum of ten full-time employees) anticipating a revenue loss of at least 30 per cent as a result of the Covid-19 pandemic. It will compensate 75 per cent of the anticipated revenue loss from 9 March to 8 June 2020, capped at DKK23,000 (approx. €3,100) per owner per month. The self-employed can only receive the compensation for one company, so they will not be eligible to receive more than DKK23,000 per month, even if they own more than one company.</p> <p>Event compensation scheme The scheme covers events set to have taken place in Denmark between 6 and 31 March 2020, but were cancelled, delayed or their conditions materially changed due to Covid-19. An event must expected an audience of over 1,000 or over 500, if it was particularly exposed to Covid-19 risks.</p>	



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Finland	TBC	TBC	TBC	TBC	TBC



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France 1/2	<p>Until 23 August 2020:</p> <ul style="list-style-type: none"> The cash flow insolvency of a debtor is assessed only in the light of their financial situation as of 12 March 2020. As a result, companies becoming cash flow insolvent after 12 March shall, notwithstanding such status, be able to request the commencement of court-assisted pre-insolvency proceedings (ad hoc mandate, conciliation, safeguard proceedings). It must be noted that the debtor (and the debtor only) can choose to file for the opening of insolvency proceedings if they become cash flow insolvent after 12 March 2020, in order to benefit from the French wage guarantee insurance system (AGS). Wage claims statements shall be sent to the French wage guarantee insurance association (AGS) by creditors' representative without prior submission to the employees' representative, and without prior approval by the supervisory judge (<i>juge commissaire</i>). Presidents of commercial courts may extend the procedural time limits imposed by the legal provisions in force on judicial administrators, creditors' representatives, officers supervising the execution of the plan (<i>commissaires à l'exécution du plan</i>) and judicial liquidators in the course of insolvency proceedings, if circumstances warrant. 	<ul style="list-style-type: none"> Until 23 June 2020, any act by which debtor companies apply to commercial courts shall be filed by any means (ie, email, digital platform created by the registries of commercial courts etc). Debtors shall submit their claims in writing to the courts, without attending an opening hearing. Until 23 June 2020, court hearings will be held by videoconference or, in the event of technical or material impossibility, by any electronic means of communication, including conference calls. French accelerated safeguard proceedings (duration of three months), initially subject to legal thresholds, are now available for all debtor companies. Communications among commercial Courts, administrators, creditors' representatives, insolvency practitioners are not to be carried out by any means. The duration of ongoing conciliation proceedings, usually of a maximum of five months, shall be automatically increased by five months. 	<ul style="list-style-type: none"> Deferral, on request, of social security contributions and direct taxes. Direct taxes relief, on request, in the event of a deferral or deferment of payment being insufficient. Deferral of payment of water, gas and electricity bills for small businesses (less than ten employees, less than €1m of annual turnover, and less than €60,000 of taxable income). Suspension of financial penalties or interest for late payment, damages, enforcement of termination provisions, due to non-payment of rent or rental charges relating to business and commercial premises. 	<ul style="list-style-type: none"> Guarantee covering up to €300bn for loans granted by credit and finance institutions to support the cash flow of companies and businesses affected by the Covid-19 pandemic. Implementation of a €1bn solidarity fund offering individual financial assistance of up to €3,500 for small businesses (less than ten employees, less than €1m of annual turnover and less than €60,000 of taxable income), independents and micro-entrepreneurs facing loss in turnover. Support from the state and French Public Investment Bank (BPI) to companies facing difficulties, in order to help them negotiate rescheduling of loans with credit institutions. Strengthening and simplifying the use of part-time/temporary working. Recognition by the state and local authorities of Covid-19 as an event of <i>force majeure</i> for their public agreements. Availability of simplified judicial liquidation proceedings to natural persons whose assets do not include real estate property. 	<p>The present extraordinary support initiatives engaged in France have four principal legal grounds:</p> <ul style="list-style-type: none"> the Amending Finance Law 2020 (<i>loi de finances rectificative pour 2020</i>) enacted on 23 March 2020; the Emergency Law to deal with the Covid-19 pandemic dated 23 March 2020; Ordinance No 2,020-341 of 27 March 2020, which adapts some provisions in French insolvency law to the current health emergency; and Ordinance No 2,020-296 of 20 May 2020, which adapts some provisions in French insolvency law to the consequences of the Covid-19 pandemic. <p>The exact duration of the public health emergency period (currently ending on 10 July 2020 at this stage) remains uncertain and may be further extended by the French government.</p>



Relief measures by country

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France 2/2	<ul style="list-style-type: none"> • Safeguarding and reorganisation plans can be extended up to a two-year cumulative period, without filing a motion for substantial amendment of the plan to the commercial courts. In addition to such an extension, safeguarding and reorganisation plans can be extended up to two years until 31 December 2020. <p>Until 23 June 2020:</p> <ul style="list-style-type: none"> • Observation periods, periods of continuation of the business as a going concern and simplified judicial liquidation proceedings in progress shall be extended by three months. The guarantee periods of the French wage guarantee insurance association are extended accordingly. • The 'intermediate' hearing, which was usually held no later than two months after the opening ruling of judicial reorganisation proceedings in order to decide on the continuation of the observation period, is no longer to be held. <ul style="list-style-type: none"> • Reduction of response to an individual consultation of creditors on endorsement of a safeguard or reorganisation plan, 30 to 15 days. • Creation of a safeguard or reorganisation privilege (<i>privilege de sauvegarde ou de redressement</i>) covering cash contributions carried out during the observation period or for the purpose of executing a safeguard or reorganisation plan. • Sales plan can be endorsed in the benefit of the manager of the debtor company to save jobs. 	<ul style="list-style-type: none"> • Until 23 August 2020, several conciliation proceedings can be conducted consecutively, without complying with the three-month waiting period. <p>Expansion of the judicial power of conciliation proceedings and reinforcement of constraints against creditors involved in the conciliation proceedings:</p> <ul style="list-style-type: none"> • speeding up and simplifying the procedure for a company subject to conciliation proceedings to obtain grace periods of up to two years against its creditors; • debtor companies can apply to the court to suspend or prohibit any legal action of creditors who did not accept the suspension of eligibility of their claims. 			



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Germany	<p>The requirement to file for insolvency (section 15a InsO, German Insolvency Code) in the event of illiquidity or over-indebtedness has been suspended until 30 September 2020. The suspension is however subject to two conditions: (i) the insolvency must be due to the consequences of the spread of the Covid-19 virus; and (ii) there must be the prospect of overcoming the present insolvency.</p> <p>This right of creditors to file for insolvency under section 14 InsO has been limited for a period of three months to cases where factual insolvency occurred on or before 1 March 2020.</p> <p>The new law excludes a management team's liability for payments made during a situation of imminent insolvency from constituting an offence. As far as the suspension applies, such payments are deemed to have been made 'with the diligence of a prudent and conscientious manager'.</p>	<p>A set of stipulations within the new law seek to facilitate the supply of liquidity and the continuation of the business relationship through exemptions from the usually present rescission (contesting) and liability risks for the duration of the Covid-19 crisis. The same conditions apply here as for the exemption from the requirement to file for insolvency as well as the comprehensive presumption rule.</p> <p>Anyone who grants a loan to an insolvent company must expect that repayments on the loan will be contested in future. However, if a new loan was granted during the period of suspension, lenders will enjoy liability relief: repayments up to 30 September 2023, ie, in the three years following the end of the period of suspension, will not be considered to be disadvantaging the creditors.</p>	<p>Consumers and Micro-Enterprises (of less than ten employees and less than €2m annual turnover) have a temporary right to refuse performance of long-term debt until 30 June 2020.</p> <p>For consumer loan agreements, concluded before 15 March 2020, the right of termination due to default of payment shall be waived until 30 June 2020 if the debtor has lost their ability to pay due to the pandemic.</p> <p>Tenants who cannot pay rent for the months of April to June 2020 due to the pandemic, cannot be evicted. Landlords will only be able to terminate such lease agreements if the tenant has not paid rent by June 2022.</p>	<p>The Federal Parliament has approved several laws aimed at helping enterprises survive the pandemic and the keep their employees in work. This has been dealt with by providing liquidity with different measures such as:</p> <ul style="list-style-type: none"> • Guarantees, new loans and short-term funding facilities for enterprises and professionals have been granted by the federal and regional governments. • The government-granted short-term working allowance (<i>Kurzarbeitergeld</i>) has been increased from 60 to 80 per cent. • Tax relief have been rewarded on, inter alia, income and corporate tax as well as VAT. 	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Greece	None	None	<p>General moratorium on all court and enforcement proceedings, except injunctions.</p> <p>Three-month moratorium on repayment of current (non-defaulted) bank debt of natural persons and legal persons in sectors designated as affected.</p>	<p>Statutory reduction of rent payable by lessees in sectors designated as affected by 40 per cent. The loss to lessors to be offset through tax benefits.</p> <p>The same applies to rent payable by employees in sectors designated as affected.</p> <p>Three-month suspension of tax and social security payments, subject to employers keeping their existing workforce.</p>	<p>Legislative Act dated 20 March 2020.</p> <p>General lockdown in place as of 23 March 2020.</p> <p>Measures reviewed and updated on a weekly basis.</p>



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Hungary 1/2	No measures yet.	No measures yet.	<p>Hungary's government has adopted Government Decree No 47/2020 (III 18) (the Moratorium Decree). It implements several extraordinary measures, including the declaration of a payment moratorium in relation to large scale debtors.</p> <p>Unless the parties agree otherwise, during the period of the state of emergency, the principal, interest and fee payment obligations of a borrower under any credit, loan and financial leasing agreement (Agreements) provided by a lender in a business-like manner shall be modified so that the debtor will receive a payment extension regarding its principal, interest and fee payment obligations under its Agreement.</p> <p>Consequently, the relevant Agreements falling under the scope of the Moratorium Decree have been modified automatically with regard to the payment moratorium and the maturity of the Agreements has been extended, except if parties agree otherwise, or mutually confirm that the relevant terms and conditions of the Agreements shall remain in full force and effect.</p> <p>The payment moratorium shall not affect the right of the debtor to comply with payment obligations in accordance with the original terms of the Agreements (eg, voluntary payments and pre-payment are permitted).</p>	<p>Pursuant to Government Decree 45/2020, an 'extraordinary court vacation is implemented' for an indefinite period from 15 March 2020.</p> <p>Pursuant to Government Decree 57/2020 (III 23), no enforcement orders shall be delivered to the debtors during the state of emergency. Onsite enforcement acts and certain enforcement activities must be paused for the period of the special legal order. A moratorium has also been adopted which relates to evictions and the suspension of seizures and auctions in enforcement proceedings.</p> <p>The government has adopted certain extraordinary rules with respect to various legal proceedings in the state of emergency, concerning among others, rules applicable to deadlines, conducting procedural acts, interim measures, the way of submissions and court hearings. As a general rule, if a procedural deadline expires in civil proceedings, administrative proceedings, in the period between the entry in force of the extraordinary adjournment (ie, 15 March 2020) and 15 April 2020, such deadlines will be extended to 30 April 2020. Tax enforcement procedures pending shall be paused until the 15th day following the end of the state of emergency. Limitation period of the right of enforcement shall also be paused for the same period.</p> <p>Pursuant to Government Decree No 47/2020 (III 18), non-residential lease agreements cannot be terminated unilaterally until 30 June 2020 in the sectors which are most affected by the Covid-19 pandemic: tourism, hospitality, entertainment, gambling, film, performing arts, event organising and sport service providers.</p>	<p>The Moratorium Decree does not provide detailed provisions as to certain areas and issues associated with payment moratorium. In particular, neither the territorial, nor the personal scope of the Moratorium Decree is set out. The concept of 'debtor' is also not defined under the Moratorium Decree.</p> <p>This leaves room for a rather broad interpretation of the Decree's scope/applicability (eg, whether a financial moratorium applies to foreign debtors and guarantors). Therefore, debtors, guarantors and financiers who may potentially be affected by the Moratorium Decree (eg, in association with a loan, guarantee or security given to and/or received from a Hungarian entity) are recommended to inspect such financing relationships on a case-by-case basis in order to assess whether the Moratorium Decree may have any potential effects on such legal relationships.</p>



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Hungary 2/2			<p>The modification of the repayment dates under the Agreements also amends the ancillary and non-ancillary supplementary obligations. Therefore, the security period under the security agreements (including guarantee agreements/declarations) is also automatically extended.</p> <p>The period of the payment moratorium expires on 31 December 2020, although the period could be further extended by the government. The payment moratorium is not applicable to public sector companies (including local government companies) or credit institutions.</p> <p>In accordance with Government Decree No 62/2020 (III 24), the interest accumulated during the term of the payment moratorium under the Decree shall be paid together with due repayments after the end of the moratorium, over the residual maturity period in yearly equal instalments, without increasing the repayment amounts above the repayment amounts in the original agreement. The Decree further clarifies that the payment moratorium is applicable to financial enterprises and investment funds.</p> <p>The Hungarian National Bank has announced a discretionary repayment moratorium in respect of loans provided under the Funding for Growth Scheme. This is a scheme under which the National Bank finances subsidised loans to SMEs through commercial banks (FGS) and has approved the restructuring of loans and rescheduling of repayments. SMEs participating in FGS will therefore be exempt from their repayment requirements under FGS loans until the end of 2020.</p>	<p>Furthermore, levels of rent of these lease agreements cannot be raised during the state of emergency, even where the underlying lease agreement would provide the possibility for an increase in rent.</p> <p>In order to mitigate the impact of the state of emergency on the financial intermediary system, the Hungarian National Bank has introduced measures that will reduce the administrative burden of banks and allow for flexible application of macro- and micro-prudential rules. The National Bank has also introduced temporary restrictions regarding dividend payments and regulatory limits applicable to foreign currency financing.</p>	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
India	<p>The <i>de minimus</i> amount for initiating the corporate insolvency process has been increased from INR100,000 (approx. US\$1,300) to INR 10,000,000 (approx. US\$130,000) to prevent the initiation of corporate insolvency resolution process against SMEs whose economic prospects have been severely affected due to the Covid-19 pandemic.</p> <p>Central government's press release dated 24 March 2020 proposed the suspension of provisions of India's Insolvency and Bankruptcy Code, 2016 which provides for initiation of the corporate insolvency process for six months if the pandemic continues beyond 30 April 2020.</p>		<p>The Reserve Bank of India announced its Covid-19 Regulatory Package on 27 March 2020. The following changes are applicable in general, not only in the context of insolvency:</p> <ul style="list-style-type: none"> • Banks and financial institutions are permitted to allow a three-month moratorium on payment of instalments (ie, principal, interest, bullet repayment and credit card payments) due between 1 March and 31 May 2020. • For working capital facilities, banks and financial institutions are permitted to allow a three-month deferment on interest payment from 1 March to 31 May 2020. Please note that the accumulated interest shall be recovered immediately at the end of the aforesaid period. 	<p>The Supreme Court's order dated 23 March 2020 (SC Order) in the matter of <i>In re Cognizance for Extension of Limitation</i> has ordered that the period of limitation in all proceedings before all courts and tribunals irrespective of the limitation prescribed under general law or special law, whether condonable or not, shall be extended from 15 March 2020 until further order are passed by the Supreme Court.</p>	<p>The adjudicating authority under the Insolvency and Bankruptcy Code, 2016 – National Company Law Tribunal (NCLT) has taken various measures. On 22 March 2020, the NCLT issued a notification directing that:</p> <ul style="list-style-type: none"> • All benches of NCLT shall remain closed from 23 March to 31 March 2020 for all judicial work. Applications relating to urgent matters can be addressed via email to the registry of NCLT-Chennai bench. • Any matters pertaining to extension of deadlines, approval of resolution plans, or liquidation under the terms of the IBC (IBC Applications) will not be construed as 'urgent matters' and will be taken up as soon as benches start functioning normally. Until then, IBC Applications will not to be filed. <p>In light of the above developments (NCLT Restrictions) and the SC Order, it may be argued that the time during which the smooth completion of corporate restructuring and insolvency procedures was impeded on account of NCLT Restrictions should be excluded from the calculation of the statutory outer-limit of 330 days.</p>



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Ireland	To date, no amendments have been made to Irish bankruptcy laws. However, discussions and reviews are ongoing and measures may be introduced later.	To date, no amendments have been made to Irish restructuring laws. However, discussions and reviews are ongoing and measures may be introduced later.	No formal moratorium has been imposed in Ireland to date. Retail banks, non-bank lenders and credit servicing firms have voluntarily introduced break measures (such as payment breaks/interest only payments, adjournment of court proceedings and working capital facilities) for personal and business customers, with agreements being reached on case-by-case basis.	<p>Two main pieces of legislation have been introduced to deal with the Covid-19 crisis: the Health (Preservation and Protection and other Emergency Measures in the Public Interest) Act 2020 and the Emergency Measures in the Public Interest (Covid-19) Act 2020.</p> <p>Two measures have been introduced relating to salaries and bridging payments to those out of work. The Temporary Covid-19 Wage Subsidy Scheme allows employers experiencing significant economic disruption, with a 25 per cent decrease in turnover, to obtain a state subsidy of up to 70 per cent of employee wages (conditions applying) until June. A €350 per week payment can be availed of for those out of work since restrictions were introduced on 12 March 2020.</p>	<p>Ireland is currently governed by a caretaker government, with no government formed following the 9 February General Election. Due to constitutional process following the dissolution of the last parliamentary session, a new government needs to be formed before any further legislation can be passed. Talks on forming a government are ongoing.</p> <p>While not yet operational, the Courts Service is exploring the possibility of holding remote hearings during the crisis. At present only matters of extreme urgency are being heard in court.</p>



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Italy 1/2	<p>Temporary inadmissibility of any petition for bankruptcy, or for the declaration of insolvency under the Italian 'extraordinary administration' procedure for large enterprise (<i>amministrazione straordinaria</i>) or for the insolvency of companies subject to compulsory administrative liquidation (<i>liquidazione coatta amministrativa</i>) filed between 9 March and 30 June 2020. The petition, if filed, cannot be heard and shall be declared inadmissible by the insolvency court. This measure applies to petitions for bankruptcy filed either by entrepreneurs themselves or third parties. For those submitted by the public prosecutor it also requests precautionary or protective measures to safeguard the debtor's assets.</p> <p>To protect the <i>par condicio creditorum</i>, deadlines for bringing clawback actions are suspended in relation to petitions filed during the same period and for which, after their dismissal, a bankruptcy declaration is subsequently issued.</p>	<p>Measures relating to in-court composition with creditors procedures (<i>concordati preventivi</i>) (CCPs) and debt restructuring agreements (<i>accordi di ristrutturazione</i>) (DRAs):</p> <ul style="list-style-type: none"> • are extended by six months of the deadlines for compliance with obligations to be performed under the restructuring plan/agreement between 23 February 2020 and 31 December 2021 for CCPs and DRAs already authorised by the court; • procedures for the final court validation of CCPs (already approved by the creditors representing the majority of the indebtedness) and DRAs that are pending as of 23 February 2020, allows the right of the debtor to petition the court, prior to the validation hearing, for granting a deadline, not exceeding 90 days, for the filing of a new plan and a new proposal for CCP or a new DRA; • right of the debtor unilaterally to request the postponement of existing payment deadlines (for a period of up to six months) in CCPs and DRAs pending as of 23 February 2020; 	<p>Following a debtor's request, the repayment of loan instalments and lease rent that are due before 30 September 2020 are suspended until 30 September 2020.</p> <p>Suspension of the deadlines of debt and payment instruments (bills of exchange, money orders, etc) which are due between 9 March and 30 April 2020.</p> <p>Postponement of tax deadlines for companies, enterprises and professionals who have revenues which do not exceed certain thresholds.</p>	<p>There is a temporary suspension until 31 December 2020, of the requirement to recapitalise or take other measures in case of reduction of the value of share capital of companies due to losses (in the event of its reduction by more than a third, even if the value of share capital is reduced below the minimum amount required by law). However, the requirement for directors to convene a shareholders' meeting promptly in the event of a reduction in share capital value of more than a third due to losses has not been suspended. Nevertheless, a company shall not be liquidated due to the reduction or loss of share capital until 31 December 2020.</p> <p>Provisions under articles 2,467 and 2,497-<i>quinquies</i> of the Italian Civil Code regarding, <i>inter alia</i>, the subordination by operation of law of intercompany loans and shareholders' loan granted to companies that are in a situation of over-indebtedness, have been temporarily suspended. This is to boost financial support for companies.</p>	<p>The coming into force of the Italian insolvency reform (Legislative Decree No 14 of 12 January 2019, so-called 'Business Crisis and Insolvency Code') has been postponed until 1 September 2021. It was originally scheduled to come into force on 15 August 2020.</p> <p>From 9 March to 11 May 2020, hearings and other judicial activities in civil and criminal proceedings have been suspended, except for urgent cases. This therefore makes it more difficult to start and continue, <i>inter alia</i>, enforcement actions involving debtors.</p>



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Italy 2/2		<ul style="list-style-type: none"> the introduction of an extension of up to 90 days for debtors who either (a) have already been granted a deadline in the terms of the so-called 'preliminary petition' of CCP (<i>domanda di concordato con riserva</i>) and have already benefited from the 'ordinary' extension provided for by law, or (b) have been granted an automatic stay pending negotiations of a DRA, with subsequent extension of the automatic stay. 		<p>With reference to the preparation of financial statements, the evaluation of the items on a going concern basis as per article 2423-<i>bis</i>, paragraph 1, no (1) of the Italian Civil Code may in be applied if it was possible to do so in respect of the most recent financial period ending prior to 23 February 2020.</p> <p>The deadline for the approval of financial statements for the financial year 2019 has been extended by 60 days.</p> <p>Easier access to credit facilities by companies damaged by the Covid-19 pandemic and subsequent lockdown as a result of guarantees granted by public entities (ie, Mediocredito Centrale SpA Cassa Depositi e Prestiti SpA and Sace SpA).</p>	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Japan	TBC	TBC	TBC	TBC	TBC



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Kazakhstan	No Covid-19-specific legislation	No Covid-19-specific legislation	No Covid-19-specific legislation	The Supreme Court has issued a letter addressed to the courts which recommends the postponement of civil case trials for which procedural time limits have not yet expired. This relates to all commercial cases and aims to decrease physical presence of parties at court proceedings on court premises.	There are certain relief measures from the banking regulator and government regarding the rescheduling of loans provided to borrowers by banks, and the postponement of certain taxes and mandatory payments payable by certain categories of businesses for the state of emergency period. The impact of Covid-19 and the imposed lockdown/quarantine on business activity is not yet clear however, ultimately, specific Covid-19 legislation may be required to deal with an increase in defaults and its negative impact on businesses.



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Kuwait	To date, no legislation has been adopted in Kuwait in response to bankruptcy and/or insolvency relating to the Covid-19 pandemic. However, the government has imposed a minimum two-week suspension of public and private sectors, commencing on 21 March 2020, rendering it impossible to file bankruptcy claims during this period. The shut down has been extended to 29 April 2020.	We are not aware of any legislation which been adopted in Kuwait in response to launching or conducting restructuring proceedings in view of the Covid-19 pandemic.	No legislation has been adopted in Kuwait in response to general or limited moratorium. However, Kuwait's local banks will defer payment of consumer and SME loans and financing for a six-month period. We expect other measures to be taken in the near future.		The Kuwait government imposed a suspension of public and private sectors for a minimum of 2 weeks starting on 21 March 2020. This period has been extended until 29 April. In addition, certain areas have been quarantined, due to the spread of infection within those locations. We understand the government is working on a stimulus plan, the details of which have yet to be announced.



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Lithuania	TBC	TBC	TBC	TBC	TBC



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Luxembourg	TBC	TBC	TBC	TBC	TBC



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Malta	No specific measures or amendments to insolvency law announced as yet by the Maltese government.	No measures relating to restructuring have yet been announced.	The government has announced a tax moratorium to ease the current economic burden. Employers and the self-employed have been granted a two-month extension on payments of provisional tax, value added tax and national insurance contributions which were otherwise due at end of April 2020.	Other measures announced by government include loan guarantees, compensation to employees declared redundant, compensation to employees who are in mandatory quarantine, compensation to the self-employed who have suffered a complete suspension of business, and other similar fiscal measures.	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Netherlands	<p>In the Netherlands there was and is no statutory obligation to file for insolvency, and this will not change.</p> <p>No significant reforms have been enacted for companies in financial distress. However, the draft Act on the confirmation of private plans (<i>Wet Homologatie Onderhands Akkoord</i>, or WHOA, also known as 'the Dutch Scheme') is currently being considered in parliament and expected to be enacted by 1 July 2020. The WHOA would combine the best of the UK Scheme of Arrangement and the US Chapter 11.</p>	<p>Parliament has been debating a new Act on Court Confirmation of Extrajudicial Restructuring Plans to Avoid Bankruptcy for some time and it is expected to be enacted shortly.</p>	<p>There are as yet no nationwide specific measures. However, the Consumer and Market Authority (ACM) has stated that if a certain service (such as that of a fitness club) cannot be provided, there is no requirement to pay a membership fee. Banks, such as ABN AMRO Bank have indicated that credit lines will not automatically decrease until 1 July 2020, and interest will not be charged. Also, associations of real estate lessors (especially retail) have appealed to their members to be lenient and reasonable and not force their lessees to pay the lease promptly in current circumstances, but these are private measures.</p>	<p>There has been deadline extensions for payments of VAT/turnover tax, corporate income tax, payroll tax, and income tax.</p> <p>Under the <i>Tijdelijke Noodmaatregel Overbrugging voor behoud van Werkgelegenheid</i> (NOW), companies that expect to lose over 20 per cent of their revenue in the period March to July 2020, compared to a quarter of their entire 2019 revenue, can apply for reimbursement of up to 90 per cent of labour costs associated with the revenue loss for a three-month period (ie, March to May, April to June, or May to July). This includes associated costs such as pension contributions and holiday pay.</p>	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Norway	There have been no changes to bankruptcy (liquidation) proceedings pursuant to the Norwegian Bankruptcy Act of 8 June 1984 No 58. However, Part 1 of the Bankruptcy Act, pertaining to voluntary and compulsory debt settlement proceedings, has been replaced by a provisional Reconstruction Act.	<p>The provisional new Reconstruction Act of 7 May 2020 which is effective from 11 May 2020 until 1 January 2022, has been introduced to mitigate financial difficulties resulting from the Covid-19 pandemic. The Act replaces Part 1 of the Bankruptcy Act for as long as the Act remains in force. Its main objective is to reduce the risk of the unnecessary bankruptcy of viable businesses which have suffered sudden loss of revenues due to the Covid-19 pandemic. It includes inter alia:</p> <ul style="list-style-type: none"> • debtor-in-possession (DIP), under supervision of court appointed reconstruction committee; • a bankruptcy/enforcement protection; • a freeze (stay) of service of pre-petition debt. • DIP financing on super priority; • voluntary/compulsory reconstruction, that includes moratorium, reduction of debt, conversion of debt to equity and sale of the business; • compulsory reconstruction requires a simple majority (over 50 per cent by debt). 	Creditors entitled to seek moratorium by filing for reconstruction pursuant to the new Reconstruction Act.	<p>Several government support packages have been provided for industry and commerce, both directed towards specific sectors (eg, the oil and gas industry) and more generic measures to cover the losses/costs in different sectors. This includes economic packages for culture, sport and the self-employed.</p> <p>Government guarantee and loan programmes have also been implemented to improve the liquidity of Norwegian companies, inter alia for the airline industry. Government support also includes postponed deadlines for tax payments, and changes to the temporary lay-off regulations where government provides furlough payments for employees.</p>	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Poland	<p>Company board members are required to file a petition for bankruptcy to the Bankruptcy Court within no later than 30 days from the date the insolvency occurred.</p> <p>The Government plans to suspend automatically the pending deadline for filing bankruptcy applications during the Covid-19 pandemic. After the end of the state of emergency, the deadline will start anew. However, if an insolvency has occurred due to the Covid-19 pandemic, the deadline for bankruptcy application will be three months, rather than the standard 30 days.</p> <p>A company's board members and creditors, still have the right to file for bankruptcy declaration during the state of emergency.</p> <p>Late filing for bankruptcy on account of the Covid-19 pandemic shall not trigger the risk that some clawback provisions will not be applicable due to lack of time.</p>	<p>All attempts at out-of-court restructuring remain feasible.</p> <p>As to court restructuring, it is initiated in Poland when the company becomes insolvent or there is a threat of insolvency. A company threatened by insolvency is understood to be a company whose economic situation indicates it may soon become insolvent.</p> <p>The government plans to qualify the court restructuring proceedings as urgent matters during the state of emergency.</p>	<p>A limited moratorium has been introduced for debts stemming from certain taxes, social insurance contributions, commercial rentals, loan agreements or leasing agreements. Additional conditions must be met in order to benefit.</p> <p>Further relief measures are likely to be announced in the near future.</p>	<p>A package of various other relief measures has also been introduced to mitigate the effects of the Covid-19 pandemic. Such measures include a proportion of employees' wages being funded by the state, exemptions from contributing taxes and social insurance contributions, rental agreements, competition protection, and help for the transport, tourist and entertainment sectors. Companies must meet certain criteria to benefit from these measures.</p> <p>Further relief measures are likely to be announced in the near future.</p>	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Portugal	No measures in respect to bankruptcy have so far been adopted. However, requirements for companies to use the Special Process of Revitalisation (PER), the Extrajudicial Regime for Corporate Recovery (RERE) and the approval of recovery plans are expected to be eased.	In respect to financial incentives, the government has created two lines of credit for companies, including SMEs. These are: <ul style="list-style-type: none"> • the Capitalizer Credit Line – ‘Covid-19 – <i>Fundo Maneio</i>’ (working capital); and • the Capitalizer Credit Line – ‘Covid-19 – <i>Plafond de Tesouraria</i>’ (cash needs in a credit revolving system) Each of these credit lines has a maximum credit per company of €1.5m and intended for companies which present a statement proving the negative impact of the Covid-19 pandemic on their business activity. Notably the verification, at the date of the execution of the financing contract, a break in the turnover in the last 30 days of at least 20 per cent compared to the immediate previous 30-day period.	The government has approved a six-month moratorium until 30 September 2020. This prohibits the revocation of contracted credit lines, the extension or the suspension of credits until the end of this period, in order to guarantee the continuity of financing for families and companies and prevent possible default. A Bill has also been approved, to be submitted to parliament, creating an exceptional and temporary regime enabling the late payment residential and non-residential rent.	Numerous tax and fiscal measures in have been adopted to reduce the impact of the pandemic on companies and individuals. These include: <ul style="list-style-type: none"> • postponement of first special payment on account from 31 March to 30 June 2020; • extending the deadline for submitting corporation tax [IRC] returns, and for tax payments; • postponement of the first payment on account (and first additional payment on account). 	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Romania	There have been no changes to bankruptcy legislation due to the Covid-19 pandemic.	There have been no changes to restructuring legislation due to the Covid-19 pandemic.	There have been no changes to moratorium legislation due to the Covid-19 pandemic, but new measures are expected in the near future.	None, but measures are expected shortly.	<ul style="list-style-type: none"> • Judgment of non-urgent civil cases such as insolvency procedures have been suspended during the state of emergency. • File statement deadlines have been extended for insolvency procedures which have recently opened.



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Russia		The government has proposed to amend the existing Federal Law on Insolvency with the aim of strengthening rehabilitation and restructuring procedures to help distressed businesses survive.	A six-month moratorium on bankruptcy has been introduced for companies in sectors most affected by the pandemic. The list of such sectors will be revised regularly.	<p>The Russian commercial courts have started to interpret non-fulfilment of contracts due to the Covid-19 restrictions as <i>force majeure</i>.</p> <p>There will be a paid holiday period from 30 March to 3 April for all individuals working in Russia with the following exceptions: organisations with 'uninterrupted operation'; healthcare and pharmacy organisations; providers of food and essential goods; organisations performing emergency relief work; organisations performing urgent repair and freight operations. Federal and regional government entities and the mass media will perform essential work with reduced staffing levels.</p>	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Serbia	<p>On 18 March 2020, the High Judiciary Counsel instructed courts in Serbia to postpone hearings during the state of emergency in all cases which are not considered urgent, including bankruptcy. Consequently, courts in Serbia should not schedule bankruptcy hearings and open bankruptcies over companies during the state of emergency.</p> <p>However, it is unclear whether a provisional measure in bankruptcy (eg, naming a temporary bankruptcy administrator) could be reached following a request of a creditor, since reaching provisional measures are considered urgent, and such requests should not be postponed by courts. We are not aware of any court practice in this respect.</p> <p>There are no other specific measures related to bankruptcy.</p>	<p>The same rules in respect to scheduling bankruptcy hearings also apply in relation to restructuring hearings.</p> <p>There are no other specific measures related to restructuring.</p>	<p>There is a loan and leasing repayment moratorium for debtors (including companies) in place for 90 days and/or not less than the duration of the state of emergency.</p>	<p>Tax policy measures Deferral of payment various taxes.</p> <p>Direct financial aid to the private sector Direct aid is being provided to entrepreneurs, micro, small and medium size companies.</p> <p>Liquidity measures for the private sector Financial support through loans for the continuation of liquidity and working capital for entrepreneurs, micro, small, medium entities, agricultural farms and cooperatives.</p> <p>Financial support through guarantee schemes provided by the state to commercial banks which are located in Serbia.</p>	<p>The payment of dividends for all companies, except for public enterprises, is prohibited.</p>



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Singapore	TBC	TBC	TBC	TBC	TBC



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Slovak Republic	If a debtor becomes over-indebted between 12 March and 30 April 2020, the period for filing of an application for bankruptcy by a debtor over their assets is extended from 30 to 60 days.	No specific measures have yet been adopted.	<ul style="list-style-type: none"> • No pledge enforcement shall take place until 30 April 2020, and any acts leading to the pledge enforcement made prior to that date are ineffective. • Auctioneers, judicial enforcement officers and administrators must refrain from conducting any forced proceedings leading to sale of debtors' assets (including the sale of real estate) until 30 April 2020. Any such acts conducted between 27 March 2020 and 30 April 2020 will otherwise be considered invalid. 	<p>Time limitation periods and preclusion periods have been extended. Any statutory time limitation periods (<i>premlčacie doby</i>) and preclusion periods (<i>prekluzívne lehoty</i>) in the private-law relations, the expiry of which would cause individuals' rights or claims to be time-barred or terminated:</p> <ul style="list-style-type: none"> • are suspended between 27 March and 30 April 2020 (including court periods); • if lapsed between 12 March and 27 March 2020, they shall not expire earlier than 28 April 2020. 	The information given reflects the status as of 6 April 2020. Further relief measures are being discussed by the Slovak government and other state authorities.



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Slovenia	<p>The Slovenian Export and Development Bank (SID) and the Ministry of Economic Development and Technology will offer financial products worth €800m to companies, consisting of €200m in new financial products and €600m in existing products. This is to help combat liquidity problems, including the deficit in the distribution of services and products, slowdown in demand, supply chain deficit, production deficit, investment difficulties, and also how to provide guarantees and refinance of bank loans. The plan consists mainly of covering loans of between €100,000 and €7m, with up to €20m in some existing programmes. The funds can be used for six months.</p> <p>More information (in Slovenian) is available at: https://www.sid.si/en/node/621.</p>		<p>Act on intervention measures of payment deferral of borrowers According to the Bill, banks shall only grant deferral of payment to companies with seats in the Republic of Slovenia or, in case of employers who are natural persons, self-employed business, holders of agriculture (pursuant to the law regulating agriculture in the Republic of Slovenia), if they have permanent residency. The emergency measures as set out in the Act will entail a unilateral payment deferral (unless any such payment was already due prior to the epidemic declaration) for a period of 12 months after the Act comes into force. The bank and the borrower will also be able to agree on a different, more favourable delay for the borrower. Further details can be found at: https://www.jadek-pensa.si/en/act-on-emergency-measures-of-payment-deferral-of-the-borrowers-is-in-preparation/.</p>	<p>Act determining intervention measures in public finance According to the Bill, measures include extending submission deadlines for tax returns and annual reports, extending deadlines for paying tax commitments arising from the submitted tax returns and the possibility paying tax by instalments.</p> <p>Act on intervention measures to salaries and contribution This Bill regulates the partial compensation of salaries to employees who are unable to undertake work due to measures relating to the Covid-19 pandemic. Not all employers will be entitled to the partial compensation, only those who meet the legal criteria and act in accordance with the procedure foreseen by the Act.</p>	<p>Act on the temporary measures on judicial, administrative and other public law matters to contain the spread of the infectious disease Covid-19 The Bill stipulates that all periods for exercising clients' rights in judicial proceedings, as determined by law, are adjourned.</p>



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
South Korea	No measures directly related to bankruptcy have yet been announced.	No measures directly related to bankruptcy have yet been announced.	<p>Moratorium for COVID-19-affected businesses and socially vulnerable people are being considered and implemented at various levels and institutions. Some examples of announced or imposed moratoriums include:</p> <ul style="list-style-type: none"> • Financial authorities (FSC, FSS) and the financial institutions (South Korea Federation of Banks, South Korea Financial Investment Association, etc) have entered into an agreement to provide Covid-19 related support, which includes extending loan maturity dates and a moratorium interest payments. • South Korea's Deposit Insurance Corporation announced that it will impose a moratorium of up to a year and discharge interest payment commitments for the financially vulnerable debtors, who are currently under instalment repayment plans. • The Credit Counselling & Recovery Service (CCRS) has also announced a six-month moratorium for debtors who have had their debt adjusted through CCRS-provided programmes but are now experiencing a cut in income due to the Covid-19 pandemic. 	<p>The South Korean Financial Services Commission, in conjunction with the Financial Supervisory Service and the South Korean Institute of Certified Public Accountants has announced relief measures allowing for deadline extensions for filing annual reports and audited financial statements for listed companies and other companies that are required to file audited financial statements.</p> <p>Furthermore, central government, as well as municipal governments and financial institutions at all levels have announced plans to support SMEs as well as conglomerates affected by Covid-19 by providing liquidity through loans and other funding. The Bank of Korea is at the forefront of these policies, announcing that it plans to provide 'unlimited liquidity' to financial institutions while the crisis continues.</p>	South Korea's President has announced that emergency funds will be injected into the economy to help avoid business bankruptcies. In the short-term, at least, South Korea's policies are focused on providing liquidity to businesses so that they can stay afloat.



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Spain	<p>Until 14 March 2020, debtors may modify the reorganisation agreement's conditions with creditors, changing the discharge and waiting.</p> <p>Bankruptcy proceedings declared within the two years of the declaration of the state of emergency, will be considered ordinary credits those, since the declaration of the state of alarm have been granted to the debtor by people especially related to him (usually they are subordinated credits)</p> <p>In bankruptcy proceedings declared within the year following the declaration of the state of emergency and in those pending on that date, the auction of assets and rights of the active mass must be extrajudicial, even though the plan of liquidation established other arrangements except in the case of sale of the entire company or of productive units. Until now this was carried out by the court if there was a mortgage.</p>	<p>Debtors who have an arrangement scheme with creditors will be able to communicate their modifications to the court even within 12 months of the scheme's approval, until 14 March 2021. Until now in Spain, no new arrangement scheme could be submitted to court within a year of the previous one.</p> <p>For the six months following the declaration of the state of emergency, non-compliance with the scheme of arrangement will not be processed before a judge and, if communicated by the creditors, a period of three months will be granted to reach a new agreement.</p>	<p>The debtor who is insolvent will not have the duty to request the declaration of insolvency until 31 December 2020.</p> <p>Until 31 December 2020, judges will not permit the creditors' applications if have been presented since the declaration of the state of emergency.</p>	<p>Losses from 2020 will not be taken in to account when determining whether there is a cause for dissolution, for the purposes of the Capital Companies Law.</p>	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Sweden	No measures (but no obligation to file under the law).	No measures.	Moratorium on tax payments due from January 2020, including refund of payments already made.	No measures.	Measures taken include subsidised salary and sick leave payments by the state, but as yet, no amendments to insolvency laws.



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Switzerland	TBC	TBC	TBC	TBC	TBC



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Turkey	<p>Under Turkish law, if a company's assets are not sufficient to cover its liabilities, its directors are obliged to notify the court and file for company bankruptcy. According to article 345/a of the Enforcement and Bankruptcy Law (EBL), directors who fail to file for bankruptcy may be sanctioned to ten days to three months' imprisonment. There is no exemption or postponement due to Covid-19. On 22 March 2020, the President issued a decree suspending all execution and bankruptcy proceedings until 30 April. The Decree does not cover court proceedings, and the suspension under the Decree does not affect lawsuits. Therefore, it does not affect the director's duty to file for bankruptcy with the commercial court.</p> <p>The Decree was followed by Law No 7,226 which suspended the applicable statute of limitations in legal proceedings until 30 April 2020. The Law excludes time limits stipulated under relevant laws for crimes and punishments and sanctions, as well as disciplinary imprisonment and preventive detentions. Accordingly, a director's failure to file for bankruptcy may still entail the sanction stipulated under article 345/a of the EBL.</p>	<p>Turkish authorities have yet to introduce any major measures aimed at softening conditions for restructuring debts in response the Covid-19 pandemic's impact on businesses.</p> <p>That said, state owned banks and several private banks have announced they will support individuals and businesses by postponing unpaid instalments, interest and principal, and introducing restructuring packages.</p> <p>In support of this initiative, on 27 March 2020, the Banking Regulatory and Supervisory Authority (BRSA) took the decision (numbered 8,971) that if the principal and interest payments of consumer and vehicle loans are postponed until 31 December 2020, the delay will not be taken into account in determining maturity limits that legally range from 48 to 60 months.</p>	<p>Turkish authorities have not yet declared a general moratorium, other than the measures set out below.</p> <p>A Decree suspends the following categories of execution and bankruptcy proceedings until 30 April 2020:</p> <ul style="list-style-type: none"> • all pending execution and bankruptcy proceedings (except for the execution proceedings for alimony), • all interim attachment proceedings, and • any new execution or bankruptcy proceedings. <p>The Decree is based on Article 330 of the EBL, which, in case of a pandemic, empowers the President to temporarily suspend all execution proceedings in some parts of the country or in favour of an economic class. The Decree therefore does not cover court proceedings, and the suspension does not affect any lawsuits before the courts, including those that relate to the execution proceedings, such as lawsuits for the cancellation of the objection to a payment order and lawsuits to recover property.</p> <p>The courts may also receive the requests for interim attachments or bankruptcy. However, critically, the relevant court decisions will not be enforced by the execution and bankruptcy offices until 30 April 2020.</p>	<p>To avoid the loss of rights of litigants due to the Covid-19 pandemic, Law No 7,226 suspends:</p> <ul style="list-style-type: none"> • (from 13 March to 30 April 2020), all time limits with respect to claims and litigation proceedings, commencement of execution proceedings, and periods of statutory limitation, foreclosures and mandatory administrative application periods; • (from 22 March to 30 April 2020), all time limits defined under the EBL and other laws regarding execution proceedings and periods given by the judges and execution and bankruptcy offices, all kinds of execution and bankruptcy proceedings (except for alimony pay in family law), new filings for execution and bankruptcy proceedings and transactions for enforcement of provisional measures. <p>Periods of 15 days or less remaining on the applicable time limits will resume from the end of the suspension period and the relevant time limit will automatically be extended for another 15 days from 30 April 2020. The President is empowered to extend this period by another six months if the pandemic persists.</p> <p>Any periods applying to protective measures are excluded from the scope of this suspension period. Voluntary payments will be accepted during this time. Law No 7,226 also makes it clear that the legal consequences of the time periods applicable in concordat proceedings will continue to apply to the creditors and debtors during the suspension period.</p>	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Ukraine	<p>Under the Bill 'On amendments to the Insolvency Code of Ukraine (aimed at prevention and combating of outbreak and spread of the coronavirus disease (Covid-19)', until 15 October 2020, it is proposed to make:</p> <ul style="list-style-type: none"> • no insolvencies initiated per creditors' request; • stay of pending insolvency proceedings; • stay of clawback actions; and • no management duty to file for insolvency. 		<p>Law No 3,220 'On amendments to the Tax Code of Ukraine and other laws of Ukraine as to assistance of taxpayers during the period of effecting measures aimed at prevention and combating of outbreak and spread of the coronavirus disease (Covid-19)' introduces a moratorium on documentary and factual tax audits from 18 March to 18 May 2020.</p>	<p>Law No 3,220 also introduces the following measures:</p> <ul style="list-style-type: none"> • no penalties for violations to tax legislation committed between 1 March and 30 April 2020; and • an extension to the deadline for submitting annual property and income tax declarations until 1 July 2020. Amounts of payable tax liabilities should be paid by 1 October 2020. <p>Bill No 3,261 'On amendments to certain legislative acts of Ukraine on extension of procedural time limits, limitation period for quarantine, established by the Cabinet of Ministers of Ukraine to prevent the spread of coronavirus disease (Covid-19)' proposes:</p> <ul style="list-style-type: none"> • no default interest from 11 March 2020 until the end of the quarantine period; and • extending procedural time limits in commercial proceedings to the end of quarantine. 	



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
United Kingdom	<p>Hearings are currently suspended, unless urgent.</p> <p>The Corporate Governance and Insolvency Bill 2020 (CGI) has been laid before parliament. It introduces a number of new measures, some long-awaited; others which have been developed in response to Covid-19. These include:</p> <ul style="list-style-type: none"> • Statutory demands made between 1 March and 30 June 2020 to be void if Covid-19-related; and • Winding-up petitions issued between 27 April 2020 and 30 June 2020 to be restricted if Covid-19-related. 	<p>The CGI introduces a new restructuring tool similar to a scheme of arrangement with cross-cram down provision to bind all creditors, including dissenting creditors, as long as dissenters are no worse off than in alternative insolvency procedures.</p> <p>So-called 'soft-touch' administrations are also being used. The directors remain in control but an insolvency professional is liable for the company's actions. There is a protocol to be followed.</p>	<p>The CGI introduces a new short moratorium applied for by a company with a 20-day lifespan, extendable by a further 20 days (and beyond with creditor agreement). This is applied for pre-insolvency but the company must have a realistic chance of survival as a going concern.</p>	<p>Suspension of wrongful trading liability until 30 June 2020 under the CGI. Note that other director liabilities under insolvency and company legislation remain.</p> <p>Termination clauses in supply contracts (for small suppliers) in the event of insolvency to be void under the CGI.</p> <p>Directors of holding companies to be subject to disqualification if they do not properly consider the interests of creditors of a financially distressed subsidiary which they sell.</p>	<p>The CGI still has to be debated and brought into force.</p>



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
United States	Bankruptcy Code Chapter 11 has been amended, imposing multi-year waiting period for small business discharge, denying them immediate discharge on confirmation available to larger Chapter 11 debtors, but providing for expedited reorganisation (Small Business Reorg Act 2019, SBRA). The Code was also amended in March 2020 to increase the SBRA debt threshold for 12 months from US\$2,725,625 to US\$7,500,000. The CARES Act allows consumer debtors to extend repayment of critical debts under plans.	Out of court restructurings of consumer debt could be affected by federal and state debt collection moratoria. This is mainly applicable to consumer debt.	<p>Federal: CARES Act March 2020 suspends foreclosure on US federally backed loans (minimum 60 days) and residential mortgages (180 days); payments and interest suspended on direct federal and FFEL student loans (but not Perkins loans) until September 2020.</p> <p>States: 33 states (including California and New York) have suspended residential foreclosures and evictions; over 20 states have suspended utility disconnections until 30 May; New York, California, and some other states have temporarily suspended the collection of debt owed to the state.</p>	A small minority of states have limited the collection of private debt during the emergency declarations. Illinois has suspended self help debt foreclosures; Massachusetts has restricted debt collectors during the emergency; others, such as West Virginia, have classified debt collectors as 'essential business' that may operate during emergency. A minority of US states and counties courts have suspended personal property foreclosures, and some have adjourned non-essential judicial proceedings. New York has ordered licensed financial institutions to grant 90-day consumer loan forbearance; California has requested banks to make voluntary consumer accommodations.	<p>The Office of US Trustee has adjourned <i>sine die</i> all meetings of creditors under BK Code section 341.</p> <p>Federal and State Small Business Administrations are rolling out loans and other relief to small businesses.</p> <p>The Internal Revenue Service has suspended the tax return filing deadline, and due date for payment of federal tax debt up to US\$10m, by three months to 15 July 2020.</p>



Relief measures by country

Country	Bankruptcy	Restructuring	Moratorium	Other relief measures	Additional comments
Uzbekistan	Legal entities facing financial difficulties due to the Covid-19 pandemic will not be declared bankrupt until at least 1 November 2020.	There is no specific Covid-19 legislation relating to restructuring.	There is no specific Covid-19 legislation.	Due to the introduction of self-isolation, the Supreme Court has recommended that courts postpone trials of commercial cases to later dates.	The government has introduced and continues to introduce measures to support business. Based on the recommendations of the Central Bank of Uzbekistan, local banks have begun providing borrowers with payment holidays, rescheduling payments and other supportive measures. Banks are not expected to charge penalties for late payment of interest. Exemption from paying certain taxes, obligatory payments and penalties for late tax payment along with postponement of tax payments during the self-isolation period has also been granted. There should therefore not be a substantial immediate increase in Uzbekistan's number of insolvency cases.



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