

# Table 6:

Emergency banking regulations and tax relief measures



**European Bank**  
for Reconstruction and Development



Hungary

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Georgia

Information in this table is based on a consolidation of the answers received from respondents in connection with questions 17 and 20 of the EBRD Covid-19 Emergency Measures Survey.

This table reflects the legislative position as of April 2022. When a law, regulation or measure is marked as “still in force” this refers to the period until April 2022. Information provided by local counsel respondents has not been independently verified by the EBRD. Responses are based on original text provided by respondents. In some cases responses have been edited by the EBRD for clarity.

[Question 17](#): “Did the banking authority introduce any regulation or recommendation to the banking sector regarding forbearance of bank loans including any limitations on penalty interest and/ or deferral of interest and/or principal repayments?”

[Question 20](#): “Did the legislator introduce any Covid-19 related tax relief measures?”

**Key:**  denotes that at least one respondent answered that Covid-19 related emergency measures in banking or taxation sector have been introduced

 denotes that no Covid-19 related emergency measures in banking or taxation have been introduced

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Albania</b>		As per respondents' feedback, there were several pieces of emergency banking legislation. Most are no longer in force.		-
<b>Armenia</b>		No further comments were provided by local counsel.		-
<b>Azerbaijan</b>		No further comments were provided by local counsel.		No further comments were provided by local counsel.
<b>Belarus</b>		<p>1) A Letter of the National Bank of the Republic of Belarus dated 20 March 2020 No. 04-14/322 “On repayment of the credit” stating the possibility of reduction in the income of companies and enterprises due to the restriction or impossibility of carrying out their activities, which may lead to the need to grant to employees a social leave with partial payment. In addition, many citizens may be forced to be on social leave without payment. To reduce the credit burden of individuals due to the deterioration of their financial situation and inability to properly fulfil their obligations according to loan agreements, the National Bank of the Republic of Belarus recommended the banks to consider the possibility of providing individuals (subject to supporting documents) with a deferral of repayment of the credit and payment of interest (credit holidays) with simultaneous extension of the credit repayment period.</p> <p>2) A letter of the National Bank of the Republic of Belarus dated 30 March 30 No. 04-14/363 “On loan restructuring” the National Bank of the Republic of Belarus recommended the banks not to increase the amount of interest for using the credit when restructuring debt under credit agreements with legal entities and individuals, including when providing deferrals (instalments).</p>		<p>The following tax relief measures were introduced:</p> <ul style="list-style-type: none"> <li>- increasing the period of payment of local taxes and duties for certain types of taxpayers being most affected by the epidemiological situation (i.e. hotel businesses, the travel industry, transport services, consumer services) by means of deferral payment with further payment by instalments or tax credit;</li> <li>- reducing the amount of tax on immovable property and/or land tax to be paid during the second and fourth quarters of 2020 for certain taxpayers;</li> <li>- expansion of the list of non-realisation expenses used in calculation of profit tax;</li> <li>- additional possibility to change the approach of tax accounting of exchange rate differences;</li> <li>- possibility to change taxation system for individual entrepreneurs;</li> <li>- some other reliefs.</li> </ul>

Economy	Emergency measures in banking sector	Emergency measures in tax sector
<p><b>Belarus</b> (continued)</p>	<p>3) Under the Resolution of the Board of the National Bank of the Republic of Belarus dated 18 March 2020 No. 81 “On Certain Points of Regulation of Banks in 2020” (was effective until 31 December 2020), when classifying assets subject to credit risk and forming special reserves:</p> <ul style="list-style-type: none"> <li>- banks were entitled not to consider the criterion of sufficiency of the debtor’s incomes in foreign currency;</li> <li>- banks were entitled not to recognise the debt as restructured, regardless of the number of changes made in the relevant agreements, based on assessment of the debtor’s cash flow and its ability to fulfil its obligations to the bank;</li> <li>- banks were granted the right to carry out lending within the norm of maximum risk per one debtor (group of interrelated debtors), which is set at 35 per cent of the bank’s regulatory capital;</li> <li>- values of the minimum amount of the regulatory capital of a bank, a non-bank financial institution were set in the amount effective as of 1 March 2020, without indexation.</li> </ul> <p>4) In addition, the National Bank of the Republic of Belarus sent recommendations to supervisory boards (boards of directors) of banks about the priority in 2020 of profit for 2019 and retained earnings of previous years to reserve and statutory funds and recommended to avoid payment of dividends to shareholders in the current year.</p>	

Economy	Emergency measures in banking sector	Emergency measures in tax sector
<p><b>Bosnia and Herzegovina (Federation and Republika Srpska)</b></p>	<p><b>Federation</b></p> <p>A Decision on temporary measures applied by the banks to recover from the negative economic consequences caused by the Covid-19 virus was adopted on 24 August 2020 and is still in force. The Decision introduced a moratorium on all (re)payments under bank loan agreements as a single measure with the application deadline on the 31 March 2022, and for a period of 12 months when combined with other measures. The Decision also provides for further possible measures such as: grace period, additional debt allowance, adjusting the repayment plan or approval of additional repayment deadline time. In regard to the interest rate there are two important notes: i) during the moratorium, the bank does not charge default interest on the amount of overdue receivables; and ii) within the application of special measures, the interest rate for modified exposures may not be higher than defined by the basic contract.</p> <p>The banks may not approve special measures in accordance with this Decision to clients with a delay in settling liabilities to the bank for more than 90 days in a material amount, i.e. special measures may be approved only to clients whose exposures are allocated to credit risk level 3.</p> <p><b>Republika Srpska</b></p> <p>On 2 September 2020 a decision with the exact similar content was adopted in Republika Srpska. The only difference is that this Decision was not imposed as a single measure and each moratorium was applied subject to prior approval by the bank.</p> <p>This Decision is no longer in force as of 21 March 2022.</p>	<p>The government reimbursed costs of the minimal salary and contributions for a period of time.</p>

Economy	Emergency measures in banking sector	Emergency measures in tax sector
Bulgaria	<p>1) A sector-wide private moratorium on bank loan payments during the period of public emergency in Bulgaria stemming from the Covid-19 outbreak was approved on 10 April 2020 by the Bulgarian National Bank (BNB). The draft moratorium was submitted through the Association of Banks in Bulgaria (ABB), the industry body of all credit institutions in Bulgaria.</p> <p>The sector-wide private moratorium followed a resolution of the BNB from 3 April 2020 stating the National Bank's position that it will comply with the guidelines on legislative and non-legislative moratoria on loan repayments applied in light of the Covid-19 crisis adopted by European Banking Authority (EBA). Based on the guidelines approved by EBA the BNB required commercial banks to propose, within five working days, a draft rule on a private ("non-legislative" under the language of the EBA guidelines) moratorium on bank loan payments. The moratorium is applicable to all persons and legal entities (except credit institutions) which must apply before their bank in order to benefit from the moratorium and meet the following minimal requirements:</p> <ul style="list-style-type: none"> <li>- the persons and legal entities should have or expect to experience difficulties in servicing their liabilities stemming from the Covid-19 outbreak;</li> <li>- the clients have serviced their debts regularly prior to 1 March 2020 or were in arrears not longer than 90 days as of the application date.</li> </ul> <p>As outlined in the EBA Guidelines, the moratorium provides the applying bank customers with the possibility to amend the repayment schedule of principal and/or interest under their exposure without the possibility to alter any other features of the financing agreement (including interest rate). The possibility to delay the payment of interest and/or principal was no longer than six months and did not extend beyond 31 December 2020.</p> <p>The approved moratorium by BNB foresees three distinctive mechanisms for deferral of payments which must be agreed between the bank and the respective client:</p> <ul style="list-style-type: none"> <li>- Mechanism No. 1 – deferral of principal and interest payment for up to six months;</li> <li>- Mechanism No. 2 – deferral of interest payment for up to six months;</li> <li>- Mechanism No. 3 – applicable for revolving credit products (including credit cards, overdrafts).</li> </ul>	<p>1) Tax reliefs as to the end term for payment of personal taxes and corporate taxes were introduced. There was no tax relief (i.e. tax write-off of exemption) other than the lowering of the VAT for certain industries which were hit hard by the lockdowns such as the hospitality sector (mainly restaurants).</p> <p>2) Payment of compensation equal to 60 per cent of the social security base of each employee for January 2020 was possible if certain requirements are met which made the measure accessible for limited number of companies (<a href="https://www.az.government.bg/bg/news/view/zapochva-nov-priem-na-dokumenti-po-mjarkata-60-40-3781/">https://www.az.government.bg/bg/news/view/zapochva-nov-priem-na-dokumenti-po-mjarkata-60-40-3781/</a>).</p> <p>3) The Bulgarian National Insurance Institute also paid the full amount of the social insurances due by the employer for the employees whose working activity has been suspended due to the state of emergency. The Ministry of Labour and Social Policy granted to parents of children up to 12 years who were using unpaid annual leave for more than 20 days due to the state of emergency could be entitled to a one-off social aid amounting to BGN 375. The social aid was paid if the monthly profit of each family member was not higher than the minimal gross salary (BGN 610).</p>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Bulgaria</b> (continued)		<p>Each mechanism has specific requirements and features which must be met for it to be a qualifying mechanism under the moratorium. These requirements are outlined in a specific procedure for the deferral and work-out of obligations to banks and their subsidiaries - financial institutions in relation to the state of emergency resulting from the Covid-19 pandemic introduced by the National Assembly on 13 March 2020, issued by the ABB.</p> <p>The private moratorium was extended in late 2020 and the latest possible date for any application of the above outlined mechanisms ended on 31 December 2021.</p> <p>2) On 19 March 2020 the Bulgarian National Bank implemented a package of measures worth an approximately BGN 9.3 billion (€4.7 billion) in relation to the Covid-19 pandemic.</p> <p>The key measures were intended to further strengthen banks' equity and liquidity, as follows:</p> <ul style="list-style-type: none"> <li>- full capitalisation of the banking system's profit amounting to BGN 1.6 billion (€0.8 billion);</li> <li>- cancellation of the increases of the countercyclical capital buffer, scheduled for 2020 and 2021, with an effect of BGN 0.7 billion (approximately €0.35 billion);</li> <li>- increasing the banking system's liquidity with BGN 7 billion (approximately 3.5 billion EUR) by reducing commercial banks' foreign exposures.</li> </ul>		
<b>Croatia</b>		<p>The Croatian National Bank forbade the payment of dividends and similar actions (i.e. reduction of share capital or anything that would have similar economic effect). This measure was in force for 2020 and 2021.</p>		<p>On 24 March 2020, new provisions of the Regulations to the General Tax Law, which regulate the implementation of the tax payment deferral procedure in special circumstances, entered into force:</p> <ul style="list-style-type: none"> <li>- deferral of payment of tax liabilities due without charging penalty interest for a period of three months from the due date, with the possibility of extending the period for an additional three months;</li> <li>- payments of deferred tax liabilities in instalments up to 24 months.</li> </ul>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
Cyprus	✓	<p>1) The Liberalisation of the Interest Rate and Related Matters Law of 1999 (Law 160) was amended by the laws 141 (I) 2014 of 9 September 2014 and 66 (I) 2015 of (07/05.2015).</p> <p>The amendments introduced a relevant provision, which restricts a banking institution to proceed with the unilateral change of the range of the interest rate on the ground of a relevant provision in the contract of the parties allowing such amendment. By virtue of the amending law, it is not allowed to claim default interest in excess of 2 per cent. Breach of the said restriction constitutes an offence punishable by imprisonment, which cannot exceed two years and by a monetary fine, which cannot exceed €5,000. Both sanctions can be used cumulatively or separately.</p> <p>2) The Central Bank of Cyprus has issued a number of regulations (Regulations 315/2013, 57/314, 107/2015) which established:</p> <ul style="list-style-type: none"> <li>- the manner by which delays in payment were to be managed by banks;</li> <li>- a code of conduct by banks;</li> <li>- the procedures by which banks terminate facilities in case of default in payment;</li> <li>- the procedures and mechanisms of restructuring facilities which are in default.</li> </ul>	✗	-
Czech Republic	✓	<p>Act on certain loan repayment measures in connection with the Covid-19 pandemic, dated 17 April 2020. Significant changes were introduced by the Act on certain loan repayment measures in connection with the Covid-19 pandemic. This Act enabled borrowers to request a deferral of payment, i.e. a sort of protective period of either three or six months during which the person was relieved from paying instalments and the term of the loan was extended accordingly. The protective period could run from the first day of the first calendar month following the day on which the lender received a notice. The measure applied only to eligible loans. However, the definition of eligible loans did not cover solely claims arising out of a loan agreement. Still, certain claims under loan agreements were excluded from the protective regime (such as loans where the borrower had been in default longer than 30 days as of 26 March 2020).</p> <p>The Act also relieved the consumers from payments of interest. Interest payments were postponed along with the repayment of the principal amount. Additionally, the interest rate with regard to consumers was capped. In the case of an entrepreneur, the payments were not suspended.</p>	✓	<p>The adopted measures included the following:</p> <ul style="list-style-type: none"> <li>- extension of the deadline for the filing of tax returns and remission of any fines stemming from the late submission of tax declarations or reports; currently similar measures are to our best knowledge being discussed;</li> <li>- adoption of so-called liberation packages under which a government will not impose fines for late submission of personal and corporate income tax returns, for late payment of a tax claim and for late submission of control tax reports;</li> </ul>

Economy	Emergency measures in banking sector	Emergency measures in tax sector
<p><b>Czech Republic</b> (continued)</p>	<p>The protective period expired on 31 October 2020 and has not been extended even though it was highly debated among the stakeholders.</p> <p>The legislature adopted an amendment to the Act regulating the position of the Czech National Bank. Pursuant to the amendment the limitations as to the scope of eligible instruments to be traded by the Czech National Bank has been relaxed temporarily.</p> <p>The Czech National Bank has been in close communication with regulated entities in particular with respect to provisioning measures and the application of the CRR Regulation - Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012.</p> <p>Moreover, the Czech National Bank issued statements regarding its stance towards legislative and non-legislative moratoria on loan repayments applied in light of the Covid-19 crisis.</p>	<ul style="list-style-type: none"> <li>- a Bill on the abolition of real estate acquisition tax has been adopted with retroactive effect; anyone who acquired the property in December 2019 at the latest will be exempted from the obligation to pay the tax; already paid taxes will be refunded;</li> <li>- a Bill on an anti-crisis tax package to help the most affected sectors has been adopted; the package mainly touches a VAT reduction from 15 to 10 percent in the area of accommodation services, admission fees to cultural events and sporting events, admission fees to sports grounds, fare on ski lifts and admission fees to saunas and other similar facilities.</li> </ul>

Economy	Emergency measures in banking sector	Emergency measures in tax sector
Egypt	<p>1) On 16 March 2020, the Central Bank of Egypt (CBE) published a circular regarding the non-performing loans initiative for individuals which applies to non-performing individuals with a total outstanding debt (without marginal interest) in all banks of less than EGP 1,000,000 (approx. €29,500) (excluding credit cards' dues). As per the abovementioned circular, the following steps should be taken:</p> <ul style="list-style-type: none"> <li>- waiver of all current and exchanged legal cases;</li> <li>- removal of the ban on dealing with these clients and releasing the guarantees securing those debts when the client pays 50 percent of the net outstanding debt balance without the marginal interest during the period until 31 March 2021;</li> <li>- only customers who paid their debt before 30 September 2019 could benefit from the terms of this initiative.</li> </ul> <p>2) On 15 March 2020, the CBE issued a circular cancelling all fees and commissions applied to Points of Sale (POS), cash withdrawals from ATMs and E-wallets for a period of six months. The circular also exempted all local transfers in EGP from all commissions and expenses for a period of three months. In addition, according to said circular, banks shall provide the necessary credit limits to facilitate the financing companies especially for the payment of salaries and financing the import of basic and strategic products.</p> <p>3) On 22 March 2020, the CBE published a circular deferring all credit dues for all customers whether corporates, SMEs and individuals for a period of six months as well as exempting them from any late interest fees or additional fines for late payments. In addition, according to the circular, the interest calculated on the delayed amount will be capitalised over the period of the loan. The period of deferring all customers' credit dues came to an end in September 2020 with no extension.</p>	<p>1) Pursuant Law No.24 of 2020, the Council of Ministers may, upon the approval of the Minister of Finance, postpone the payment of the real estate tax which is imposed on buildings that are actually used in the economic sectors or production and service-related activities affected by the Covid-19 pandemic, partially or wholly, for a period of three months, renewable for a similar period.</p> <p>2) Under Law No.24 of 2020, the Council of Ministers may, upon the proposal of the Minister of Finance, extend the deadlines for submitting tax returns that must be submitted during the period of the new Covid-19 pandemic or extend the deadlines for paying all or part of the tax due in accordance with the provisions of the Income Tax Law or the Value-added Tax Law, or both, for a period not exceeding three months, renewable for a similar period, noting that this applies to the financiers or taxpayers registered within the economic, production or service sectors affected by the repercussions of the Covid-19 pandemic which are determined by the Council of Ministers, and noting that there will not be any fee for delayed payment or additional tax applied during the grace period.</p> <p>3) The Law No. 3 of 2022 amending some VAT law provisions include the approval of several new tax reliefs related to vital services that affect the lives of citizens as well as other vital sectors aiming the support of the industry and the stimulation of the economic growth while taking into consideration the social dimension.</p>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Estonia</b>		-		<p>On 15 April 2020, the parliament adopted the bill introducing amendments to a number of laws aimed at mitigating the Covid-19 pandemic effects on the economy:</p> <ul style="list-style-type: none"> <li>- the calculation and payment of the late payment interest payable by the taxpayer is suspended from 1 March 2020 until the end of the emergency situation;</li> <li>- from the end of the emergency situation until 31 December 2021, the current 0.06 per cent daily rate for the late payment interest payable by the taxpayer and by the tax authorities is reduced to 0.03 per cent;</li> <li>- if the tax authorities have accepted that the taxpayer may pay tax arrears in instalments, they may from 1 May 2020 until 31 December 2020 reduce the late payment interest by 100 per cent (currently – by 50 per cent);</li> <li>- publication of quarterly information on companies' tax payments, turnover and number of employees is discontinued from 12 March 2020 until the end of the emergency situation.</li> </ul>
<b>Georgia</b>		<p>When pandemic started the commercial banks offered a three-month trial period for borrowers. This was not mandatory and not approved by a legal act, however, it was a recommendation from the government, which was accepted by the banks. Borrowers had two options:</p> <ul style="list-style-type: none"> <li>- to distribute accrued interest of three months during the next period and increase monthly instalments;</li> <li>- to have the same monthly instalments but increase the duration of the total loan period incorporating accrued interest of three months.</li> </ul>		<ul style="list-style-type: none"> <li>- Four months' property and income taxes of the companies were deferred until 1 November 2020.</li> <li>- Automatic VAT return will be enacted and VAT surplus.</li> </ul>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
Greece	✓	<p>Covid-19 emergency provisions were introduced either by the Greek Government, or by the banking sector itself (Hellenic Banking Association and Hellenic Loan Servicers Association). The main program is called GEFYRA and some of the measures introduced were:</p> <ul style="list-style-type: none"> <li>- interest payment subsidy;</li> <li>- protection of primary residence;</li> <li>- auctions suspension.</li> </ul>	✓	<p>The following measures are introduced:</p> <ul style="list-style-type: none"> <li>- extension of VAT payment for various months/Extension of payment of assessed debts and instalments of arrangements/settlement schemes for various months.(from 30 June 2022 until 30 April 2021);</li> <li>- reduction of the VAT rate from 24 per cent to 6 per cent on products necessary for the protection from the coronavirus and its containment (until 30 June 2022);</li> <li>- acceleration of tax refunds of amounts not exceeding €30,000 by the tax authorities pertaining to pending income tax audit cases for legal persons and legal entities or pending VAT audit cases (20 March 2020);</li> <li>- 25 per cent discount in case of timely payment of taxes;</li> <li>- financing of affected enterprises in the form of a refundable prepayment;</li> <li>- refund of reduced rental income;</li> <li>- reduction of capital accumulation tax rate from 1 per cent to 0.5 per cent. From 1 October 2021 onwards capital accumulation tax (i.e. tax applicable on capital increases) rate has been reduced from 1 per cent to 0.5 per cent;</li> <li>- reduction of Corporate Income Tax (CIT) advance of 2021;</li> <li>- computation of 2020 annual property tax (ENFIA) based on current objective values;</li> <li>- extension of payment of tax instalments of settlement schemes;</li> <li>- subsidy of fixed expenses;</li> <li>- tax treatment of 25 per cent discount of VAT and settled debts.</li> </ul>
Hungary	✓	<p>The National Bank of Hungary introduced numerous emergency banking measures. No further comments were provided by the local counsel.</p>	✓	<ol style="list-style-type: none"> <li>1) Government Decree 498/2020, dated 13 November 2020 and effective from 28 November 2020, on certain economic rules applicable during the period of state of danger.</li> <li>2) Government Decree 318/2021, dated 9 June 2021 and effective from 24 June 2021 until 30 November 2021 on tax measures to help restart the economy following the coronavirus pandemic.</li> <li>3) Government Decree 319/2021, dated 9 June 2021 and effective from 2 August 2021 until 2 August 2021, on amending 498/2020. Government Decree on certain economic rules applicable during the period of state of danger.</li> </ol>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
Jordan	✓	<p>1) The Central Bank of Jordan (CBJ) has issued circulars which enable banks to defer the principal and interest payment on loans for both individuals and companies during the period between 15 March 2020 until the end of 2021.</p> <p>2) The Central Bank of Jordan has introduced additional measures as a way of mitigating the financial impacts of the Covid-19 pandemic:</p> <ul style="list-style-type: none"> <li>- Injecting additional liquidity to banks in an amount of USD 550 million (approx. €504 million), as the CBJ has decided to reduce the mandatory reserve ratio on deposits at banks from 7 per cent to 5 per cent which will provide additional liquidity to banks. This will enable banks to reduce the interest rates they charge on the credit facilities granted by them to all economic sectors, including individuals and companies. It ought to be noted that this is the first time since 2009 that the CBJ has reduced its mandatory cash reserve.</li> <li>- The CBJ has reduced the cost of financing the Central Bank's program to finance and support economic development sectors which rely on current and future credit facilitation.</li> <li>- The CBJ reduced loan guarantee commissions and increased its coverage of the local sales guarantee programme.</li> </ul>	✓	<ul style="list-style-type: none"> <li>- Extension of deadlines to submit public and private sales tax returns;</li> <li>- Extension of the prescribed period for the submission of the income tax returns.</li> </ul>
Kazakhstan	✓	<p>1) Order approved of the Chairman of the Agency of the Republic of Kazakhstan for the Regulation and Development of the Financial Market No. 167 dated 26 March 202 in relation to the procedure for Suspension of Payments of Principal Debt and Interest on Loans of the Population, Small and Medium Business Affected by the State of Emergency. This order mainly established that small and medium sized entities that have been adversely affected by the state of emergency may seek postponement, from 16 March 2020 to 15 June 2020, of payment on their loans (interest and principal).</p> <p>2) Order approved of the Chairman of the Agency of the Republic of Kazakhstan for the Regulation and Development of the Financial Market No. 251 dated 15 June 2020 in relation to additional support measures for small and medium-sized businesses. This order mainly established that small and medium sized entities that have been adversely affected by the state of emergency may seek postponement no less than 90 days, of payment on their loans (interest and principal). Subject to certain exceptions, this order also established a possibility of refinancing of a loan or micro loan under preferential terms within state programs or in accordance with internal rules of a second-tier bank or microfinance organisation (creditors) if a small or medium sized entity provided its application within 16 June 2020 to 15 September 2020.</p>	✓	<p>1) Decree of the Government of the Republic of Kazakhstan No. 126 "On measures to implement the Edict of the President of the Republic of Kazakhstan"; No. 287 "On further measures to stabilise the economy dated 16 March 2020" dated 20 March 2020 (timeframe for each tax incentive was different up to 31 December 2020).</p> <p>2) Decree of the Government of the Republic of Kazakhstan No. 141 "On measures to implement the Edict of the President of the Republic of Kazakhstan"; No. 287 "On further measures to stabilise the economy" dated 16 March 2020 on tax policy issues dated 27 March 2020 (the timeframe for each tax incentive was different up to 31 December 2020).</p> <p>3) Resolution of the Government of the Republic of Kazakhstan No. 141 dated 27 March 2020 This measure, inter alia, provided for a deferment of the payment deadline for all taxes and other obligatory payments to the budget and social payments until 1 June 2020 for taxpayers classified as micro, small or medium-sized businesses.</p>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Kazakhstan</b> (continued)		3) Order approved of the Chairman of the Agency of the Republic of Kazakhstan for the Regulation and Development of the Financial Market No. 127 dated 9 April 2021 in relation to the procedure granting deferred payments on loans to small and medium-sized businesses. This order mainly established that small and medium sized entities that have been adversely affected by the state of emergency may seek postponement from 30 to 90 days, of payment on their loans (interest and principal).		
<b>Kosovo</b>	✓	Guidelines on restructuring of loans, issued by the Central Bank of Kosovo on 8 February 2021.	✓	Postponement of the declaration and payment of corporate income tax and several minor incentives were introduced.
<b>Kyrgyz Republic</b>	✓	<p>1) On 18 March 2020 the National Bank of the Kyrgyz Republic (NBKR) adopted a resolution, according to which banks and non-bank financial institutions (NBFi) should not charge or collect commissions and other payments related to the revision of the terms of loan agreements and should not impose on or collect from borrowers penalties, including default interest (fine/late fees), for breach/improper performance of obligations under the loan agreements, if such events caused by the spread of coronavirus infection (border closure, state restrictions, quarantine).</p> <p>2) The NBKR also recommended banks and non-bank financial institutions to revise the due dates of the loan payments for the circumstances associated with the spread of coronavirus infection, and to defer loan payments for at least three months upon request by the borrowers. According to the NBKR's resolution, the credit information providers, when transferring overdue loan information to the credit bureaus, shall indicate the reason for delay in loan payments due to the spread of coronavirus infection.</p> <p>3) The NBKR allowed commercial banks to suspend compliance with the standards (indicators) of short-term liquidity and instant liquidity from 30 March 2020.</p>	✓	<p>The Parliamentary Resolution No. 3659-VI 'On measures to reduce the negative socio-economic consequences in connection with currency inflation and the spread of coronavirus infection Covid-19' dated 1 April 2020 introduced the following measures:</p> <ul style="list-style-type: none"> <li>- exempt business entities completely from all types of inspections by state bodies, including law enforcement agencies and the tax service;</li> <li>- consider the issue of extending the deadlines for the submission of the single tax declaration and the postponement of tax reporting;</li> <li>- provide for tax holidays and social contributions during the ban on activities due to the introduction of quarantine measures, including exemption from land tax and property tax.</li> </ul>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
Latvia		-		<p>The legislation provides for an extension of the tax payment term. There is a possibility for entrepreneurs not to pay advance payments of personal income tax (PIT) from economic activity also in 2022, taking into account that as a result of the spread of Covid-19 infection in 2020 and 2021 economic activity did not take place under normal conditions. PIT payers can make advance payments for 2022 voluntarily, if they forecast that the result of economic activity will be positive.</p>
Lebanon		<p>On 23 March 2020, the Central Bank of Lebanon issued the Intermediate Circular 547 amending Basic Circular 23 related to credit facilities that Central Bank of Lebanon may grant to banks and financial institutions. Pursuant to Circular 547, banks and financial institutions operating in Lebanon were asked to extend, exceptionally, loans in Lebanese pounds or U.S. Dollars to clients that already have credit facilities and are not able to meet their obligations during the months of March, April, and May 2020 due to the prevailing conditions.</p> <p>These exceptional loans can be used only i) to pay the monthly settlements of an existing loan, and/or ii) to cover the salaries and working capital. The loans are interest free, and not subject to any fee or commission. The loans shall be repaid over a period of five years starting the latest of i) 1 June 2020 or ii) the end of the next month following the month during which the loans were granted.</p>		<ol style="list-style-type: none"> <li>1) Law No. 199 of 29 December 2020 “Extension of deadlines and grant of waivers on tax and dues”: extension for a period of six months as of issuance of this law, of the deadline to settle taxes due.</li> <li>2) Law No. 212 of 16 January 2021: extended the deadline of income declaration for public officials and employees of the public sector until 31 March 2021.</li> <li>3) Law No. 7. Law No. 237 of 16 July 2021 “Suspension of legal, judicial and contractual deadlines and debt dues”: a) extended deadlines mentioned in Law No. 199/2020 until 31 December 2021. b) suspended course of legal, judicial and contractual deadlines as well as tax related deadlines during lockdown period until 22 March 2021.</li> <li>4) Law No. 290 of 12 April 2022 “Suspension of legal, judicial, and contractual deadlines applicable to defaulting loans and cancellation/decrease of penalties”: a) extension of all deadlines mentioned in the Budget Law No. 144/2019. b) waived and/or reduced penalties due to official authorities. c) introduced a new schedule (on exceptional basis and for one time only) for payment of taxes due to the Financial Directorate (including, tax withheld at source, VAT, and taxes due from personal assignment and dues from operations in the year 2020).</li> <li>5) Law No. 185/2020 and 199/2020 (as aforementioned) did grant some concessions on real estate and inheritance taxes for persons affected by the Beirut Port explosion of August 2020 – as well as certain waivers and/or decreases of penalties (including interest) on tax dues (including dues owed to the National Social Security Fund) and extended filing deadlines; all in accordance with timeframes aforementioned.</li> <li>6) The Finance Ministry issued a significant number of internal implementing decisions and announcements to implement the tax relief legislation issued.</li> </ol>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Lithuania</b>		-		Order No. VA-27 of the Head of the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania dated 26 March 2020 "On aid measures for taxpayers affected by negative consequences of coronavirus (Covid-19)". The aid applies until 31 December 2022.
<b>Moldova</b>		<p>1) The National Bank of Moldova (NBM), on 17 March 2020, issued the Decision No. 69/2020 on some measures regarding the classification of credits granted to individuals. By this, the NBM allows the banks, for the period until 31 May 2020, to maintain the provisions for losses on loans granted to debtors-natural persons according to the classification made by the bank at the date of taking such decision, in case of arrears.</p> <p>2) Similarly, on 27 March 2020 the NBM allowed banks to postpone or reschedule the tranches falling due until 30 June 2020 of the loans granted to legal entities whose financial standing has been affected by the State of Emergency or the economic effects of Covid-19, without creating additional loan loss provisions.</p> <p>These measures were not mandatory and were applied selectively and individually by each bank. For example, Maib (the largest Moldovan bank) decided to postpone the payment of loan tranches, including interest, during the period March, April, May 2020 for individuals and extended that by decision to not calculate interest/penalties for the same period, on loans granted to legal entities.</p> <p>3) Similar recommendations have also been issued on 24 March 2020 by the National Commission on Financial Market (NCFM), encouraging non-bank lending organisations to apply payment facilities/deferrals for existing loans until 30 June 2020. So, i) there is no mandatory deferral in place referring to loans; and ii) there is no mandatory freeze on enforcement referring to loans.</p> <p>All emergency recommendations were aiming at loan forbearance effects.</p>		<p>1) Pursuant to Resolution No. 3 of 23 March 2020 of the Commission for Exceptional Situations, from 23 March to 1 July 2020 Moldova imposed a moratorium on state controls (including tax). Pursuant to Article 26 (2) of the same Resolution, Moldova allowed the payment of income tax in instalments until 25 June 2020.</p> <p>2) Pursuant to Article 6 of the Resolution No. 16 of 10 April 2020 of the Commission for Exceptional Situations, companies that ceased their activities in connection with the provisions of the National Extraordinary Public Health Commission and/or the provisions of the Commission for Exceptional Situations were entitled to obtain a subsidy from the State Tax Service. On 29 April 2020 was published the Regulation on the subsidization of enterprises and non-commercial organizations, residents of the Republic of Moldova, which have established technical and/or stationary unemployment in the context of the epidemiological situation (Covid-19) (adopted by the Order No. 55/2020 of the Ministry of Finance), implementing the Resolution No. 16. Pursuant to Article 7 of the Resolution No. 16 of 10 April 2020 of the Commission for Exceptional Situations, the deadline for paying local taxes for the first quarter of 2020 has been extended to 25 July 2020.</p> <p>3) On 22 May 2020 the Regulation on how to subsidise interest on bank and/or non-bank loans contracted between 1 May 2020 and 31 May 2021 (adopted by the Order No. 66/2020 of the Ministry of Finance) was published. Pursuant to Article 7 of this Regulation, the maximum nominal annual interest rate to be subsidised was 8.76 per cent in national currency and 4.40 per cent in foreign currency.</p>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Mongolia</b>	✓	<p>The banking authority in Mongolia made amendments to the Asset Classification and Provisioning Procedure of Commercial Banks to i) extend loan classification terms from 15 days to 90 days for consumer loans, from 31 days to 91-120 days for past-due arrears, and from 90 days to 121 days for non-performing loans; and ii) ease requirements on impaired consumer and business loans.</p> <p>The policy rate was reduced by the banking authority from 10 per cent in 2020 to 6 per cent in 2021. Also, a long-term repo financing instrument was introduced by the banking authority to support SMEs and non-mining exports. The authority also reduced the reserve requirement of banks by 200bps to 8.5 per cent.</p>	✓	<ol style="list-style-type: none"> <li>1) Law on Exemptions from VAT, dated 9 April 2020.</li> <li>2) Law on Exemptions from CIT, dated 9 April 2020.</li> <li>3) Law on Exemptions from Personal Income Tax, dated 9 April 2020.</li> <li>4) Law on Exemptions from Customs Duties, dated 9 April 2020.</li> </ol> <ul style="list-style-type: none"> <li>- Small and medium businesses with revenues below MNT 1.5 billion (approx €400,000) were exempt from income tax between 1 April 2020 and 31 December 2020, the exemption can be claimed by SMEs retroactively;</li> <li>- VAT and customs duties were eliminated for imports of essential food items, such as rice and oil.</li> </ul>
<b>Montenegro</b>	✓	<p>There have been several decisions by the banking authority in the Covid-19 affected period. Two are the most important:</p> <ol style="list-style-type: none"> <li>1) Decision “On temporary measures for mitigating the negative Covid-19 epidemic influence of the financial system” (Sl. List CG br. 80/20, 105/20, 24/21, 33/21, 45/21, 53/21 i 116/21) (<a href="http://www.sluzbenilist.me/pregled-dokumenta-2/?id={A54A591F-D1FE-4761-B4B8-85D144773E3A}">http://www.sluzbenilist.me/pregled-dokumenta-2/?id={A54A591F-D1FE-4761-B4B8-85D144773E3A}</a>)</li> <li>- This Decision introduced a moratorium on loan repayments for enterprises endangered by the Covid-19, including especially loans to enterprises for providing food and accommodation services and loans for preparation of the tourist season. The ultimate time limit for the moratorium for legal persons expired on 31 August 2021, whereas the moratorium for natural persons expired on 31 December 2021. The interest was calculated during the moratorium and three different modes of performing the interest payments were introduced within the legislation.</li> <li>2) Decision “On temporary measures for mitigating the negative Covid-19 epidemic influence on the financial system” (Sl. List CG br. 138/2021), the Decision is in force since 30 December 2021, applicable since 1 January 2022 and the end date shall be decided unilaterally by the banking authority (<a href="http://sluzbenilist.me/pregled-dokumenta-2/?id=99D58207-B23D-4568-81E5-FBE4E473A8AB">http://sluzbenilist.me/pregled-dokumenta-2/?id=99D58207-B23D-4568-81E5-FBE4E473A8AB</a>).</li> <li>- This Decision introduced a deferral on principal repayment for five years maximum for natural persons, provided that either employment engagement has ended, or salary reduced by at least 10 per cent or net salary not paid for more than three months before submitting the request in accordance with the decision. All expenses for establishing a new plan of repayment (credit restructuring) fall on the credit institutions. Furthermore, credit institutions are forbidden to pay dividends to their shareholders, unless in the form of shares.</li> </ol>	✓	<p>Deferral of tax liabilities and social contributions, increase of the turnover limit for mandatory VAT registration and reduction of VAT, dedicated credit lines, subsidisation of gross earnings of employees and new employees, VAT refund, extension of the customs guarantee for deferred payment, rescheduling of existing loans.</p>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Morocco</b>	N/A <sup>1</sup>	-	N/A <sup>2</sup>	-
<b>North Macedonia</b>	✓	<p>1) Decree of 2 April 2020 with legal force for the application of the Law on Obligations during the state of emergency (Official Gazette of the Republic of North Macedonia No. 89/20) (<a href="https://www.slvesnik.com.mk/Issues/f983e808a26d4cdf9a7411080df910a8.pdf">https://www.slvesnik.com.mk/Issues/f983e808a26d4cdf9a7411080df910a8.pdf</a>).</p> <p>- The provisions of the Decree with legal force for application of the Law on Obligations during the state of emergency applied to the determination of the amount of the penalty interest rate during the state of emergency. The penalty interest rate was determined on a monthly basis in the amount of the interest rate from the basic instrument from the open market operations of the National Bank of the Republic of North Macedonia (reference rate), which was valid on the last day of the previous month, increased by five percentage points. in trade agreements and agreements between traders and persons under public law, i.e. increased by four percentage points in agreements in which at least one person is not a trader (statutory penalty interest). When the pecuniary obligation was denominated in a foreign currency, the penalty interest rate was determined on a monthly basis in the amount of one month Euribor rate of EUR applicable on the last day of the previous month, increased by 5 percentage points in trade agreements and agreements between traders and persons of public law, i.e. increased by four percentage points in the agreements in which at least one person is not a trader (statutory penalty interest). This Decree was in effect until the end of the state of emergency (23 June 2020).</p> <p>2) Decree with legal force on the manner of change contractual terms of credit exposures in banks and savings houses (Official Gazette of the Republic of North Macedonia No.80/20) (<a href="https://www.slvesnik.com.mk/Issues/e63f76aa38894d6d8a9a22a69eda88c9.pdf">https://www.slvesnik.com.mk/Issues/e63f76aa38894d6d8a9a22a69eda88c9.pdf</a>).</p> <p>- The provisions of the Decree provided an opportunity for borrowers to turn to banks and savings houses themselves and request a change in the agreed terms, to which banks and savings houses should respond in writing or electronically. The Decree provided for different treatment of the debtor – natural person and debtor – legal entity in terms of acceptance/rejection of the offer to change the terms of the loan agreements.</p>	✓	<p>1) Decree with legal force for application of the Law on Tax Procedure during a state of emergency (Official Gazette of the Republic of North Macedonia No. 79/20) which regulates the amount of interest charged on the amount of less or overpaid tax for each day of delay and publication of the list of debtors of overdue and unpaid debts: the interest rate, which is calculated on the amount of more or less paid tax and ancillary taxes, has been reduced by 50 per cent, and it will be in the amount of 0.015 per cent during the duration of the state of emergency. Also, the decree abolishes the obligation of the Public Revenue Office to publish on its website a list of debtors of overdue and unpaid debts.</p> <p>2) Decree with legal force for application of the Law on Personal Income Tax in case of emergency (Official Gazette of the Republic of North Macedonia No. 79/20): the right to exemption from the payment of the amount of personal income tax advances for the months of March, April and May 2020.</p> <p>3) Decree with legal force for application of the Law on Profit Tax during a state of emergency (Official Gazette of the Republic of North Macedonia No. 79/20), which provides for exemption from payment of the amount of Profit tax advances for the months of March, April and May 2020 for taxpayers performing the activities listed in accordance with the National Classification of Activities- NKD Rev.2.</p>

<sup>1</sup> Morocco was the only economy that did not answer this question.

<sup>2</sup> Morocco was the only economy that did not answer this question.

Economy	Emergency measures in banking sector	Emergency measures in tax sector
<p><b>North Macedonia</b> (continued)</p>	<p>The Decree did not contain provisions regarding the conditions that banks and savings houses must offer in order to facilitate the servicing of debtors' loans, however such guidelines and recommendations were given by the Government of the Republic of North Macedonia. The Decree also enabled the change of the contractual conditions for the loans to be done faster and simpler, without endangering the public health, i.e. without the need to visit the branches and without waiting in line at the counters to sign the annexes to the agreements. This Decree was in effect until the end of the state of emergency (23 June 2020).</p> <p>3) Decree with legal force for application of the Law on Banks during the state of emergency (Official Gazette of the Republic of North Macedonia No. 107/20) (<a href="https://www.slvesnik.com.mk/issues/e42f3c8478524f1ab3aa12c2e21d05a1.pdf">https://www.slvesnik.com.mk/issues/e42f3c8478524f1ab3aa12c2e21d05a1.pdf</a>). This Decree was in effect until the end of the state of emergency (23 June 2020).</p>	
<p><b>Poland</b></p>	<p>On 16 March 2020, 15 banks independently made it possible, inter alia, to postpone the repayment of instalments of certain loans. Those banks also withheld the collection of fees and commissions for accepting and considering applications for suspension of instalment repayments.</p> <p>1) Article 31fa of the Act of 2 March 2020 on special solutions related to the prevention, prevention and combating of Covid-19, other infectious diseases and the crisis situations caused by them (<a href="https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20200000374/U/D20200374Lj.pdf">https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20200000374/U/D20200374Lj.pdf</a>).</p> <p>- This provision provides that borrowers who are consumers may apply for a suspension of the performance of the bank loan agreement, both in the capital and interest parts. During this period, the lender is not able to charge any other fees except the premium charges for the insurance contracts linked to the bank loan agreement. The suspension of the performance of the contract is available to the borrower who lost his job or other main source of income after 13 March 2020. The maximum period for suspending the performance of the contract is three months.</p> <p>2) Act of 19 June 2020 on interest subsidies for bank loans granted to entrepreneurs affected by the effects of Covid-19 and on simplified proceedings for approval of an arrangement in connection with the occurrence of Covid-19 regulates the principles of applying interest rate subsidies to certain bank loans granted to entities that found themselves in a difficult financial situation due to Covid-19. These provisions are still in force (<a href="https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20200001086/U/D20201086Lj.pdf">https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20200001086/U/D20201086Lj.pdf</a>).</p>	<p>The main tax reliefs introduced were:</p> <p>1) Article 15p and 15q of the Act of 2 March 2020 on special solutions related to the prevention, prevention and combating of Covid-19, other infectious diseases and the crisis situations caused by them;</p> <p>2) Article 52k - 52o of the Act of 26 July 1991 on personal income tax;</p> <p>3) Article 38f - 38v of the Act of 15 February 1992 on corporate income tax.</p>

Economy	Emergency measures in banking sector	Emergency measures in tax sector
<p><b>Romania</b></p>	<p>✓</p> <p>Romanian Government Emergency Ordinance No. 37/2020 further amended and supplemented (<a href="https://www.monitoruloficial.ro/Monitorul-Oficial-PI-261-2020.html">https://www.monitoruloficial.ro/Monitorul-Oficial-PI-261-2020.html</a>);</p> <ul style="list-style-type: none"> <li>- date of adoption: 30 March 2020;</li> <li>- brief summary: both individuals and legal entities could benefit from a moratorium on loans during the state of emergency/alert;</li> <li>- whether the regulation or recommendation is still in effect: yes, but ineffective as state of emergency/alert ended on 9 March 2022;</li> <li>- the end date: still in effect, but ineffective as of 9 March 2022.</li> </ul> <p>Although the aforementioned Emergency Ordinance was issued by the Romanian Government, the Romanian National Bank also supported by allowing the breach of its Regulation No. 17/2012 based on the provisions of the GEO 37.</p>	<p>✓</p> <p>1) Value Added Tax:</p> <ul style="list-style-type: none"> <li>- late payment interest and penalties will be due for the tax liabilities not paid during the period from 21 March 2020 until 25 December 2020. Any tax liabilities will not be considered overdue during this time;</li> <li>- VAT reverse charge mechanism will apply to the import of protective equipment, medicines and other medical equipment used in prevention, limitation, treatment and control of Covid-19 and to import of completely denatured ethyl alcohol used for producing disinfectants;</li> <li>- the VAT refunds will be made without prior tax audit until 31 January 2021, under certain limitations;</li> <li>- medicines, PPE and other materials and medical equipment that can be used in the prevention, limitation, treatment and overall fight against Covid-19 will be VAT-exempt upon their supply to NGOs. Such supplies should be performed before 1 September 2020;</li> <li>- deliveries of protective masks and intensive care medical ventilators to public institutions which establish the EU reserve until 1 October 2020 are VAT-exempt, based on an affidavit given by the public institution on the delivery date at the latest.</li> </ul> <p>2) Corporate Income Tax:</p> <ul style="list-style-type: none"> <li>- simplified procedure for taxpayers declaring CIT annually with advance payments on a quarterly basis. The advance quarterly payments for 2020 will be at the level of CIT computed for each quarter;</li> <li>- no late payment interest and penalties will be due for the tax liabilities not paid during the period from 21 March 2020 until 25 December 2020. Any tax liabilities will not be considered overdue during this time;</li> <li>- bonification of 5 per cent or 10 per cent granted to the taxpayers paying the CIT due for Q1 2020 until 25 April 2020. Bonification of 10 per cent granted for the payment of CIT and micro-enterprise income tax by 25 July 2020 for the second quarter of 2020 and by 25 October 2020 for the third quarter of 2020.</li> </ul>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Romania</b> (continued)				<p>3) Social Security Contributions or Payroll Tax:</p> <ul style="list-style-type: none"> <li>- no late payment interest and penalties will be due for the tax liabilities not paid during the period from 21 March 2020 until 25 December 2020. Any tax liabilities will not be considered overdue during this time.</li> </ul> <p>4) Other relief measures, in particular:</p> <ul style="list-style-type: none"> <li>- extension of payments for property taxes;</li> <li>- suspension of all enforcement proceedings from 21 March 2020 until 30 days after the state of emergency ceases.</li> </ul>
<b>Russia</b>		<p>1) Measures in relation to loan agreements:</p> <ul style="list-style-type: none"> <li>- Central Bank of Russia issued a Letter on Restructuring Loans Granted to SMEs, dated 20 March 2020;</li> <li>- Federal Law "On Amending the Federal Law 'On the Central Bank of the Russian Federation (CBR)' and Certain Legislative Acts of the Russian Federation in Relation to the Specifics of Changing the Terms of a Loan Agreement" dated 30 April 2020 N 106-FZ (repayment holidays);</li> <li>- Decree of the Government of the Russian Federation No. 435 of 3 April 2020 (repayment holidays);</li> <li>- Decree of the Government of the Russian Federation No. 478 of 10 April 2020 (repayment holidays).</li> </ul>		<p>The following tax measures were introduced:</p> <p>1) VAT exemption on some medical goods. The import and sale of the following goods are exempt from VAT: antiviral drugs, tests for Covid-19 novel coronavirus, ventilators and personal protective equipment (surgical masks, gowns, shoe covers, gloves, plastic face shields, eye masks, protective suits and materials for making surgical masks) imported to Russia after 16 March 2020 (subject to certain conditions).</p> <ul style="list-style-type: none"> <li>- RF Government Resolution No. 419 of 2 April 2020;</li> <li>- RF Government Resolution No. 545 of 18 April 2020.</li> </ul> <p>2) Change in the procedure for calculating and paying taxes:</p> <ul style="list-style-type: none"> <li>- exemption of certain income from personal income tax;</li> <li>- exemption of certain income from corporate income tax;</li> <li>- extension of the list of deductible expenses for corporate income tax purposes;</li> <li>- change of calculation of advance payments of corporate income tax;</li> <li>- permit of offset of input VAT on goods (work, services) purchased at the expense of state subsidies (subject to certain conditions).</li> </ul>

Economy	Emergency measures in banking sector	Emergency measures in tax sector
<p><b>Russia</b> (continued)</p>	<p>2) Measures in relation to repayment holiday:</p> <ul style="list-style-type: none"> <li>- Citizens with a mortgage or consumer loan can take advantage of repayment holidays in case of coronavirus infection and (or) reduction of income by 30 per cent or more. Provision of repayment holidays to individuals and individual entrepreneurs:</li> <li>a) the borrower has the right to terminate repayment holidays at any time;</li> <li>b) the borrower shall be entitled to repay the loan amount (in full or partially) before maturity without suspension of repayment holidays;</li> <li>c) the borrower shall be released from all payments under the loan for the period of repayment holidays;</li> <li>d) the lender shall provide the borrower with a new payment schedule before the end of the repayment holidays;</li> <li>e) no fines, penalties or interest shall be charged for the period of repayment holidays;</li> <li>f) during the period of repayment holidays the creditor has no right to foreclose on the subject of pledge – the payment holidays do not impair the credit history.</li> </ul>	<p>3) Change in VAT calculation for certain transactions:</p> <p>Deductibility of certain types of expenses under special tax regimes:</p> <ul style="list-style-type: none"> <li>- Federal Law No. 121-Φ3 of 22 April 2020;</li> <li>- Federal Law No. 150-Φ3 of 21 May 2020;</li> <li>- Federal Law No. 172-Φ3 of 8 June 2020.</li> </ul> <p>4) Reduction of obligatory social security contribution rates. During a transitional period (from 1 April 2020, through 31 December 2020) small and middle-sized enterprises are eligible for reduced rates of social security contributions (subject to certain conditions).</p> <ul style="list-style-type: none"> <li>- Federal Law No. 102-FZ of 1 April 2020.</li> </ul>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
Serbia	✓	<p>1) Decision on Temporary Measures for Preserving Financial System Stability, dated 17 March 2020 (<a href="https://nbs.rs/en/drugi-nivo-navigacije/pres/Covid19/">https://nbs.rs/en/drugi-nivo-navigacije/pres/Covid19/</a>). In force from 18 March 2020 until 30 June 2020;</p> <p>2) Decision on Temporary Measures for Banks for the Purpose of Mitigating the Consequences of Covid-19 Pandemic in Order to Preserve Financial System Stability, dated 27 July 2020 (<a href="https://nbs.rs/en/scripts/showcontent/index.html?id=15747&amp;konverzija=no">https://nbs.rs/en/scripts/showcontent/index.html?id=15747&amp;konverzija=no</a>). In force from 28 July 2020 until 30 September 2020.</p> <p>The National Bank of Serbia issued those two decisions which introduced obligations to banks operating in the Republic of Serbia to deter the financial consequences occurred due to the Covid-19 pandemic to citizens and businesses. The banks had to introduce a moratorium on all loans, credit businesses and other bank services for three or two months respectively. Standard interest rates were not calculated and no initiation of enforcement proceedings were allowed, however, in accordance with the second decision, contractual interest rates were being applied and calculated during the second moratorium. The decisions were phrased in the way to introduce a presumption that all debtors would agree to the moratorium, should they not explicitly state otherwise.</p>	✓	<p>The Regulation on Fiscal Benefits and Direct Grants to Companies in the Private Sector and Monetary Help to Citizens in the Purpose of Mitigating Economic Effects of Covid-19 Disease of 10 April 2020 introduces the possibility of:</p> <ul style="list-style-type: none"> <li>- the government granting non-refundable grants for purposes of salary payment;</li> <li>- an application for the deferment of certain taxes and contributions (in most cases) becoming due in the period between 1 April 2020 and 30 June 2020, whereas the payments of taxes and contributions related to salaries become due on 4 January 2021, or in relation to profit tax – the moment of submitting the tax return for 2020.</li> </ul>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Slovak Republic</b>	✓	<p>1) The banking authority transposed the regulation and recommendation from the European Central Bank (ECB/2020/62 – on dividend distributions during the Covid-19 pandemic and repealing Recommendation ECB/2020/35) and the European Banking Authority (EBA/GL/2020/08 - on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis). The national council adopted act No. 67/2020 Coll. on certain emergency financial measures in relation to the spread of dangerous contagious human disease Covid-19 (o niektorých mimoriadnych opatreniach vo finančnej oblasti v súvislosti so šírením nebezpečnej nákazlivej ľudskej choroby Covid-19).</p> <p>2) The National Bank of Slovak Republic implemented the following measures:</p> <ul style="list-style-type: none"> <li>- Banks may have partially met Pillar 2 Requirements (P2R) using capital instruments that did not qualify as Common Equity Tier 1 (CET1) capital;</li> <li>- Banks were allowed to operate temporarily below the level of capital defined by the Pillar 2 Guidance (P2G);</li> <li>- Banks may have, in duly justified cases, temporarily operated below the level of capital defined by the capital conservation buffer (CCB), which is currently set at 2.5 per cent.</li> </ul>	✓	<p>Act No. 67/2020 Coll. on certain emergency financial measures in relation to the spread of dangerous contagious human disease Covid-19 (o niektorých mimoriadnych opatreniach vo finančnej oblasti v súvislosti so šírením nebezpečnej nákazlivej ľudskej choroby Covid-19). The Act entered into force on 4 April 2020 and some provisions are still in force.</p>
<b>Slovenia</b>	✓	<p>The Act Determining the Intervention Measures to Contain the Covid-19 Epidemic and Mitigate its Consequences for Citizens and the Economy introduced the following measures:</p> <ul style="list-style-type: none"> <li>- Until 30 June 2021, natural and legal persons were able to apply for a deferral of payment of up to 12 months of their obligations under credit agreements with banks. Provided that the obligations were not due for payment by 18 October 2020 and that they provided adequate evidence that they were temporarily unable to repay the obligations due to circumstances related to the epidemic. The interest was not accruing during the deferral period;</li> <li>- The state surety was provided to banks for the performance of the obligations affected by the deferral of payment in the amount of 25 per cent of the amount of 12 stayed monthly instalments of the loan which would have fallen due in the period of the agreed moratorium or 50 per cent of the amount in the case of borrowers whose activity has been temporarily barred under Covid-19 related measures, and in the case of borrowers which are natural persons.</li> </ul>	✓	<ul style="list-style-type: none"> <li>- Taxable persons were able to apply for a tax deferral for up to two years or for payment of the tax in up to 24 monthly instalments over a 24-month period, due to the loss of earning capacity as a result of the Covid-19 epidemic. Applications were possible until 30 June 2021;</li> <li>- Deferral and instalment payments were possible for the payment of the balance due on the basis of the annual tax return, the VAT return, the inspection decision, for tax advances and withholding tax (but not for social security contributions).</li> </ul>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
<b>Tajikistan</b>	✓	Decree of 5 June 2020 on preventing the impact of the infectious disease Covid-19 on the socio-economic sphere of the Republic of Tajikistan. According to the decree, the National Bank of Tajikistan was mandated to implement regulatory measures to ensure the liquidity of financial institutions and create favourable conditions for the access of business entities to credit funds, regulatory legal measures by revising the refinancing rate and the reserve requirement. This decree was in effect during the period of 2020.	✓	Decree of 5 June 2020 on preventing the impact of the infectious disease Covid-19 on the socio-economic sphere of the Republic of Tajikistan. This decree provided for exemption from customs duties, value added tax, excises and duties and other taxes for small and medium-sized businesses, individual entrepreneurs, as well as other business entities. This decree was in effect during the period of 2020.
<b>Tunisia</b>	✓	<p>The Central Bank of Tunisia issued Circular No. 2020-12 of 28 May 2020 allowing banks to grant to companies and professionals new exceptional financing covering exclusively the justified needs related to the financing of the operating cycle in order to ensure the sustainability of the economic fabric and the preservation of financial stability to cope with the impact of the crisis of Covid-19. The amount of exceptional financing and the repayment period was determined on a case-by-case basis according to the client's needs and the evolution of the situation of the sector in which it operated, while respecting the following rules: The amount of the financing could not exceed the ceiling of 25 per cent of the turnover</p> <p>excluding taxes realised in 2019 or the equivalent of the payroll for 6 months for companies that started their activity after January 2019. The repayment period could not exceed seven years including two years of grace.</p>	✓	<p>Decree Law of the Head of Government No. 2020-6 of 16 April 2020, prescribing tax and financial measures to mitigate the impact of the spread of Covid-19. The Decree provided for several measures:</p> <ul style="list-style-type: none"> <li>- postponement of the payment of corporate income tax (until 31 May 2020);</li> <li>- suspension of the application of penalties for late payment of tax (for a period of three months from 1 April 2020 until 30 June 2020);</li> <li>- relaxation of the procedures for restitution of the VAT credit from the operation (measure that applies to applications filed before 31 December 2020);</li> <li>- extension of payment deadlines for traffic taxes (until 30 April 2020);</li> <li>- suspension of limitation periods and penalties for late payment of public debts (from 23 March 2020 until the 15th day of the lifting of the total containment measures);</li> <li>- suspension of the deadlines for doubling the road fines (during the period from 23 March 2020 until the end of the 15th day from the date of lifting the total confinement</li> <li>- extension of the deadline for filing tax returns (until 19 March 2020);</li> <li>- suspension of the statute of limitations and the tax audit period;</li> <li>- granting to fully exporting companies during the year 2020 the possibility to increase the percentage of sales on the local market of their export turnover;</li> <li>- creation of a credit guarantee mechanism for the benefit of sectors and companies whose activity is affected;</li> <li>- support for small and medium-sized enterprises to ensure the continuity of their activities and the preservation of jobs.</li> </ul>

Economy	Emergency measures in banking sector	Emergency measures in tax sector
Türkiye	<p>Loan forbearance was introduced by the Banking Regulation and Supervision Agency, especially on extension of the maturity date benchmarks for the classification of the loans as NPLs.</p> <p>1) Measures regarding liquidity ratios:</p> <ul style="list-style-type: none"> <li>- deposit-taking and participation banks will not be obliged to comply with the requirements of Article 32 of the Regulation on the Calculation of Banks' Liquidity Ratio for cases where their liquidity ratios are not in compliance with this Regulation. Accordingly, they will not be obliged to remedy such inconsistency within two weeks;</li> <li>- development and investment banks will be immune from the requirements set forth under paragraphs (1), (2) and (3) of Article 15 of the Regulation on the Calculation of Banks' Liquidity Ratio in relation to unsecured debts to other parties;</li> <li>- in order to ease operational requirements, development and investment banks will be immune from the liquidity ratio reporting requirements.</li> </ul> <p>2) Measures regarding fluctuations in the financial markets:</p> <ul style="list-style-type: none"> <li>- banks will be entitled to use the year-end buying exchange rate of 2019 to calculate the amount subject to credit risk under the Regulation on the Calculation and the Evaluation of Banks' Capital Adequacy;</li> <li>- banks may calculate the equity amount for the capital adequacy ratio calculation under the Regulation on banks' Equity by disregarding the negative net valuation differences related to the securities held in their 'Securities whose fair value difference is reflected on other comprehensive income portfolio' as of 23 March 2020;</li> <li>- banks may calculate their net foreign currency position by disregarding the value decrease in the securities they held in their portfolio as of 23 March 2020. With its decision dated 8 December 2020, the Banking Regulation and Supervision Agency decided to continue this measure until 30 June 2021.</li> </ul> <p>In addition to the above measures, the equity which should be provided for consumer housing finance has been lowered to 10 per cent for houses with a value below TRY 500,000 (approx. €15,800).</p>	<p>1) Pursuant to the Tax Procedure Law Circular No. 125 dated 17 March 2020, the submission deadlines for the Annual Income Tax returns for the 2019 calendar year and the payment periods of these taxes have been extended for one month.</p> <p>2) Pursuant to the Presidential Decision dated 22 March 2020 No. 2278, the VAT rate in domestic air transport service was reduced from 18 per cent to 1 per cent between 1 April 2020 and 30 June 2020.</p> <p>3) Pursuant to the General Communiqué of the Tax Procedure Code No. 518 2020, tax payments and declaration submission deadlines have been extended until 20 February 2020 for those who operate in sectors that are liable to income tax in terms of commercial, agricultural and professional income or that are directly affected by the pandemic or whose activities had been decided to be temporarily suspended within the scope of the measures taken by the Ministry of Interior due to force majeure. Taxpayers who are under the scope of lock down due to being 65 years of age or older or having chronic illness are considered to be also affected by force majeure scope and the payment period of taxes has been extended until the end of the 15th day following the end of the lock down.</p> <p>4) In accordance with the Law No. 7226, the accommodation tax will not be collected until 1 January 2021 and the cancelling fees and revenue share payments for hotel rentals will be postponed for six months for April, May and June 2020.</p> <p>5) Pursuant to the Tax Procedure Law Circular No. 126 dated 23 March 2020, the deadlines for submission of the Value Added Tax Declarations, which should have been submitted until 26 March 2020, have been extended until 24 April 2020. The time for creating and signing e-Ledgers, which should have been created and signed by 31 March 2020, and the time for uploading these records, which should have been uploaded to the Revenue Administration Information Processing System, has been extended until 30 April 2020.</p>

Economy	Emergency measures in banking sector		Emergency measures in tax sector	
Turkmenistan	✗	-	✗	-
Ukraine	✓	<p>Default interest and fine accrual ban for both consumer and business loans was introduced in July 2020. These measures are still in force (<a href="https://zakon.rada.gov.ua/laws/show/691-20#Text">https://zakon.rada.gov.ua/laws/show/691-20#Text</a>).</p>	✓	<p>Cancellation of certain business and personal taxes, temporarily ban for tax fines accruals and tax inspections (with certain exclusions) from 1 March to 31 May 2020. These measures are still in force (<a href="http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=68402">http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=68402</a>).</p>
Uzbekistan	✗	-	✓	No further comments were provided by local counsel.
West Bank and Gaza	✓	<ol style="list-style-type: none"> <li>1) On 15 March 2020, the set of instructions No. 04/2020 introduced that all loan repayments and checks that become due within four months are deferred until the end of the said four-month period (renewable), and loan repayments in the tourism and hotel industry are deferred for six months. This set of instructions also waived banking fees on loan forbearance, ATM and electronic banking fees and returned check processing fees for six months, as well as excluding loan default/returned checks from credit rating for four months.</li> <li>2) On 22 July 2020, the set of instructions No. 27/2020 introduced the same measures, but this did not automatically apply to debtors, whereby those desiring to benefit from the four months' deferral (six months' in the tourism and hotel industry) had the right to request such deferral from their banks.</li> <li>3) The Palestinian Monetary Authority also launched the ISTIDAMA project where it provided funds for on-lending by banks to customers affected by the Covid-19.</li> </ol>	✗	-