

GOVERNMENT APPROVED ADDITIONAL RESTRICTIONS FOR THE FIGHT AGAINST SARS-COV-2

On Wednesday the government approved a series of new restrictions for the fight against SARS-CoV-2, which will affect most businesses as well as the lives of everyone in the Czech Republic. Manufacturing is not affected directly.

Effective as of **Thursday, October 22, 2020 at 6:00** am the newly enacted government measures partially restrict retail sales and services as well as freedom of movement. These restrictions do not apply to wholesale operations.

The restrictions are scheduled to last (currently) **until November 3, 2020**. Depending on how the pandemic develops, however, they may be extended for longer. We provide a summary of the most important restrictions below.

Restrictions on retail sales and services

Generally speaking, all retail sales and provision of services in the shop premises are prohibited **with the exception of** the commercial activities specifically listed, including:

- sales of groceries;
- sales of goods in drugstores;
- sales of flowers;
- sales of newspapers, magazines and tobacco products;
- auto repair shops;
- sales of household goods.

Restrictions also apply to beauty salons, electronics stores and bookstores, for example. Further restrictions will apply to restaurants and accommodation facilities.

The government is not currently planning new compensation programs for business owners. According to the Minister of Industry and Trade, the current programs compensating part of the key costs along with rent and personal expenses for employees are sufficient. The minister also mentioned the option of requesting compensation for rent under the "COVID-Rent, Challenge 2" program (see <https://www.mpo.cz/cz/podnikani/zivnostenske-podnikani/covid-19-najemne--255305/>) and compensation of 100% of personal costs for employees (i.e. not only payroll but also mandatory withholdings) under the Antivirus A program (see <https://www.mpsv.cz/antivirus>). According to the latest statements, the government is not currently planning any special subsidy programs associated with the new economic restrictions.

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Restriction on freedom of movement

Freedom of movement in the entire Czech Republic has been generally restricted **with the exception of** the cases specifically listed, including:

- travel to work;
- essential shopping trips; or
- travel to healthcare facilities.

People are permitted to be in public places in groups of no more than two; this rule does not apply to families and people living in the same household. Recreation in nature or at weekend houses outside the city is permitted if certain conditions are met.

The government also cancelled all concerts and other musical, theatrical, film and other artistic performances. Other restrictions include consuming alcoholic beverages in public places.

For the sake of completeness, we also add that the new measures apply to the activities of administrative authorities, which will be operating in limited fashion in the upcoming weeks and restricting their operations to performing their key activities. They will also be limiting contact between officials and the public by cutting opening hours to two days a week for no more than five hours each day.

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