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1. Foreword

The human toll of the novel coronavirus (COVID-19) pandemic is inescapable, but it brings with it unprecedented legal and economic implications which pose serious – and potentially existential – threats to businesses the world over. Governments are scrambling to mitigate the growing fallout of the spread of the virus with a raft of emergency measures; so far, the immediate aim of many of these initiatives is to protect the lives and livelihoods of employees and smaller companies most adversely affected by the pandemic.

For example, the United States is bolstering its relatively weak social safety net with an historic extension of mandatory paid and unpaid sick leave through the Families First Coronavirus Response Act, as well as tax credits to defray the cost of employee benefits. In the United Kingdom, the recently announced Coronavirus Job Retention Scheme will see the government pay up to 80% of furloughed workers’ wages to stave off the spectre of mass redundancies. The European Commission is relaxing its state aid restrictions to allow EU member state governments to provide greater support to SMEs struggling amid mandatory closures, while Australia is temporarily amending its insolvency laws to give distressed businesses more leeway to continue as a going concern throughout the upheaval.

The next section summarises some of the most pressing legal issues faced by our in-house counsel audience over the past week.

We endeavour to develop and refine the content of these weekly reports over time to ensure utmost relevance and usefulness to readers’ daily practice. As such, we invite you to send any feedback on how the scope of future editions can be improved to admin@internationallawoffice.com.
2. Key legal issues this week

**EMPLOYMENT & LABOUR:** Government measures to prevent mass layoffs and redundancies have taken a range of forms, from payroll tax relief schemes and tax payment deferrals to business continuity loans and flat-out grants. At-risk companies are being urged not to use the pandemic as an excuse to cut staff costs and to consider less drastic measures instead, such as reduced working hours and hiring freezes.

**ANNUAL SHAREHOLDER MEETINGS:** Proxy season is upon us and the pandemic poses serious logistical challenges for annual shareholder meetings. This has led many to consider a change of format to virtual meetings; however, strict shareholder notification and disclosure requirements may apply in this regard and directors should closely examine the company’s articles of association to assess whether virtual meetings are permissible.

**E-SIGNATURES:** With many now working from home, there has been increased interest in the use and validity of electronic signatures. The prevailing trend is that e-signatures will generally be considered valid, although the relevant laws of your jurisdiction should be closely reviewed. For example, EU regulations provide for three levels of e-signature with varying degrees of legal force; moreover, while e-signatures for general commercial contracts may be acceptable, the position with regard to deeds may be less certain.
3. Expert commentary

Over the past seven days ILO’s panel of expert international legal commentators have written about recent legislative and regulatory guidance. Produced in partnership with a team of specialised editors, ILO content provides readers with easy-to-digest insight into how COVID-19 is affecting a specific work area and jurisdiction from a single thought leader in each jurisdiction.

If you would like to submit a question to the ILO panel, please email admin@internationallawoffice.com.

3.1. Asia

3.1.1. Energy & Natural Resources

Impact of coronavirus on solar projects
Japan - Nishimura & Asahi

It appears inevitable that the coronavirus pandemic will affect Japan's solar energy industry. For example, China's public health measures may have an adverse effect on the shipment of photovoltaic modules and other equipment manufactured there, on which many Japanese developers rely. Further, if the government declares a national emergency, this may inhibit engineering, procurement and construction contractors' ability to perform their obligations to develop and construct solar projects.

Authors: Maya Ito, Nathan G Schmidt, Peter G Armstrong, Rafael Sang-Kyun Bong

3.2. Europe

3.2.1. Aviation

Impact of COVID-19 on Finnish air travel
Finland - Waselius & Wist

Finnair recently announced that it is cutting 90% of its normal flight capacity due to the COVID-19 outbreak and consequently cancelling the majority of its flights temporarily as of 1 April 2020 until the situation regarding the coronavirus pandemic improves. The cancellation will affect between 1,500 and 2,000 flights from 16 March 2020 until 31 March 2020, with only critical air connections for Finland maintained.

Authors: Ville-Veikko Vänttinen, Maria Lehtimäki
3.2.2. Corporate & Commercial

**Coronavirus and contract law**  
*Israel - Fischer Behar Chen Well Orion & Co*

The ongoing global outbreak and spread of novel coronavirus 2019 (COVID-19) is a dramatic event of global proportions, with far-reaching implications for a wide range of areas. The spread of COVID-19 directly affects many aspects of commerce and business – both domestic and international. Contract law in Israel provides several tools for dealing with such situations, including the doctrine of frustration, *force majeure* clauses, 'approximate' or 'cy-pres' performance and consumer protection legislation.

**Authors:** Avraham Well, Gil Orion, Ronald Lehmann, Noa Barhum  
[Read more](#)

3.2.3. Employment & Benefits

**Coronavirus and labour law**  
*Israel - Fischer Behar Chen Well Orion & Co*

The ongoing global outbreak and spread of novel coronavirus 2019 is a dramatic event of global proportions, with far-reaching implications for a wide range of areas, including labour law. The increasing number of individuals subjected to isolation raises many questions among employers and employees, including as regards days of absence, remote work and similar matters.

**Author:** Moran Friedman  
[Read more](#)

**COVID-19: information for employers**  
*Luxembourg - Castegnaro*

This article provides information for employers with regard to the government's recommendations in the context of COVID-19. The recommendations include a preference for teleworking, the authorisation of employees to take extraordinary family leave, the use of short-time working to prevent dismissal of full-time employees, the use of quarantine as a preventative measure, the introduction of certificates for frontier workers and the introduction of a new tax measure.

**Authors:** Guy Castegnaro, Ariane Claverie  
[Read more](#)
Extraordinary employment-related measures introduced in fight against COVID-19
Spain - CMS Albiñana & Suárez de Lezo

The government recently published a royal decree-law on urgent and extraordinary measures to address the economic and social impact of COVID-19. The measures include clarification of the grounds and simplification of the procedures to suspend employment contracts or reduce working hours due to force majeure, as well as economic, technical, organisational or production grounds.

Authors: César Navarro, Elena Esparza

3.2.4. Healthcare & Life Sciences

AIFA guidance on management of clinical trials during COVID-19 emergency
Italy - Hogan Lovells

Due to the COVID-19 emergency and the consequent lockdown that is affecting most non-essential services in Italy, including some healthcare services, the Italian Medicines Agency recently issued guidance for sponsors, non-profit organisations and contract research organisations involved in clinical trials. The guidance tackles urgent needs that sponsors are experiencing in clinical trials due to restrictions on patients’ access to trial sites.

Authors: Riccardo Fruscalzo, Carlotta Busani

3.3. International

3.3.1. Aviation

Three takeaways from COVID-19 crisis for improved customer care
International - Arnecke Sibeth Dabelstein

The impact of the coronavirus outbreak on the airline industry has been severe, with estimated losses of approximately $113 billion. The challenge for air carriers is how to handle a high volume of claims with a reduced workforce for an indefinite period. In that respect, the automation and digitisation of the claims handling processes can help airlines to handle more claims in less time and be flexible concerning their headcount and the volume of cases to be processed on a daily basis.

Authors: Ulrich Steppler, Katja Helen Brecke
3.3.2. Insolvency & Restructuring

**COVID-19: considerations for businesses, directors and lenders**  
*International - Carey Olsen Bermuda*

The coronavirus (COVID-19) continues to create an evolving list of challenges. However, while the health and economic impact of the outbreak is being felt worldwide, companies and their directors can take proactive steps to combat its negative effects, particularly in the insolvency area. This article looks at the potential impact of COVID-19 on businesses and examines what stakeholders and directors can do to recognise, manage and mitigate potential insolvency risks.

**Author:** Keith Robinson

Read more

3.4. Latin America & the Caribbean

3.4.1. Corporate & Commercial

**COVID-19 company update**  
*Bermuda - Carey Olsen Bermuda*

The Bermuda Registrar of Companies and the Bermuda Monetary Authority (BMA) recently issued information on the steps that they have taken to protect the public and ensure the continuity of business in Bermuda as it responds to the coronavirus. The registrar has implemented contingency measures to protect staff and members of the public, while the BMA has activated its business continuity plan and implemented social distancing protocols and remote working options for all external meetings.

**Authors:** Mary V Ward, Gavin Woods, Michael Frith

Read more

3.4.2. Employment & Benefits

**Employment law guide: responding to COVID-19**  
*Bermuda - Carey Olsen Bermuda*

The coronavirus (COVID-19) was recently declared a Public Health Emergency of International Concern by the World Health Organisation. The situation continues to develop rapidly. Given the transient nature of the Bermuda workforce, Bermuda-based employers should consider taking steps now to manage risks both proportionately and
This article provides guidance to help Bermuda employers address some of the key queries and concerns.

**Authors:** Michael Hanson, Cheri Minors, Jay Webster

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**Coronavirus in Brazil: what employers need to know**  
*Brazil - CGM Advogados*

With the coronavirus (COVID-19) pandemic continuing to affect the world – and employment law – this article answers FAQs for Brazilian employers. For example, can companies cancel job offers prior to the start date? And who pays for employees' time away from work due to COVID-19?

**Authors:** Patricia Barboza, Maury Lobo

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**3.5. North America**

**3.5.1. Aviation**

**Government restricts travel to Canada by foreign nationals**  
*Canada - Bersenas Jacobsen Chouest Thomson Blackburn LLP*

The minister of transport recently issued an interim order regarding the denial of boarding to foreign nationals on international flights to Canada and a health check that air operators flying to Canada must conduct prior to boarding. This article summarises the interim order's key points.

**Authors:** Carlos P Martins, Andrew W MacDonald

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DOT clarifies enforcement policy regarding coronavirus

USA - Cozen O'Connor

The Department of Transportation recently issued the Enforcement Notice Regarding Denying Boarding by Airlines of Individuals Suspected of Having Coronavirus. The enforcement notice acknowledges that medical certificates are unlikely to demonstrate whether a passenger is a direct threat, especially as there are no known measures that would prevent transmission of coronavirus in the cabin's closed environment.

Authors: Rachel Welford, Matthew J Howell

3.5.2. Derivatives

COVID-19: derivatives implications

International - Shearman & Sterling LLP

The outbreak of the novel coronavirus (COVID-19) has implications for derivatives contracts. For example, some companies are asserting that the reported disruptions in the global supply chain and travel restrictions constitute a force majeure, which is a legal basis for excusing non-performance and a right to terminate under contracts. This article examines certain issues that market participants may wish to consider when evaluating the potential impact of the COVID-19 outbreak on their outstanding derivatives contracts.

Authors: Donna M Parisi, Geoffrey B Goldman, Azam H Aziz, Naffie Lamin

3.5.3. Employment & Benefits

COVID-19 and workplace government updates: cross-Canada review

Canada - Fasken

Governments across Canada have recently made multiple announcements regarding the coronavirus (COVID-19) pandemic. To help make things easier for employers, this article summarises the announcements from all provinces that touch on workplace issues. Common issues concerning COVID-19 include self-isolation, sickness benefits and layoffs.

Authors: Marc Rodrigue, Shane D Todd, Andrew Woodhouse
3.5.4. International Trade

**COVID-19 trade update: potential duty payment deferrals and border shutdowns**

*USA - Arent Fox LLP*

The coronavirus (COVID-19) is affecting all elements of society, including the import, trade and transport sectors. The Department of Homeland Security and US Customs and Border Protection (CBP) have recently announced that the US-Canada and US-Mexico borders have been closed to 'non-essential' traffic for 30 days and that duty payments may be deferred. CBP has also announced the impact of COVID-19 on operations. For now, cargo shipments remain unaffected.

**Authors:** David R Hamill, Teresa Polino, David Salkeld

Read more

3.6. United Kingdom

3.6.1. Healthcare & Life Sciences

**COVID-19 crisis: clinical trials and cross-border collaboration**

*United Kingdom - Pinsent Masons*

The current circumstances are unsettling for many reasons, not least because there is still no approved vaccination or treatment for the novel coronavirus (COVID-19). Reflecting the collaborative approach recently called for by the European Medicines Agency, the UK Medicines and Healthcare Products Regulatory Agency has indicated that it stands ready to support researchers, manufacturers and other regulators to develop medicinal products to fight and prevent the spread of COVID-19.

**Author:** Catherine Drew

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4. About ILO

ILO delivers expert legal commentary, in the form of concise weekly newsletter emails, to senior corporate counsel and law firm partners worldwide. Free to receive, the ILO newsletters have been providing tailored, quality-assured updates on global legal developments to more than 72,000 registered subscribers since 1998.

ILO content is generated in collaboration with over 500 of the world’s leading experts and covers more than 100 jurisdictions.

Produced in partnership with a team of specialised editors, the ILO newsletters provide editorially-driven, high-quality legal news in the form of concise, regular updates from a single leader in their field.

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