

FLASH INFO – CORONAVIRUS #ARGENTINA

Last update - April 9th 2020

Health Emergency - Measures of the Argentine Republic

On March 11th, 2020, the World Health Organization (WHO) declared the COVID-19 as a pandemic. As a consequence, the Argentine Republic implemented the following measures in order to prevent the spread of the virus.

Given the exceptional nature of the moment and for information purposes, we proceed to point out a summary of the main issues that we believe may have a greater impact on a business level, in relation to each specific area:

- 1. New measures (April, 9th)
- 2. Argentina's new measures (April, 2nd)
- 3. Initial Measures (March 2020)

1. HEALTH EMERGENCY: ARGENTINA'S NEW MEASURES (April, 9th)

The Argentine Republic has adopted new measures in response to the global health emergency caused by the spread of COVID-19.

BANKING MEASURES:

- The Central Bank of the Argentine ("BCRA" in Spanish) issued on April 6, 2020 the Communication "A" N° 6948 regulating the transfer of money abroad.
 - The foreign currency transfers from local accounts in foreign currency to accounts located abroad may be made for up to the equivalent of US\$ 500 in the calendar month and for all the entities.
 - For such purpose, the entities must have an affidavit from the client stating that the transfer is intended to cooperate with the support of Argentine residents who have had to stay abroad according to the measures adopted in the framework of the current world pandemic.
- The BCRA issued the Communication "A" No. 6958 on April 8, 2020, which establishes that financial institutions must open to the general public from Monday 4/13/2020 until Friday 4/17/2020.

Clients will be assigned a specific day of such week according to the termination digit of their identity document (in case of human person) or its tax code (in case of legal entities)

In addition, clients must previously request a reservation via internet. Consequently, the entities must electronically provide them with a document with the information of the reservation made, which will be used as a certificate for movement.

Entities must comply with the corresponding sanitary regulations in order to preserve the health of its clients as well as employees.

FINANCIAL MEASURES:

The global health crisis generated by the COVID-19 has modified the payment Schedule of the public debt.

Consequently, on April 6, 2020, the Executive issued the Decree N° 346 *freezing* until December 2020 the payments of public debt bonds issued under national law.

ADMINISTRATIVE MEASURES:

On 7 April 2020, the Argentine Securities Exchange Commission issued the Resolution N° 830 authorizing the use of remote meetings for the management and governing bodies of issuers during the term of the mandatory and social isolation.

Such meetings shall ensure:

- The use of digital means allowing simultaneous audio and video transmission;
- The participation with voice and vote of all members and of the Audit Committee;
- The meeting must be recorded in digital format;
- The representative keeps a digital copy of the meeting for a period of 5 years, which must be available to any member who requests it;
- The meeting must be transcribed in the corresponding company's book, with express mention of the persons who participated and be signed by the social representative; and
- The notification of the meeting should clearly indicate the means of communication chosen and the access mode for the purpose of allowing such participation.

SOCIAL MEASURES:

The National Social Security Administration ("ANSES" in Spanish) issued the Resolution N° 84 on 6 April 2020 regulating the "Emergency Family Income".

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This income will be granted to people who are unemployed, who work in the informal economy, or to the private houses personnel, among others.

The applicant must comply with the following requirements:

- Be an Argentine citizen, resident in the country or a foreigner with legal residence in Argentina not less than 2 years prior to the application;
- Be between 18 and 65 years old; and
- Not to receive the applicant or any member of his family group any income from: i) any job in a dependent relationship in the public or private sector (except for that performed as personnel of private houses); ii) as a *Monotributists* of category "C" or higher, or as a *self-employed* person; iii) Unemployment benefit; iv) Retirement or pension; v) Social plans.

The ANSES will communicate the period in which the digital application will be available to carry out the registration process.

Once this period is over, compliance with the requirements will be controlled and the corresponding socioeconomic and patrimonial evaluation will be carried out in order to grant the Emergency Family Income.

MOVEMENT MEASURES:

From April 6, 2020 the " *Certificate of Entitlement for Movement* " will be the only valid document - for people exempted from compulsory social isolation - in order to move on public roads.

According to Resolution N°83 issued by the Ministry of Transport, these certificates must be obtained through the official websites indicated by the Government and must contain the following information

- Date of issue and place;
- Term of the authorization (if applicable);
- Identification of the isolation's exception;
- Identification of who is authorizing (natural and/or legal person);
- Identification of the authorized person;
- Vehicle data (if necessary);
- Point of origin and destination (if necessary);
- Authorisation's timetable (if necessary); and
- Signatures (holographic or electronic) of the persons identified on the certificate.

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Certificates issued with the above requirements shall remain valid until the end of the isolation or until they are expressly revoked.

ECONOMIC REACTIVATION MEASURES:

The Administrative Decision N° 467 - dated on April 7, 2020 - adds the notary activity to the list of activities excepted from complying with social and compulsory isolation, in cases where it is exclusively limited to enabling the fulfillment of the services declared essential for the sanitary emergency.

In addition, the Administrative Decision N° 468 adds into such essential activities the performance of private energy infrastructure.

The employees regulated in both Decisions must obtain their " *Certificate of Entitlement for Movement*".

2. HEALTH EMERGENCY: ARGENTINA'S NEW MEASURES (April, 2nd)

The current health situation caused by COVID-19 requires new measures from Argentina in order to prevent the spread of such virus.

The new measures as of March 26, 2020 consist of:

BANKING MEASURES:

On March 20, 2020 the Central Bank of Argentina issued the Communication "A" 6942, which states:

- 1. Financial and foreign exchange institutions may not open their branches to the public but must continue to provide services digitally.
- 2. Financial institutions shall ensure the cash withdrawals through their automated teller machine (ATM).
- 3. Electronic means of payment, electronic transfer of funds and credit and debit card administrators shall continue to operate in order to ensure the normal provision of financial services.
- 4. Stock exchanges and capital markets authorised by the National Securities Stock Commission ("CNV" for its acronym in Spanish) shall continue to operate electronically.

ADMINISTRATIVE MEASURES:

Register of Commerce:

On March 18, 2020 the Register of Commerce of the City of Buenos Aires issued the Resolution N° 10 by which suspends all the commerce proceedings until 31 March 2020.

Insurance Superintendence:

On March 17, 2020 the Nation Insurance Superintendence ("SSN" for its acronym in Spanish) issued the Resolution N°17497739, which suspends the administrative proceedings´ deadlines until 31 March 2020.

<u>Defense of Competition:</u>

On March 19, 2020 the Department of Commerce issued the Resolution N° 98 suspending until 31 March 2020 its proceedings' deadlines.

TAX MEASURES:

On March 17, 2020 the Public Revenue Administration ("AFIP" for its acronym in Spanish) issued the Resolution N° 4682, suspending the administrative proceedings´ deadlines until 31 March 2020.

PROTECTION OF PERSONAL DATA :

On March 20, 2020 the Agency for Access to Public Information published the following recommendations in accordance with the Personal Data Protection Act:

- 1. The disclosure of the name of a patient suffering from coronavirus requires his/her consent;
- 2. Health establishments and health professionals may transfer patient's data to each other, provided that they comply with professional secret.
- 3. The Nation Ministry of Health and the Provincial Ministries are empowered to require and transfer health information to each other without the consent of patients.

3. INITIAL MEASURES (MARCH 2020)

LABOUR MEASURES

Suspension of Employment Assistance Duty

Taking into consideration the exceptional circumstances caused by the Coronavirus COVID-19, the Resolution N° 207 - published in the Argentine Official Journal on 16 March 2020 -

suspends the duty to attend the workplace for a period of 14 days, with full payment of their remuneration, to the following workers:

- Over 60 years of age;
- Pregnant; and
- Included in the Risk Groups indicated by the National Health Authority, such as workers with chronic respiratory diseases, heart diseases, among others.

Such workers should -in case it is possible - coordinate with their employer to continue fulfilling their responsibilities from their domicile.

In addition, it is recommended that employers take the necessary measures to reduce the number of workers in the offices, by implementing a teleworking system.

The Teleworking System

On 16 March 2020 the Resolution N° 21 was also published in the Argentine Official Journal, and it requires the employers to report to the OCCUPATIONAL ACCIDENT INSURANCE ("ART" in Spanish) the following information as regards their employees who are enabled to work from their domicile:

- Surname, First Name and Fiscal Code of each worker,
- Place of residence and frequency of their work (number of days and hours per week).

The teleworking system is temporary and exceptional, and employers and workers should make every necessary effort to comply with their liabilities.

Preventive, Compulsory and Social Isolation.

The Decree of Need and Urgency N $^{\circ}$ 297 - issued on March 19, 2020 - establishes a preventive, compulsory and social isolation from 20/03/2020 to 31/03/2020, for everyone living in Argentina or residing in the country temporarily.

During such period, people must remain at their home. They may only go outside for the purchase of cleaning products, medicines and food.

Employees shall be entitled to full payment of their remunerations.

The ones who do not comply with the measures impose by this Decree shall be liable to imprisonment for a term of six months to two years.

Nevertheless, employees who provide essential services such as health, security, supermarkets, pharmacies, among others, are exempted from isolation.

EDUCATION

On March 15, 2020, the Ministry of Education issued the Resolution N°108 suspending classroom classes at the initial, primary and secondary levels for 14 days.

However, the activities proposed by the Educational Authorities will continue to be carried out by using the digital media that each school considers most appropriate.

In addition, the Resolution N°104 recommends to the Universities the implementation of virtual campus or any other digital media in order to keep fulfilling their educational responsibilities.

JUDICIAL PROCEDURES

The National Supreme Court of Justice issued the Resolutions N° 04 and 06 in which the judicial procedures' deadlines are suspended until March 31, 2020.

During such period, the National and Federal Courts will provide services, mainly for affairs that could not be delayed.

In addition, from March 18th 2020 all the filings before the National and Federal Justice shall be done by digital systems.

ADMINISTRATIVE PROCEDURES

The Resolution N° 298 of March 19, 2020 suspends the administrative procedures´ deadlines until March 31, 2020.

Emergency procedures are exempted regarding the National Law of Social Solidarity.

SUSPENSION OF VISAS AND RESIDENCES

On March 12, 2020, the Migration National Direction issued the Resolution N°1644 which temporarily suspends the issuance of visas and temporary, transitory and special residences in Argentina.

The nationalities concerned by this suspension are: China, South Korea, Iran, Japan, the United States of America, the United Kingdom, Northern Ireland, States of the European Union and countries forming the Schengen area

PROHIBITION OF ENTRY INTO THE NATIONAL TERRITORY

On March 16, 2020, the National Executive Branch issued the Decree of Need and Urgency N° 270 prohibiting the entry into the country of non-resident foreigners through any airport, port or border center until 31/03/2020.

The National Directorate of Migration was authorized to make exceptions in case it is requiered.

TEMPORARY SUSPENSION OF INTERNATIONAL FLIGHTS

On March 12, 2020, The Decree of Need and Urgency N° 260 was issued in order to suspend international flights for a period of 30 days.

However, the Ministry of Transport has informed that the airline "Aerolíneas Argentinas S.A." will be the only one authorized to facilitate the return of Argentine residents who are currently abroad.

For further information, please contact:



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