



EMERGENCY MEASURES COVID-19 **REGIONAL GOVERNMENT OF CATALONIA:** **Decree-Law 7/2020**

Barcelona, 19 March 2020

SUMMARY

The Regional Government of Catalonia has published Decree-Law 7/2020 containing the emergency measures to contribute additionally to the measures already adopted by the Central Government to combat the social and economic crisis caused by the COVID-19 pandemic, better known as Coronavirus.

The specific regulatory measures are divided into the areas of taxation, self-employment and public procurement.

TAX MEASURES

Within the scope of application of the taxes pertaining to the Catalan Government and taxes allocated from central government, the **suspension of the filing of self-assessments and payment of** the aforementioned taxes is provided for, from the entry into force of this Decree-Law, in this case, on 19 March 2020 until the end of the state of emergency.

ECONOMIC MEASURES FOR THE SELF-EMPLOYED

Assistance in the form of a single benefit for a **maximum amount of up to €2,000** is laid down for self-employed workers **registered under the special Social Security scheme for self-employed workers who are resident for tax purposes in Catalonia**, and who:

- ^** Are registered as such in **activities affected by the closure decreed by the state of emergency**.



EMERGENCY MEASURES COVID-19
REGIONAL GOVERNMENT OF CATALONIA:
Decree-Law 7/2020

- ^ **Can attest to a drastic and involuntary reduction** in their **income** as a result of the effects of the coronavirus on their business activity and do not have alternative sources of income.

To qualify for the aid, financial losses must be attested to in March 2020 compared with the same month in the previous year. If the self-employed worker has been registered under the self-employed scheme for less than 1 year, the comparison will be made with the average monthly earnings since registration.

The aid will **be granted until the amount allocated for this purpose is fully utilised** and will **be incompatible with any other aid, benefit, subsidy or grant, whether public or private, given for the same purpose.**

PUBLIC PROCUREMENT MEASURES

1. Suspension of the performance of certain contracts in educational centres in Catalonia

The suspension affects contracts:

- ^ Signed by the competent **contracting** bodies of the **Ministry of Education of the Regional Government of Catalonia**, regional councils and local authorities.
- ^ And with any of the **following objects**:
- a) **Cleaning** contracts.
 - b) **Surveillance or similar.**
 - c) **Management of shared schooling units.**
 - d) **Sign language** translation.
 - e) **School canteen and transport** for kindergartens, nursery and primary schools, secondary schools, high schools and vocational training, art and design schools, adult schools, official language schools, special education centres, music schools, dance schools, conservatories, centres having their own qualifications and higher artistic education centres.



EMERGENCY MEASURES COVID-19
REGIONAL GOVERNMENT OF CATALONIA:
Decree-Law 7/2020

Suspension of the contract will entail payment to the contractor by the contracting authority of the amounts corresponding to:

- a) The **salary costs of personnel covered by** the contract.
- b) The expenses corresponding to any **guarantee securing policies** taken out as a result of contractual obligations, if applicable.
- c) **3% of the price of** the services that should have been performed during the period of suspension.

The above-mentioned amounts will be paid as from the entry into force of this Decree-Law, i.e. in respect of this point, 25 March 2020.

The duration of the suspension is established from 14 March 2020 until the date on which the order to close the educational establishments is lifted.

The suspension of the performance of contracts under this Decree-Law may in no case be considered grounds for the application of redundancy proceedings.

2. Suspension of the implementation of certain contracts relating to public buildings, facilities and equipment in Catalonia

The suspension covers **security and surveillance, cleaning and maintenance contracts for public buildings, facilities and equipment** with respect to which, under the contingency plans agreed by the Departments of the Regional Government and public sector occupying these facilities, to **restrict the presential provision of services to basic or strategic services**, it is impossible to provide the services derived from the aforementioned security and surveillance, cleaning and maintenance contracts.

In this case the suspension is effective from 16 March 2020, with the same effects as those indicated for the suspension of contracts with educational centres referred to in point 1 above, and may be total or partial in scope.

The suspension of the performance of contracts under this Decree-Law may in no case be considered grounds for the application of redundancy proceedings.



EMERGENCY MEASURES COVID-19
REGIONAL GOVERNMENT OF CATALONIA:
Decree-Law 7/2020

3. Authorisation for local authorities in Catalonia to suspend the performance of other contracts

The local authorities in Catalonia are authorised to **issue regulations or administrative rulings to suspend the performance of other contracts** in the same terms and circumstances provided for in this Decree-Law for the suspension of the performance of certain contracts with educational centres and public buildings, facilities and equipment in Catalonia, referred to in points 1 and 2 above.

The suspension of the performance of contracts under this Decree-Law may in no case be considered grounds for the application of redundancy proceedings.

4. Suspension of contracts for work and related services or assistance entered into by the Catalan Regional Government or the Catalan public sector

Contracts for works and related services or assistance entered into by the Catalan Regional Government or public sector are declared to be **suspended, except for those in force arranged for emergency reasons or those which it is decided should remain in force due to their basic or strategic nature, even if only partially.** The suspension of works must be accompanied by appropriate safety measures.

In order to ensure that the jobs assigned under these contracts are maintained, the contracting authorities are authorised to **pay in advance**, against the contract price, an amount equal to that of the last interim bill for the work or invoice for the services or assistance related thereto. This payment must **guarantee the wage bill for personnel assigned under the contract and may not exceed the final price of the contract.** When the suspension is lifted, this advance payment will be deducted from the following payments on a pro-rata basis in proportion to the time remaining to carry out the work.

The acceptance of this payment by contractors will imply that they **waive any other amounts as compensation derived from the suspension of the contract** under this Decree Law.



EMERGENCY MEASURES COVID-19
REGIONAL GOVERNMENT OF CATALONIA:
Decree-Law 7/2020

The suspension is established from the **entry into force of this Decree-Law**, in this case on **25 March 2020**, until the date on which the order to lift the suspension is issued.

We will continue to inform you of any new measures that may arise as a result of the COVID-19 pandemic.

The professionals that regularly work with your company are at your disposal for any clarification or additional information you may require in relation to the content of this Circular Letter. Please contact us by telephone at **934 677 414**.

Yours sincerely,

AUDICONSULTORES

The sole aim of this Circular Letter is to provide its recipients with a selection of general information items about novelties or issues of a labour, tax or legal nature, without this constituting professional advice of any kind or being sufficient for the making of personal or business decisions. © 2020 "Audiconsultores Advocats i Economistes, S.L.P.".

All rights reserved.