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**Federal Act
on the Statutory Principles
for Federal Council Ordinances on
Combating the COVID-19 Epidemic
(COVID-19 Act)**

of 25 September 2020 (Status as of 26 September 2020)

The Federal Assembly of the Swiss Confederation,

on the basis of Articles 68 paragraph 1, 69 paragraph 2, 92, 93, 101 paragraph 2, 102, 113, 114 paragraph 1, 117 paragraph 1, 118 paragraph 2 letter b, 121 paragraph 1, 122, 123 and 133 of the Federal Constitution¹, and having considered the Federal Council dispatch dated 12 August 2020²,
decrees:

Art. 1 Subject matter and principles

¹ This Act regulates special powers of the Federal Council to combat the COVID-19 epidemic and to respond to the effects of the measures to combat the disease on society, the economy and the public sector.

² The Federal Council shall use these powers only to the extent that they are required to respond to the COVID-19 epidemic. In particular, it shall not use these powers if the same objective can be achieved using regular or emergency legislative procedures.

³ It shall consult the cantons and the umbrella organisations for the social partners when drawing up measures that relate to their responsibilities.

⁴ It shall inform Parliament regularly, in good time and comprehensively about the implementation of this Act. It shall consult the relevant committees beforehand about planned ordinances and amendments to ordinances.

⁵ In emergency cases the Federal Council shall inform the presidents of the relevant committees. They shall inform their committees without delay.

⁶ When ordering measures, the Federal Council and the cantons shall be guided by any available data, comparable with regard to time and the regions concerned, that

AS 2020 3835

¹ SR 101

² BBl 2020 6563

indicate that the healthcare system is in danger of becoming overburdened, the mortality rate is increasing or the disease is becoming more virulent.

Art. 2 Measures relating to political rights

¹ In order to support the democratic process, the Federal Council may require requests for a referendum to be submitted to the Federal Chancellery within the deadline for requesting a referendum with the required number signatures, but without the certificate of eligibility to vote.

² If necessary, the Federal Chancellery shall send the signature lists to the office that is responsible under cantonal law for the certificate of eligibility to vote.

Art. 3 Measures relating to healthcare provision

¹ The Federal Council may require manufacturers, distributors, laboratories, healthcare facilities and other cantonal facilities to report their stocks of therapeutic products, protective equipment and other medical goods required for healthcare provision (essential medical goods).

² In order to guarantee a sufficient supply of essential medical goods for the public, it may:

- a. provide for exceptions to the provisions on the import of essential medical goods;
- b. provide for exceptions to the requirement of authorisation for activities in connection with essential medical goods or adapt the licensing requirements;
- c. provide for exceptions to the requirement of authorisation for medicinal products or adapt the authorisation requirements or authorisation procedure;
- d. provide for exceptions to the provisions on the conformity assessment of medical devices and the provisions on the conformity assessment procedure and the placing on the market of protective equipment;
- e. procure essential medical goods itself; in this case, it shall regulate the funding of procurement and the repayment of the costs by the cantons and facilities to which the goods are supplied;
- f. provide for the allocation, delivery and distribution of essential medical goods;
- g. provide for the direct marketing of essential medical goods;
- h. order the requisitioning of essential medical goods in return for compensation;
- i. require manufacturers to produce essential medical goods, to prioritise the production of such goods or to increase production volumes; the Confederation shall compensate manufacturers if they suffer financial disadvantages as a result of changes in production.

³ It shall take the measures under paragraph 2 letters e, f, h and i only if supplies cannot be guaranteed by the cantons and the private sector alone.

⁴ In order to guarantee the capacities required to treat COVID-19 cases and to carry out other urgently required medical tests and treatments, it may authorise the cantons:

- a. to prohibit or restrict non-urgent medical tests and treatment;
- b. to take further measures to guarantee the capacities required.

⁵ It may regulate the payment of the costs of COVID-19 tests.

Art. 4 Measures relating to employee protection

¹ The Federal Council may order measures to protect employees at high risk and may in particular impose obligations on employers related to this. If an employee must temporarily stop working because of an official measure and the employer is required to continue paying the employee's salary, the employer has an equivalent right to a reimbursement of the salary paid in accordance with Article 15.

² If the Federal Council takes measures under paragraph 1, it shall provide that the implementing bodies under the Employment Act of 13 March 1964³ and the Swiss National Accident Insurance Fund (Suva) are responsible for implementation and that the implementation costs incurred are financed from the premium surcharge for the prevention of occupational accidents and occupational illnesses under Article 87 of the Federal Act of 20 March 1981⁴ on Accident Insurance.

Art. 5 Measures relating to foreign nationals and asylum

The Federal Council may introduce derogations from the Foreign Nationals and Integration Act of 16 December 2005⁵ (FNIA) and from the Asylum Act of 26 June 1998⁶ (AsylA) on:

- a. restricting the entry of foreign nationals and their admission to stay in Switzerland, with the exception of family reunification in accordance with Articles 42–45 FNIA and the entry into Switzerland of unmarried partners and their children;
- b. extending statutory deadlines for:
 1. family reunification (Art. 47 FNIA),
 2. the expiry of short stay, residence and permanent residence permits (Art. 61 FNIA),
 3. the updating of biometric data in identification documents (Art. 59b and 102a FNIA),
 4. departure (Art. 45 para. 2 AsylA and Art. 64d FNIA),
 5. the expiry of asylum (Art. 64 AsylA),
 6. the expiry of temporary admission (Art. 84 para. 4 FNIA);

³ SR 822.11

⁴ SR 832.20

⁵ SR 142.20

⁶ SR 142.31

- c. accommodating asylum seekers in federal centres and conducting asylum and removal procedures; in doing so it shall take appropriate account of the need to protect the health of the persons concerned.

Art. 6 Measures relating to the closure of borders

In relation to the closure of borders, the Federal Council shall wherever possible take the measures required to guarantee the freedom to travel of cross-border commuters and residents who have special ties to the border region.

Art. 7 Measures relating to the justice system and procedural law

In order to guarantee the operation of the justice system and the procedural guarantees under the Federal Constitution, the Federal Council may issue provisions that derogate from the federal procedural law on civil and administrative matters in the following areas:

- a. suspending, extending or restoring statutory or official limitation periods and deadlines;
- b. using technical solutions or aids such as video and telephone conferencing in judicial procedures that involve the participation of parties, witnesses or third parties, in particular court proceedings and the questioning of parties and witnesses;
- c. the form and service of submissions, communications and decisions and the use of online auction platforms in debt enforcement and bankruptcy proceedings.

Art. 8 Measures relating to company meetings

The Federal Council may, insofar as it may be required in order to exercise rights at company meetings, issue provisions that derogate from the Swiss Civil Code⁷ and the Swiss Code of Obligations⁸ on the exercise of rights:

- a. in written or in electronic form;
- b. by an independent proxy.

Art. 9 Insolvency measures

The Federal Council may, insofar as it may be required in order to prevent mass bankruptcies and to stabilise the Swiss economy and society, issue provisions that derogate from the Federal Act of 11 April 1889⁹ on Debt Enforcement and Bankruptcy (DEBA) and from the Swiss Code of Obligations¹⁰ on:

- a. composition agreements (Art. 293 ff. DEBA);

⁷ SR 210

⁸ SR 220

⁹ SR 281.1

¹⁰ SR 220

- b. the requirements for, effects of and the procedure for a special moratorium;
- c. the obligations to report in the case of a loss of capital and over-indebtedness.

Art. 10 Measures relating to security of supply

The Federal Council is authorised to exempt persons who issue customs declarations on a commercial basis or transporters from liability for customs debts if the recipient or importer becomes unable to pay due to bankruptcy, a moratorium on debt enforcement, liquidation or obvious insolvency as a result of federal measures in connection with the COVID-19 epidemic.

Art. 11 Measures relating to the cultural sector

¹ The Confederation may provide financial assistance to cultural businesses, creative artists and amateur cultural associations.

² In order to support cultural businesses, the Federal Office of Culture (FOC) may enter into service agreements with one or more cantons for an overall maximum of 100 million francs. The contributions shall be paid to the cultural businesses on application as cancellation compensation and for transformation projects.

³ Within the limits of the authorised credits, the Confederation shall contribute half of the funding for cancellation compensation and transformation projects that the cantons implement on the basis of the service agreements.

⁴ Creative artists shall on application receive non-repayable cash payments from the Suisseculture Sociale association to cover their immediate living expenses, unless they can cover these expenses themselves. The Confederation shall make a maximum sum of 20 million francs available to Suisseculture Sociale for 2021 on the basis of a service agreement so that it can make the cash payments.

⁵ The FOC shall compensate Suisseculture Sociale on the basis of the service agreement for the administrative costs of making the cash payments under paragraph 4.

⁶ The modalities for making the cash payments and the rules for their calculation are governed by the Suisseculture Sociale funding regulations. The funding regulations require approval by the FOC.

⁷ Amateur cultural associations shall on application receive compensation from the umbrella organisations recognised by the Federal Department of Home Affairs for the financial losses associated with their reduced programme of events. The compensation shall amount to a maximum of 10 000 francs per cultural association. The Confederation shall on the basis of service agreements make financial resources amounting to a maximum of 10 million francs available to the umbrella organisations for 2021 in order to pay the compensation.

⁸ The FOC shall compensate the umbrella organisations on the basis of the service agreement for the administrative costs of paying the compensation under paragraph 7.

⁹ The modalities for making the payments to the cultural associations and the rules for their calculation shall be set out in the service agreements between the FOC and the umbrella organisations.

¹⁰ Applications in accordance with the paragraphs 2, 4 and 7 must be submitted at the latest one month before this Act is repealed. Applications that arrive after this deadline shall not be considered.

¹¹ The Federal Council shall determine the cultural sectors that will be receive financial support in an ordinance and regulate therein the requirements for filing a claim in detail. It shall set out the criteria for contributions and the principles for setting the level of the financial assistance and regulate the number of instalments in which disbursement of the contributions in accordance with paragraph 2 shall take place.

Art. 12 Hardship measures for businesses

¹ The Confederation may at the request of one or more cantons provide financial support to businesses that suffer particular hardship as a consequence of COVID-19 owing to the nature of their economic activity, in particular businesses connected with the event industry, travelling fairs, service providers in the travel industry and tourism businesses, provided the cantons contribute half of the funding. A case of hardship arises where a business's annual turnover is less than 60 per cent of its multi-annual average. The entire asset and capital situation must be taken into account.

² The provision of support is conditional on a business having been profitable or viable before the COVID-19 outbreak and not already having been in receipt of other financial assistance from the Confederation. This financial assistance does not include short-time work compensation, compensation for loss of earnings or loans granted under the COVID-19 Financial Guarantees Ordinance of 25 March 2020¹¹.

³ The Confederation may pay non-repayable subsidies to the businesses concerned as part of a hardship scheme.

⁴ The Federal Council shall regulate the details in an ordinance.

Art. 13 Measures in the sports sector

¹ The Confederation shall support the clubs in the professional leagues of the Swiss football and ice hockey federations with interest-free loans within the framework of the approved credits. These must be repaid within a maximum of 10 years. The borrower shall provide collateral recognised by the Confederation amounting to 25 per cent of the loan amount.

² The loans shall amount to a maximum of 25 per cent of the operating expenses in the 2018/2019 season.

³ The Confederation may permit the loans to be given a subordinate ranking.

¹¹ SR 951.261

⁴ The loan shall be conditional on the borrower, if the loan cannot be repaid within three years, making reductions in the salary structure of up to 20 per cent; salary reductions already introduced in connection with the COVID-19 epidemic shall be taken into account.

⁵ The Federal Council may issue ordinances in order to make similar arrangements for other professional and semi-professional leagues (basketball, handball, floorball, volleyball). It shall take account of any previous financial assistance provided by the Confederation.

Art. 14 Measures in the media industry

¹ The Federal Council shall take the following measures in the media industry:

- a. The Confederation shall bear the full cost of the delivery to subscription holders of daily and weekly newspapers from the local and regional press (Art. 16 para. 4 let. a of the Postal Services Act of 17 Dec. 2010¹²) by Swiss Post at the tariffs applicable on 1 June 2020.
- b. It shall contribute to the cost of the delivery to subscription holders of daily and weekly newspapers from the supra-regional and national press by Swiss Post to the extent of 27 cents per copy.
- c. The subscription costs for the basic text services from the news agency Keystone-SDA shall, in relation to the rights of use for electronic media, be covered at the tariffs applicable on 1 June 2020 from as yet unused revenues from the radio and television charges; a cost ceiling of 10 million francs must be complied with.

² The Federal Council shall terminate the measures at the latest when a federal act that provides for measures in favour of the media comes into force.

³ It shall regulate the funding requirements and the procedure for the calculation and payment of the subsidies under paragraph 1 letters a and b and the payment of the subscription costs under paragraph 1 letter c.

⁴ The granting of the subsidies under paragraph 1 letters a and b is conditional on the publisher giving a written undertaking to the Federal Office of Communications (OFCOM) that it will not pay any dividends in the financial year concerned.

⁵ OFCOM shall pay the subscription costs for the basic text services from the news agency Keystone-SDA directly to the news agency Keystone-SDA. Keystone-SDA shall reduce its invoices to the subscribers by the corresponding amount.

Art. 15 Measures to compensate for loss of earnings

¹ The Federal Council may provide for the payment of compensation for loss of earnings to persons who must suspend or significantly reduce their gainful economic activity as a result of measures in connection with controlling the COVID-19 epidemic. Only persons with a loss of earnings or income that in their business represents a drop in turnover of at least 55 per cent in comparison with the average turno-

¹² SR 783.0

ver in the years 2015–2019 are deemed to have suffered a significant reduction in their gainful economic activity.

² The persons entitled to claim also include in particular self-employed persons in accordance with Article 12 of the Federal Act of 6 October 2000¹³ on General Aspects of Social Security Law (GSSLA) as well as persons in a position similar to employers.

³ The Federal Council may issue provisions on:

- a. the persons entitled to claim and in particular the right of persons at high risk to a daily allowance;
- b. the start and the end of the right to compensation;
- c. the maximum amount of daily allowances;
- d. the level and calculation of compensation;
- e. the procedure.

⁴ The Federal Council shall ensure that compensation is paid on the basis of the self-declared loss of earnings. The accuracy of the information shall in particular be verified by means of random tests.

⁵ The Federal Council may declare the provisions of the GSSLA to be applicable. It may provide for derogations from Article 24 paragraph 1 GSSLA relating to the expiry of the right to claim and Article 49 paragraph 1 GSSLA relating to the application of the informal procedure.

Art. 16 Measure in relation to occupational pension schemes

In order to overcome cash flow problems, the Federal Council may authorise employers to use the employer contribution reserves to pay the employee's contributions to the occupational pension fund.

Art. 17 Measures relating to unemployment insurance

The Federal Council may issue provisions in derogation from the Unemployment Insurance Act of 25 June 1982¹⁴ (UIA) on:

- a. the right to and payment of the short-time work compensation for vocational trainers who supervise apprentices;
- b. the non-consideration of accounting periods in which the person concerned was unable to work for more than 85 per cent of the normal working hours (Art. 35 para. 1^{bis} UIA) in the period between 1 March 2020 and 31 August 2020;
- c. the extension of the period for claiming payments and of the contribution period for insured persons who between 1 March 2020 and 31 August 2020

¹³ SR 830.1

¹⁴ SR 837.0

were entitled to claim a maximum of 120 additional daily allowance payments;

- d. the procedure for giving advance notice of short-time work and for paying short-time work compensation, as well as the form in which it is paid;
- e. the right to and payment of short-time work compensation for employees on call in permanent employment.

Art. 18 Criminal provisions

¹ Any person who wilfully infringes the measures that the Federal Council orders on the basis of Article 3 or 4 and the infringement of which it declares to be an offence based on this provision shall be liable to a fine.

² The Federal Council may stipulate that certain offences under paragraph 1 carry a fixed penalty not exceeding 300 francs, and it shall determine the amount of the fine.

Art. 19 Implementation

The Federal Council shall regulate the implementation of the measures under this Act.

Art. 20 Amendment of other legislation

...¹⁵

Art. 21 Referendum, commencement and duration

¹ This Act is declared to be urgent (Art. 165 para. 1 Federal Constitution). It is subject to an optional referendum (Art. 141 para. 1 let. b BV).

² It comes into force subject to the reservation of paragraph 3 on 26 September 2020 and applies subject to the reservation of paragraphs 4 and 5 until 31 December 2021.

³ Article 15 comes into force with retrospective effect on 17 September 2020.

⁴ Articles 1 and 17 letters a–c apply until 31 December 2022.

⁵ Article 15 applies until 30 June 2021.

¹⁵ The amendments may be consulted under AS 2020 3835.

