



Package of measures to combat the impact of coronavirus on companies

(Current as at 20 July 2022)

I. Grants

1. New Start Culture (NEUSTART KULTUR) rescue and future programme

In order to mitigate the emergency situation in the cultural and media sector and to maintain the cultural infrastructure, the Federal Government Commissioner for Culture and the Media launched the New Start Culture rescue and future programme in early summer 2020 with a total volume which has since risen to €2bn. According to the rules currently in place, creative artists and cultural institutions can be supported from the funding until 30 June 2023 (extended from the end of 2022). At present, New Start Culture consists of 74 individual programmes for different cultural fields, and is implemented by around 40 bodies disbursing funds (in particular, the Federal Culture Fund and business associations). It can be broken down into three areas:

Investment related to the pandemic by cultural institutions which are not predominantly publicly funded: e.g. funding for protective measures in the ticket-selling areas and rest rooms, and the installation or upgrading of ventilation equipment.

Maintenance and strengthening of the production and dissemination of culture: sector-specific programmes for institutions and individual applicants to enable cultural productions to take place in a pandemic in the fields of visual arts, films, literature/books/publishing/libraries, music, dance, theatre and cross-sectoral/other areas; the focus is on assistance for individual artists.

Pandemic-related additional requirements of cultural institutions receiving federal funding: in order to mitigate lockdown-related revenue losses and to cover additional pandemic-related spending by institutions receiving regular funding from the Federal Government Commissioner for Culture and the Media.

Further information is available at www.kulturstaatsministerin.de

2. The Federation's Special Fund for Cultural Events

The Federation's Special Fund for Cultural Events is designed as an addition to the above support instruments and is to help the cultural sector, in particular, to return to normal operations under the difficult conditions of the pandemic. The programme is being implemented on behalf of the Federal Ministry of Finance and the Federal Government Commissioner for Culture and the Media. Up to €2.5 billion is available to allow for cultural events to resume and to ensure that planning for these is possible. The Federation's Special Fund for Cultural Events consists of two modules: Assistance to make small-scale events economically viable gives cultural event organisers a grant towards the revenue from ticket sales where small-scale events have to be held with a reduced attendance, and insures private event organisers against cancellations. Since October 2021, voluntary capacity restrictions imposed on the basis of an in-house hygiene concept have been recognised as eligible for funding. This funding module has been extended from March 2022 until the end of 2022 (disbursements still possible in 2023). The cancellation insurance for major events with more than 2,000 participants covers 90% of the event-related costs when cancellations are due to the pandemic. This funding module also runs until the end of 2022 (disbursements still possible in 2023). All information can be found at: www.sonderfonds-kulturveranstaltungen.de.

3. Special Federal Fund for Trade Fairs and Exhibitions

The Special Federal Fund for Trade Fairs and Exhibitions is an insurance programme provided by the federal and Länder governments to help restart trade fairs and commercial exhibitions in Germany. The Special Federal Fund is designed to complement existing federal and Länder assistance and promotion programmes. The aim is to provide incentives for companies to organise and implement large commercial events which will also trigger positive effects in the downstream value chain.

These can be private or public companies that organise and hold trade fairs or exhibitions in Germany.

Funding applications may be made for trade fairs and exhibitions accompanied by a conference if the majority of the revenue is generated from the trade fair or exhibition part.

Should a ban on events be imposed to help curb the spread of COVID-19, the special fund will reimburse 80% of the damages incurred. The damages will be calculated as the difference between the costs of the event and the revenue generated despite the ban together with any insurance benefits and funding received. They shall be paid on the condition that the planned trade fair or exhibition is unable to be held due to a complete ban on events being imposed.

Cover can be provided for events scheduled to take place up to 30 September 2022, and the trade show or exhibition must be registered in advance on a central IT platform. The registration deadline ended on 28 February 2022. Disbursements for events registered within the deadline can still be requested up to 15 November 2022. Further details on registration and application can be found in the FAQs at <http://www.sonderfonds-messe.de>.

The legal basis for aid disbursed under the insurance programme is provided for by the Federal Framework for Commercial Events, available at: www.foerderdatenbank.de/FDB/Content/DE/Foerderprogramm/Bund/BMWi/bundesregelung-gewerbliche-veranstaltungen.html.

II. Aid for salaries and wages, tax payments

1. Tax measures

Certain medical devices and materials used to combat the COVID-19 pandemic (see [aid deliveries/donations of medical supplies](#)) can be imported into the EU duty-free and without the payment of import VAT until 31 December 2021.

2. Short-time work allowance

Short-time work allowance can be claimed where there is a lack of work, for instance as a result of empty order books or a disruption of the supply chain. In response to the pandemic, access to short-time work was simplified, the benefits improved and the entitlement period extended as of 1 March 2020.

The improved benefits and the extension of the entitlement period expired on 30 June 2022. Simplified access to short-time work continues to apply until 30 September 2022:

- Short-time work allowance can be disbursed if at least ten per cent of a company's workforce are affected by a lack of work. Prior to the outbreak of the COVID-19 pandemic, the threshold had been a third of the workforce.
- Also, employees are not required to accumulate any minus hours to prevent short-time work before being entitled to short-time work allowance.

The competent Employment Agency will ascertain on a case-by-case basis whether the requirements for short-time work allowance are met. A clearing point for difficult cases has been set up. Depending on the way that the SARS-CoV2 pandemic develops, Germany's coalition government will discuss the need to make further adjustments and extensions to short-time work assistance if necessary. You can find more information at <http://www.arbeitsagentur.de/m/corona-kurzarbeit>.

III. Cost-of-living aid

Basic social security benefits

Small-scale entrepreneurs and own-account workers in particular should not be forced to use up their savings or be at risk of losing their livelihoods. They will have quick and easy access to basic

security benefits pursuant to Social Code II, without the usual comprehensive means tests and without the need for them to give up their independent work.

The rules on simplified access to basic security benefits have been extended **until 31 December 2022** (previously 31 March 2022).

In detail, the following rules have applied since 1 March 2020:

- For new applications: **Simplified means test in that applicants must merely state** that they do not have any sizeable assets (for six months). Sizeable assets are deemed to exist if the sum of immediately realisable assets (cash and other liquid assets such as current accounts, savings books, jewellery, shares) exceeds €60,000 for the first household member to be taken into account and €30,000 for each additional household member to be taken into account. Classic pension products and business assets do not count towards the sum of sizeable assets. In the case of self-employed persons, assets can also be recognised as pension provision even if they are not invested in a typical way (e.g. securities accounts, savings accounts, etc.).
- **Actual** housing and heating **costs** to be approved in full, without requiring an adequacy test, for a period of six months.
- **Streamlined income tests** to speed up the approval of the benefits (for six months and on a provisional basis).

The contact points for these procedures are the local job centres. Further information at <https://www.arbeitsagentur.de/m/corona-grundsicherung/>.

IV. Further support measures

1. The Federal Government has a keen interest in preventing the COVID-19 crisis from turning into a vocational crisis for young people and resulting in a shortage of skilled labour, and has therefore taken action to implement No. 30 of the decision taken by the Coalition Committee on 3 June 2020, namely the **'Safeguard vocational training places'** programme. The overall volume of the programme is €725 million for the 2020-2022 period. This is to support and encourage SMEs that provide vocational training for occupations requiring such training or for integrated practical training for healthcare and social professions regulated under federal or Länder law to continue to provide that training and allow young people to continue and successfully complete their vocational training during the current period of economic difficulties. More specifically, the number of vocational training places is to be kept stable and – wherever possible – to be increased, short-time work for apprentices to be avoided, support given for training on-demand and training in cooperation with others, and action to be taken to ensure that apprentices working in a company that has to file for insolvency due to the pandemic can still complete their training. In addition, trainees can receive funding for exam preparation courses. For further information and for the application forms, please visit

<https://www.arbeitsagentur.de/unternehmen/finanziell/bundesprogramm-ausbildungsplaetze-sichern>; for information on funding for vocational training provided in cooperation with others and for exam preparation courses, please visit

https://www.kbs.de/DE/Bundesprogramm_Ausbildung/node.html.

2. Under the **Infection Protection Act**, there is also financial support for those affected by measures taken to protect the population against infection. As per section 56(1a) Infection Protection Act, employees and self-employed persons who are affected by school or child day-care

closures or the closure of facilities for people with disabilities are eligible for compensation if certain conditions are met (compensation in the case of a need to give active care). Employees or self-employed people who have lost income due to a quarantine measure imposed by the authorities or a ban on exercising their profession may also be eligible for compensation. The relevant requirements are set out in section 56(1) Infection Protection Act.

Employers must continue to pay their employees affected by such measures for six weeks. They can then claim the sum of this compensation payment back. Beginning from week 7 of the measure, employees can file their own application for compensation. Self-employed persons can file an application on their own behalf for the entire duration of the relevant period. Further information can be found at: www.ifsg-online.de.