



THE HEALTH MINISTRY ESTABLISHES PREVENTIVE MEASURES TO MITIGATE AND CONTROL THE EFFECTS OF COVID-19.

Through an Official Notice published yesterday (March 24), in the Official Gazette, the Health Ministry, established preventive measures, which are mandatory throughout the Mexican territory, to mitigate and control the risks that the Covid-19 implies. These preventive measures are mandatory to:

- Members of the National Health System¹;
- Civil Authorities;
- Military Authorities;
- Private individuals;
- Agencies and Entities of the Federal Public Administration (Executive Branch);
- Judicial Branch; and
- Legislative Branch.

The preventive measures came into force on March 24 and will be in force as indicated in the Official Notice, in accordance with the following:

Preventive Measure	Temporality	Territory / Region
Protection of groups at-risk	Without specific temporality	National
Protection of minors in school age	Until April 17,2020	National
Temporal suspension of activities	Until April 19,2020	National
Suspension of massive events, meetings and congregations of more than 100 people.	Until further notice	National
Compliance with the "National Social Distance Program"	Without specific temporality	National

The following are the specific preventive measures that shall be implemented:

- a) Protection of groups at-risk. Adults over 65 years old, pregnant women or in lactation period, children under 5 years old, disable people, people with chronic non transmissible diseases (people with high blood pressure, pulmonary, kidney failure, lupus, cancer, diabetes mellitus, obesity, liver or metabolic failure, heart disease), or with any disease or pharmacological treatment that results in the suppression of the immune system, will receive a paid leave, including salary and other benefits, to be absent from their workplace; in addition their attendance to public spaces and other crowded places is restricted. For the labor aspects derived from this measure, please refer to section II of this communication;
- b) <u>Protection of minors in school age</u>. School activities are temporarily suspended at all levels, until April 17, 2020, as established by the Ministry of Public Education;

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¹ Private, Social and Public sectors.

- c) <u>Temporally suspension.</u> Activities that involve physical concentration, transit or displacement of people are temporally suspended, until April 19, in accordance with the following:
 - For the *Public Sector*, the essential functions in charge of each institution will be determined by the administration and finance areas (or counterparts) to guarantee the continuity of the operation. In this regard, this measure applies to the three Branches of the Federal Government (Public Administration, Judicial Branch and Legislative Branch) and to the three levels of Government (Federal, Local and Municipalities);
 - For the *Private Sector*, it is established that all those companies, businesses and commercial establishments that "<u>are necessary to face the contingency</u>" may continue to operate, mentioning the following, by way of example:
 - o hospitals,
 - o clinics,
 - o pharmacies,
 - clinical laboratories,
 - medical services,
 - financial services,
 - telecommunications and media,
 - hotel and restaurant services,
 - o gas stations,
 - markets,
 - supermarkets,
 - miscellaneous,
 - Gas transportation and distribution services

As long as these activities are not carry out in closed spaces with crowds. It is important to mention that the list of activities is not exhaustive and therefore there is a place for each company to determine if its activity is necessary to face the contingency.

For the labor implications of this measure, please refer to section II of this communication.

- d) Suspension of massive events, meetings and congregations of more than 100 people; and
- e) Compliance with the "National Social Distance Program". Consisting of basic hygiene measures²

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²Frequent handwashing, sneezing or coughing by covering the mouth and nose with a disposable tissue or forearm; greet by applying the recommendations of healthy distance (avoid kissing, holding hands or hugging) and effective recovery for people with symptoms of Covid-19 (avoiding contact with other people, being in public spaces and maintaining healthy distance), during 15 days after the onset of the symptoms.

Finally, the possibility is left open to establish new sanitary measures as it is determined by the Ministry of Health.

II. Labor Aspects

In accordance with the Official Notice, employers are obliged to implement preventive measures against Covid-19, including those defined in the "National Social Distance Program", which aims at social distancing to mitigate the spread of the virus. The foregoing is based on Article 132 Section XIX Bis of the Federal Labor Law (FLL), which obliges employers to comply with the provisions issued by the competent authorities in the event of a health emergency, as well as to provide employees with the elements indicated by such authority to prevent contagion.

The measures comprise:

Paid leaves to the following vulnerable groups, without affecting their labor rights:

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- a. Senior adults, 65 years old and older
- b. Pregnant women
- c. Women in lactation period
- d. Employees with disabilities
- e. Employees with non-communicable chronic diseases (high blood pressure, pulmonary, kidney failure, lupus, cancer, diabetes mellitus, obesity, liver or metabolic failure, heart disease), or with any disease or pharmacological treatment that leads to the suppression of the immune system.

In this case, employment relationships will be maintained in accordance with individual employment agreements, collective bargaining agreements, collective agreement at industry level, or the General Terms and Conditions of Employment in terms of the Federal Labor Law and the Federal Law of Public Servants.

Galicia Comments

The Federal Labor Law states that, in case health contingency is declared, pregnant employees and those in lactation period, as well as employees under the age of 18 years old shall temporary suspend their work activities without affecting their salary, benefits and rights. There is no provision under the FLL in connection with senior adults, employees with disabilities or non-communicable chronic diseases.

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 Temporary suspension of activities in the public, private and social sectors which involve physical concentration, transit or displacement of people until April 19, 2020.

The abovementioned provision will not apply to companies, businesses, commercial establishments and all those that are deemed necessary to face the contingency, including as way of example hospitals, clinics, pharmacies, laboratories, medical services, financial services, telecommunications and information media, hotels and restaurants, gas stations, markets, supermarkets, miscellaneous, transport and gas distribution services, as long as they do not correspond crowded enclosed spaces.

Galicia Comments

The Official Notice does not refer to the applicable FLL provisions related to temporary suspension of work due to health contingency. The aforementioned allows for various interpretations on whether or not the payment of severance referred to in Article 427 Section VII of the FLL is applicable; such severance is equivalent to one minimum wage in force for each day that the suspension lasts.

Although the Official Notice does not define what should be understood by "physical concentration, transit or displacement of people", please note that according to public statements made by the Undersecretary of Health, Hugo López-Gattel, the purpose is "to temporarily suspend work activities that involve the mobilization and commuting from home to work".

In this sense, we consider that all those activities that do not involve physical concentration, transit or displacement of people, may continue to be performed and be compensated as usual, including remote work and home office.

Employers who need to suspend operations based on this Official Notice may convene, by mutual consent with each employee individually and/or with the union party to the collective bargaining agreement in force, the mechanisms and payment options during the suspension according to their own possibilities and economic capacity.

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