GMS Flash Alert



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Italy - Temporary Measures in Place to Deal with Outbreak of Covid-19

Following the confirmation of the first cases of Covid-19 in Italy, global mobility program managers may have some concerns about the safety and mobility implications for their assignees into and out of Italy. The response by Italy's government and by businesses could have consequences for immigration, social security, and tax, as well as the conduct of daily life. Some official measures and communications – as well as unofficial suggestions – have been issued by the Ministry of Health, the Italian Tax Agency, and other national and local authorities that are intended to reduce and control the spread of the Covid-19 (also referred to as "Coronavirus").¹

WHY THIS MATTERS

Immigration counsel, tax service providers, and global mobility program managers should keep abreast of developments in Italy, which are quickly unfolding. The government is taking the necessary steps to mitigate the spread of Covid-19 in Italy; however, these may have implications for employees moving into, out of, and around (internally) Italy.

Steps by Authorities, Public Bodies

Due to the presence of Covid-19 in some specific areas of northern Italy (southeast of Milan), national and local (in the Lombardy Region (southeast of Milan), and the Veneto Region) authorities have issued Decrees and informal updates starting from 21 February 2020, that deal with the presence of Covid-19 in Italy.² Currently, we have seen the following measures:

 People living in the specific towns at the centre of the epidemic have been prevented from leaving those towns, effectively being quarantined;

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- Restrictions are in force on entering towns where Covid-19 has been detected;
- Work activities in the area hit by Covid-19 have been stopped (except for essential activities);
- Workers living in the affected areas are prevented from working if they work in the same area where they live and
 if they work in a different area (flexible working is allowed).

In other parts of Lombardy, as yet not affected by Covid-19, as precautionary measures:

- Public shows and events have been suspended, for example football matches, band and other cultural performances (including at La Scala in Milan);
- Commercial activities (except for those of public interest, such as supermarkets, etc.) have been suspended;
- Schools and universities have been closed for the entire area.

KPMG NOTE

In general, public (governmental) offices are open, but the advice commonly given, at this stage, is if you need to go to a public office, that you should go only for very urgent matters. Offices may be less efficient and waiting times longer; moreover, appointments can be canceled with little or no advance notice. Some public offices are discouraging people from attending appointments if the matter is deemed non-urgent.

As a consequence, ongoing processing of files and new applications for work permits and other administrative matters may be delayed.

Schengen Agreement

The Italian government and the Ministry of Health stated that there is currently no need to suspend the Schengen Agreement on free movement.

News from the Embassy of Italy in China

On 24 February 2020, the Embassy of Italy in Beijing, China announced that all of Italy's Visa Application Centers in China are closed until 1 March 2020 inclusive. Updated information and communication will follow and interested parties should monitor the Embassy's website for further developments.³

Italy's Embassy and Consulates in China are open, but will provide services only for provable urgent cases.

KPMG NOTE

Official communications from the national health a\Authorities have announced the imposition of a quarantine period of 14 days regarding people who have been to China and to people who have been in contact with those diagnosed with the Covid-19. The aim of this and other measures is to avoid the further spread of Covid-19 throughout the country.

Recap of Latest Developments

Current measures:

- Quarantine period of 14 days for people who have been in touch with people diagnosed with Covid-19.
- Public offices are currently officially open, but they are discouraging ordinary and standard appointments. As a consequence, appointments can be deemed by the offices as non-urgent and appointments may be cancelled with little or no notice at their discretion.
- Organisations in the for-profit and non-profit sectors, as well as public offices, in the affected area are being encouraged to consider flexible working arrangements for their staff, including working remotely/from home (accommodations should be made for meetings and appointments that had been scheduled to be "in person").
- Access to and exit from the towns in the affected areas are not allowed at this time.

Impact:

- Processing time for ongoing administration, applications, and files may be delayed.
- Trips to and across Italy can be affected.
- Areas affected and at risk are essentially isolated from the rest of the country and economic activities are significantly curtailed or stopped altogether.

FOOTNOTES:

1 Ministero Della Salute ORDINANZA 21 febbraio 2020 Ulteriori misure profilattiche contro la diffusione della malattia infettiva COVID-19. (20A01220).

2 Decreto Del Presidente Del Consiglio Dei Ministri 23 febbraio 2020 Disposizioni attuative del decreto-legge 23 febbraio 2020, n. 6, recante misure urgenti in materia di contenimento e gestione dell'emergenza epidemiologica da COVID-19.

3 See the <u>webpage</u> for the Italian Embassy in the People's Republic of China (in Italian).

New Thought Leadership from KPMG: "Coronavirus: Protect Your Staff and Your Business"

The KPMG People Services team in the People's Republic of China has developed a <u>booklet</u> ("Coronavirus: Protect Your Staff and Your Business" (February 2020)) highlighting the key considerations for protecting globally-mobile staff and mitigating the impact on business operations from high level tax, legal, and immigration perspectives.

Contact us

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* Please note that KPMG LLP (U.S.) does not offer immigration services or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

The information contained in this newsletter was submitted by the KPMG International member firm in Italy.

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