

COVID-19 – PUBLIC POLICY IMPLICATIONS

12 - 16 March 2020

Summary

European Union



Number of cases: 51,771

Number of deaths: 2,316

- EU pledges EUR 25 billion to revitalise European economy in the midst of the coronavirus crisis
- The European Commission adopted an implemented act to protect the supply of personal protective equipment
- In addition, the Commission also published a set of guidelines for Member States with regards to border management measures
- Commission President von der Leyen announced a 30-day travel ban in the EU
- EMA provides full fee waivers for scientific advice applications from developers of potential therapeutics (to treat the disease) or vaccines (to prevent the disease) against the novel coronavirus disease (COVID-19).

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France



Number of cases: 5,423

Number of deaths: 127

- Seven MPs and two staff members infected by the virus, which generates fears about a contamination within the Parliament. Access to the National Assembly is limited for 2 weeks.
- Special measures will be taken regarding short time working arrangements, social security costs, taxes for companies, in order to mitigate the economic impact of the pandemic on businesses. The French government plans to inject EUR 30-40 billion into the economy.
- French President Emmanuel Macron announced the closure of all schools from 16 March.
- Prime Minister Edouard Philippe announced the closure of every public place non-essential to the life of the country on 14 March.
- The government decided to go ahead with the first ballot of the municipal elections on 15 March which was highly criticised.

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Germany



Number of cases: 4,838

Number of deaths: 12

- Germany closed its borders with France, Austria, Luxembourg, Switzerland and Denmark.
- The German government introduces the so-called “Bazooka”, a three-step financial plan to boost the German economy. The liquidity strategy provides German state bank KfW with EUR 20 billion.
- Companies are allowed to shorten the working time of employees as per the decision of the Bundestag.
- The federal state of Bavaria declared its state of emergency.
- State Minister Markus Söder announced to release grants of up to EUR 10 billion to ensure economic stability.
- The federal state of Baden-Württemberg closed all airports.

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Italy



Number of cases: 23,980

Number of deaths: 1,811

- The Italian government adopted an economic stimulus package of EUR 12 billion.
- Stricter measures were adopted for the entire country, all services and shops closed other than groceries, pharmacies, financial services and other services for ‘urgent need’.
- Donation of blood is still allowed amid nationwide lockdown.

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Spain



Number of cases: 7,753

Number of deaths: 288

- The Council of Ministers declared a state of emergency in Spain for a minimum period of 15 days.
- The Minister of Health reserves the possibility to intervene with industries, distributors or retailers.
- The central government of Spain will be in charge of all police and military forces in the country.
- Freedom of movement of all citizens is restricted.
- All retail shops (including bars and restaurants) are to be closed.
- All leisure activities shall be closed to the public.
- The Spanish government also announced an economic stimulus package of EUR 18 billion.

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United Kingdom



Number of cases: 1,391

Number of deaths: 35

- The UK has notably taken a more “relaxed” approach on restrictions than other European countries.
- The controversial “herd immunity” approach seeks to build up the immunity of the virus among the population through steady infection although this is not an official policy.
- The Government has been criticised for its approach in communicating information about its plans to deal with the pandemic.
- The Government will hold daily press conferences from 16 March to improve communication.
- A new draft emergency legislation will be presented before Parliament which would give the Government powers allowing police and immigration authorities to detail individuals suspected of having coronavirus.

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I. EUROPEAN UNION

- During a videoconference that took place on 10 March, the Commission received a mandate to further step up its response to the COVID-19 outbreak. The Commission President, Ursula von der Leyen, announced in a press release published on the same day that a team of epidemiologists and virologists from different Member States will be established to provide guidelines on the EU level.
- In addition, **the Commission is taking stock of the available protective equipment and respiratory devices as well as their production and distribution capacity**. EUR 140 million of public and private funding for research on vaccines, diagnosis and treatment has also be mobilised. The Commission President further stated that she will bring forward a Corona Response Investment Initiative directed at the healthcare systems, SMEs, labour markets and other vulnerable parts of our economies which will mobilise over EUR 25 billion to ensure liquidity and mitigate the economic fallout. In this context, a Task Force will be set up to work with Member States to ensure that the money starts flowing in the coming weeks.
- The Commission on 15 March adopted an implementing act to protect the availability of supplies of personal protective equipment (PPE), by requiring that exports of such equipment outside of the European Union are subject to an export authorisation by Member States. It will be valid for a six-week period.

Personal Protective Equipment covers equipment such as masks, protective spectacles and visors, face shields, mouth-nose protection and protective garments.

- On 16 March the European Commission published [guidelines to Member States on health-related border management measures](#) in the context of the COVID-19 emergency. Commission President von der Leyen's aim is to ensure the coronavirus is met with a European response rather than individual Member State responses in order to protect the internal market. With regards to border controls, the Commission states that people who are sick should not be denied entry but given access to healthcare. In addition, Member States must always admit their own citizens and residents, and should facilitate transit of other EU citizens and residents that are returning home. With regards to the circulation of goods, no additional certifications should be imposed on goods legally circulating within the EU single market. According to the European Food Safety Authority, there is no evidence that food is a source or a transmission source of COVID-19.

II. ITALY

- A decree¹ providing economic measures (equivalent to EUR 12 billion) for companies and workers facing the effects of the restrictive measures adopted by the Government is expected to be adopted by 13 March.
- Following the stringent measures of the Government which allow to leave the house only for proven professionals, health and necessity reasons, the Ministry of Health, in a document released on 9 March, clarified that donation of blood and blood components can be classified as "situation of need" and therefore donors are allowed to go to donation centres.²
- On 11 March, the PM signed a decree³ providing for new more stringent measures applicable to the entire territory until 25 March. These are the following:
 - Suspension of retail commercial activities, except grocery stores, pharmacies, para pharmacies, drugstores, newsagents, gas stations;
 - Suspension of activities of catering services (including bars, pubs, restaurants etc) but possibility of home delivery of food. The ban does not apply to food and drink establishments located in the service and refuelling areas located along the road, motorways and railway airport and hospitals and in canteens if the safety interpersonal distance of one meter is ensured.

¹ Rainews, 11 March, Available at: <http://www.rainews.it/dl/rainews/articoli/Coronavirus-Conte-Stanziati-fino-a-25-miliardi-per-emergenza-ok-a-scostamento-deficit-4a9093d5-1662-4338-8849-c4bd151cfabd.html>

² Ministry of Health, 10 March: <http://www.trovanorme.salute.gov.it/norme/renderNormsanPdf?anno=2020&codLeg=73637&parte=1%20&serie=null>

³ Decree Law of Council of Ministers, 11 March. Available at: <https://www.gazzettaufficiale.it/eli/id/2020/03/11/20A01605/sg>

- Suspension of activities relating to personal services (including hairdressers, barbers, beauticians).
- Banks, post offices and public offices remain open, as well as agricultural, livestock and agri-food processing activities, including the supply chains providing goods and services, also remain guaranteed.
- The Presidents of the Regions can reduce local public transport. In addition, the Ministry of Infrastructure, together with the Ministry of Health, can arrange programming with reduction and suppression of interregional automotive services and rail, air and sea transport services, on the basis of actual needs and for the sole purpose of ensuring the minimum essential service
- Companies are encouraged to incentivise holidays, paid leave and agile work.

III. FRANCE

- The French **National Assembly** has reported **seven MPs** and two staff members infected by the virus, generating fears about a contamination within the Parliament. Access to the National Assembly is limited for 2 weeks.
- The Minister of Finance announced on 9 March special measures regarding short time working arrangements, social security costs, tax for companies, in order to mitigate the economic impact of the pandemic on businesses.
- On 12 March, French President Emmanuel Macron announced the closure of all schools from 16 March, until further notice. He also asked people suffering from chronic diseases, handicaps, or who are over 70 years old, to stay at home as much as possible. He called everyone to limit travel and the use of public transport to the bare minimum. An economic plan was also announced to limit the effects of the pandemic on the companies. The decision was also made to go ahead with the first ballot of the municipal elections in France.
- On 14 March, Prime Minister Edouard Philippe announced a strengthening of the measures, considering the non-respect of the previous ones adopted by the French people. 'Step 3' of the prevention plan was triggered which will introduce more discipline. He announced the closure of every public place non-essential to the life of the country:
 - Complete suspension of retail business activities, except grocery stores, pharmacies, para pharmacies, drugstores, and gas stations,
 - Suspension of catering services (such as bars, pubs, restaurants etc) but food delivery continues to function,
 - Suspension of personal services (such as hairdressers, barbers, beauticians),
 - Some restrictions of public transport will be made in order to limit travel between cities,

- The closure, published by decree, is planned for a month.
- The first ballot of the municipal elections took place on 15 March with a record low turnout. The participation rate is estimated at 46%, which is 20 points lower than the previous election. The second ballot is planned take place on 22 March, but it is still under consideration by the government. The government's decision to hold the first ballot was highly criticised.
- The French Ministry of Economy is currently working on an economic stimulus package that will be adopted by the end of the month. This plan will oversee an amount between EUR 30 and 40 billion, in order to limit the negative impacts of the pandemic.
- A new Defence Council will be held at the Elysée Palace on 16 March to plan further measures to be adopted.
- On 16 March Emmanuel Macron met Ursula von der Leyen (President of the European Commission), Angela Merkel and Charles Michel (President of the European Council) to discuss coordinated border control.

IV. GERMANY

- On 13 March, Federal Minister of Finance Olaf Scholz and Federal Minister of Economic Affairs Peter Altmaier held a press conference on the implications of COVID-19 on the German economy. Both ministers announced to set free the so-called “Bazooka” including a **three-step financial plan**. Firstly, short term financial measures such as grants by the German state bank and the relief of short-term working will be established. Secondly, the extension and flexibility of financial grants will be enhanced. Thirdly, in a case of severe economic issues due to the interruption of global supply chains because of COVID-19, the German Federal government aims to create economic stimulus programmes to prevent the decline of large-scale production.
- As such, a **liquidity strategy** was released that initially provides German state bank KfW with EUR 20 billion. According to Mr. Scholz and Mr. Altmaier the total number of monetary credits the KfW is allowed to grant is without limit. The measures particularly aim to support German small and medium enterprises (SMEs). Moreover, Mr. Scholz explained that the revision of the German state budget and a supplementary budget, respectively, might be a possible measure to mitigate the economic impact of COVID-19. According to the minister, even new debts for additional financial instruments might be plausible. Mr. Altmaier moreover explained that a temporary state participation in companies could be an additional instrument to be implemented.
- This is in line with the announcement made by Chancellor Angela Merkel after a meeting with German trade associations. She explained that even the German “black zero” financial policy could be softened. With the black zero approach, the German Federal government aimed to prevent any additional national debt in the state budget. She said that the German government will take all measures necessary to stabilise the financial markets. In reaction to these announcements, the German DAX increased by nearly 8% for a brief period. Additionally, Angela Merkel encouraged the general public to limit social contacts to the largest extent possible.

- Prior to that, both Chambers the German Bundestag and the German Bundesrat agreed to introduce '**short-time working**' in a fast-track legislative process. This means companies are allowed to shorten the working time of employees if a disruption of production occurs. In these cases, the national state grants short-time working allowances.
- On 16 March, **Germany closed its borders with France, Austria, Luxembourg, Switzerland and Denmark relating to the movement of private persons**. Exemptions are made for those who commute between the borders. The movement of goods remains stable.
- On 16 March, the **federal state of Bavaria declared its state of emergency**. Consequently, all public facilities including schools and kindergarten remain closed. The general public life is limited. State Minister Markus Söder announced to release grants of up to EUR 10 billion to ensure economic stability.
- On 16 March, the federal state of Baden-Württemberg closed all airports.

V. SPAIN

- On 14 March, the Council of Ministers declared a [state of emergency](#) in Spain for a minimum period of 15 days as of 14 March. The state of emergency is the least extreme measure included in the Spanish Constitution that the government can take within an emergency context. It has only been used once so far, in 2010, to face an air traffic controllers strike. The other two possible constitutional measures are the state of exception and the state of siege.
- The state of emergency applies to the whole Spanish territory. The most relevant measures adopted in the [decree](#) are as follows:
 - The government will be the only competent authority.
 - The Minister of Health, the Minister of Defence, the Minister of Home Affairs, the Minister of Transport and the Minister of Health will be delegated competent authorities.
 - The Minister of Health reserves the possibility to intervene industries, distributors or retailers to ensure enough supply and avoid shortages in basic products, including food and pharmaceutical products. This includes the possibility to intervene private hospitals and other health care centres.
 - The central government of Spain will be in charge of all police and military forces in the country under a sole central command, in order to ensure the enforcement of these measures.
 - Freedom of movement of all citizens is restricted solely to:
 - Going to work and back home,
 - Going to buy groceries, hygiene products, medicinal products or basic needs,

- Going to health care centres,
- Attending dependent people, the elderly or particularly vulnerable people (for informal and formal carers),
- Going to banks and other financial centres,
- Due to force majeure or extreme need,
- Any other movement similar to the aforementioned with proper justification.
- All retail shops (including bars and restaurants) are to be closed with the exception of:
 - Grocery shops (including food for pets),
 - Press and tobacco shops (kiosks),
 - Hygiene products shops,
 - Laundry services and hairdressers.
- All leisure activities shall be closed to the public, including cultural and artistic centres, sports, public festivals, etc.
- Public transports are reduced to 50% of their services. Private companies offering public transports should also halve their services.
- Education services in person are suspended and on-line programmes are encouraged.
- Home office is encouraged in any case unless it is essential for the work.
- Mass services and cult centres can remain open with extreme capacity reductions to ensure at least 1m of distance between persons.
- Any private asset can be temporarily confiscated by the government to ensure safety and operation of essential and critical services.
- Although the state of emergency is declared for 15 days until 28 March, it can be extended for another 15 days upon approval of the Congress of Deputies. José Luis Ábalos, Minister for Transport, has recently stated the state of emergency will most likely be extended until 12 April. During this period, Parliamentary chambers cannot be dissolved, and the central government has encouraged regions with upcoming elections in early April (Basque Country and Galicia) to postpone them.
- After the state of emergency was declared, 9 ministerial orders and a legal instruction were issued to further define the abovementioned decree. The Ministry of Health released several ministerial orders as follows:
 - A [ministerial order](#) to increase human capacities in hospitals and health centres.

- A [ministerial order](#) to receive updated information from producers and/or suppliers, based in Spain, of health products such as face masks, COVID-19 diagnostic kits, swabs, safety glasses, nitrile gloves, disposable and waterproof coats, hydroalcoholic solution (biocide and cosmetic) and its raw materials, invasive mechanical ventilation devices, sanitary alcohols, chlorhexidine etc.
- A [ministerial order](#) to receive updated information from autonomous communities on containment measures put into place at regional and local level, including:
 - Restrictions on the freedom of movement of people,
 - Establishments, equipment and activities closed to the public or suspended,
 - State of the supply of products necessary for the protection of public health.
- The government has launched a public awareness campaign to urge citizens to stay at home, apply hygienic measures and keep a security distance of 1 metre with other individuals. The campaign is taking over in social media under the name “We all stop this virus”.
- On 12 March, the government launched an [economic plan](#) to mitigate the negative impact of COVID-19 for the Spanish economy. The plan includes EUR 18.2 billion for 2020 made available by the government to strengthen the health sector, protect the wellbeing of families and provide support to companies, namely in the tourism sector and to SMEs. The measures are aligned with the actions agreed by international organisations in recent days, in particular the European Commission. The measures for the health sector are as follows: EUR 1 billion will be allocated to a contingency fund to cover additional expenses, and EUR 2.8 billion will be transferred in advance to the regions. Additionally, the central government will be able to set prices to some essential products to face COVID-19 and, exceptionally, the Interministerial Commission for Prices of Medicines (CIPM) could set the maximum price of market sale of certain medicines and products.

VI. UNITED KINGDOM

- The UK Government has come under pressure to provide more information and a clearer explanation on its approach to managing coronavirus, with the country seemingly taking a different approach to other developed nations. While similar nations are enacting measures to severely prevent community transmission of the virus, including city-wide lockdowns such as closing schools, care homes, restricting travel, and banning mass-gatherings, the UK has notably taken a more “relaxed” approach on restrictions. The Government’s approach accepts the inevitability of mass-transmission of the virus and seeks to delay transmission, enacting measures to severely limit the spread of the virus once the healthcare system nears capacity. This approach is untested and controversial but is designed to allow the NHS to cope with the number of cases in intensive care, protect the most vulnerable through isolation, and avoid subsequent ‘waves’ of transmission when severe social restrictions are inevitably relaxed. The “herd immunity” approach described by the

Government's Chief Scientific Adviser seeks to build up the immunity of the virus among the population through steady infection but is not the Government's policy according to Health Secretary Matt Hancock MP.

- Additional criticism came after Health Secretary Matt Hancock MP published an article communicating the Government's response to the coronavirus pandemic in the Telegraph newspaper, with the online version being inaccessible to most behind a paywall⁴. Health Minister Nadine Dorries MP also published an article on her experience of COVID-19 behind a paywall, prompting outcries from MPs and journalists on Twitter.
- Labour's Shadow Health Secretary Jonathan Ashworth MP has called on the Government to immediately publish the data and modelling behind its assessments and approach, for fear of a lack of transparency.
- The House of Commons' Health and Social Care Committee will hold an emergency evidence session to clarify the Government's approach to COVID-19, inviting the Government's Chief Scientific Adviser and the head of NHS England to explain its plans⁵.
- The Government will hold daily press conferences from 16 March to improve communication, with the Government's Chief Medical Adviser Professor Chris Whitty and Chief Scientific Adviser Sir Patrick Vallance taking the lead. A COBR, Civil Contingencies Committee, meeting will take place on the afternoon of 16 March to coordinate the next phase of the Government's response.
- Over the weekend (14-15 March), the Government have been criticised for its approach in communicating information about its plans to deal with the pandemic. Several Government "sources" selectively briefed journalists on potential measures to deal with COVID-19, including⁶:
 - People over aged 70 to be instructed to stay in strict isolation for four months under a "wartime-style" mobilisation effort likely to be enforced within the next 20 days
 - The forced requisitioning of hotels and other buildings as temporary hospitals
 - The requisitioning of private hospitals as emergency hospitals
 - Temporary closure of pubs, bars and restaurants
 - A national emergency effort for manufacturers to produce ventilators/respirators

⁴ The Telegraph, <https://www.telegraph.co.uk/politics/2020/03/14/must-do-everything-power-protect-lives/>

⁵ Health and Social Care Committee, <https://www.parliament.uk/business/committees/committees-a-z/commons-select/health-and-social-care-committee/news/nhs-plans-coronavirus-epidemic-19-21/>

⁶ ITV News, <https://www.itv.com/news/2020-03-14/elderly-to-be-quarantined-for-four-months-in-wartime-style-mobilisation-to-combat-coronavirus/>

- The closure of schools, with limited staff available to care for children of parents in the NHS and emergency services
- On 17 March, new draft emergency legislation will be presented before Parliament which would give the Government powers allowing police and immigration authorities to detail individuals suspected of having coronavirus, including to stop any vehicle, train, vessel, or aircraft, as well as the lowering of standards in care homes to accommodate limited staff numbers, alter death requirements, lower standards for medical professional recruits, and altering the terms of the Mental Health Act to remove requirements on the number of doctors in clinics⁷. The Official Opposition is broadly supportive of the measures, but the Government have yet to formally outline the powers and nature of the Bill, which will be enforced for two-years upon Royal Assent and only on the recommendation of scientific advice.

⁷ The i News, <https://inews.co.uk/news/coronavirus-uk-police-powers-detain-suspected-covid-19-emergency-law-2450654>