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TREND

Editorial

Dear readers,

During this difficult period, it is impossible to not speak about the unprecedented crisis we are facing. Both Switzerland and Japan are affected, not in the same way, but in both cases the epidemic has led to unprecedented decisions whose consequences will last during several months.

JETRO's core mission is to support companies. In times of need such as these, we will therefore do our best to help as much as possible.

In this edition, we have tried to summarize useful information for companies in Switzerland, give you a snapshot of the situation in Japan, and provide you with more cheerful news and ideas.

Stay safe!

JETRO Geneva

Switzerland takes exceptional measures to support SMEs

At the moment, Switzerland is one of the most seriously affected countries around the world.

In order to slow down the spread of the virus in the country – the now well-known concept of "flattening the curve" – the Federal Council, based on the 2012 epidemic law, declared the situation as being exceptional, allowing the government to take unprecedented measures, i.e., forcing the shutdown of schools, bars, restaurants, and any non-essential business.

The Federal Council introduced an economic comprehensive plan to alleviate the economic impact of the coronavirus outbreak on SMEs.

"We cannot save everyone", admitted the Vice-President Guy Parmelin, but the tools we are making available will help many companies.

Short-time working compensation (immediate payroll relief)

The Federal Council eased the use of short-time working compensation

(Kurzarbeitsentschädigung or réduction de l'horaire de travail). This already existing tool allows companies facing a difficult situation with exogenous origins to temporarily reduce the working time of their staff. During this period, the salary is partially covered by the unemployment insurance.

Thanks to this tool, the working contract is not broken. The employees keep their jobs, and the company keeps its qualified and quickly mobilizable workforce.

- Through the COVID-19 Ordinance on unemployment insurance, many restrictions have been removed.
- No prior notice is necessary

anymore, and the compensation package will be immediately provided.

- The form has been considerably simplified.
- There is no more need to first compensate the extra-hours
- Salaries are covered up to 80% for full-working inability (no change)
- Those measures are now applicable to temporary workers and interns too.
- The maximum period covered increases from 3 to 6 months.
- Owners of sole proprietorships can also benefit from the compensation
- Employees from the same family can now benefit from the compensation as well.

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Switzerland takes exceptional measures to support SMEs

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- family can now benefit of a compensation as well

According to State Secretary Ineichen-Fleisch 15% of the workforce in Switzerland is benefiting from this tool, that equals to around 50,000 companies and more than 700,000 employees (as of March 28).

How to benefit from the compensation package?

Companies can find the short-time working compensation form on SECO's website "work.swiss" (arbeit.swiss / travail.swiss). Any company that had to reduce their staff's working hours because of the coronavirus pandemic, can ask for a compensation.

Up to 80% of staff salaries will be covered by unemployment insurance. It is important, however, that working contracts are still in place. In case they have been terminated, this option is no longer possible, and salaries will have to be paid during the usual notification period.

Short-time working compensation is therefore the most effective way to immediately reduce the burden of the payroll that will be covered by the unemployment insurance.

Bridging Credit facilities secured by the Confederation

Right now, due to the Covid-19 crisis, many companies are risking liquidity shortfalls. The Federal Council has introduced bridging credit facilities to help SMEs with their liquidity issues, resulting in a reduced turnover.

A delegation of the parliament has



Swiss President Simonetta Sommaruga during a [press conference](#)

unlocked 20 billion Swiss francs that will provide a 100% state guarantee credit of up to 500,000 francs at a 0% interest rate. The Confederation guarantees 85% of this amount, whereas the remaining 15% will be provided by the bank of the company in question. In this case, the interest rate is 0.5%.

Concretely, companies can ask their usual bank for a credit representing 10% of their annual turnover (up to maximum 20 million).

Great efforts have been made to make the procedure as easy and quick as possible, and a request form is available at covid19.easygov.swiss. SMEs can fill in the form within a couple of minutes, print it, sign it, and send it to their usual bank. For loans of less than 500,000 francs, the money is unlocked within a couple of hours.

Credit facilities have been available since March 26. According to the SECO, 6.6 billion have already been granted in the past four days.

Other measures

The comprehensive package also includes other tools that can be used by companies to cushion the economic impact of the coronavirus pandemic.

Among other measures, debt enforcement procedures have been suspended until mid-April, usual terms for rent payments have been extended - the deadline for filing tax returns has been pushed to May 31.

Furthermore, the usual procedure has been simplified for those who are unemployed, and the maximum covering period during which they can get subsidies has also been extended.

Cantonal and communal aid

In addition, many cantons or communes have taken additional measures. For instance, the city of Geneva has decided to give up claiming rent payments for commercial activities operating in buildings owned by the city. The Canton of Zurich is providing specific funds to self-unemployed people, who are often left out of the Federal package, as well as to non-profit organisations.

We strongly recommend everyone facing difficulties to seek information from the various hotlines and websites of the Confederation, cantons, and communes to get as much support as possible during this troubled period.

Support small business, buy locally

Solidarity is important, especially during such difficult times. Many nice initiatives have popped up all over the country. Some of them are focusing on small businesses that have been badly hit by the crisis and the restriction measures implemented to stem it. This is also true for small Japanese grocery shops, bars, restaurants, etc. Help is mostly coming from family businesses that are providing food and meals to those who must still go out for work. The economic measures do not entirely cover for the decrease of those small shops' turnover. Many of them are still partially operating. Grocery shops

are often still open despite the situation, and many restaurants are adapting, offering take-away or delivery services. We can help them by buying from them.

They are here for us, so let us be there for them.

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The situation in Japan

Currently, the coronavirus epidemic in Japan seems to be more under control than in other countries. With less than 2000 cases, Japan's response to the outbreak seems to have been efficient, considering its population density and its close proximity with China. However, the situation remains tense. The country has the oldest population and some of the densest urban areas in the world. These are both aggravating factors that force Japan to be on the alert. As a matter of fact, over the last few days the number of cases increased more rapidly than during the previous weeks. The situation is under control, but it proves that constant efforts must be made until the pandemic is over. Therefore, authorities are asking people to refrain from doing unnecessary outside activities in the main urban areas. This recommendation unfortunately collided with the very popular hanami (cherry blossoms viewing).



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Olympic Games postponed to 2021

Last week, the Cabinet Office, the Tokyo 2020 organising committee, and the International Olympic Committee (IOC) reached the conclusion that the Tokyo 2020 Olympic and Paralympic Games had to be postponed.

With the global spread of the epidemic, this decision, however diffi-

cult, had become inevitable. As Prime Minister Abe said, the security of the athletes is the top priority. At this point, it is unlikely that the epidemic will be over by the summer. Plus, the current situation makes it really hard for athletes to prepare properly.

Therefore, the Games will be post-

poned by one year and start on July 23, 2021. Prime Minister Abe and the IOC President, Mr. Bach, agreed that next year the Olympic Games will be celebrating humanity for having overcome this crisis. The Olympics will become the light at the end of the tunnel.

Source: [Tokyo 2020 and IOC](#)

行事

EVENT

文化

CULTURE

More time to enjoy Japanese culture

One of the consequences of the epidemic and the measures taken by the Government to address the crisis is that many cultural events have been cancelled or postponed. With regards to the Japanese-related ones, [Polymanga](#) in Montreux, for instance, has been postponed to August (7-10). Some events are on hold, such as the [Ginmaku Movie Festival](#) in Zurich (originally scheduled for mid-June). Some others unfortunately had to be cancelled, such as the first Japan-Fest in Biel.

Nevertheless, almost all of us have more time to spend at home, whether because we cannot work, or simply because almost everything is closed. Therefore, the following is a short, and not exhaustive, list of suggestions for people willing to enjoy Japanese culture from their home.

We are starting with the most famous contemporary Japanese author, Mr. Haruki Murakami. Mr. Murakami has written dozens of books, all translated in many languages. Murakami's work is a subtle mix of reality and fantasy. Often considered for the Nobel Prize in Literature, he has not yet won one.

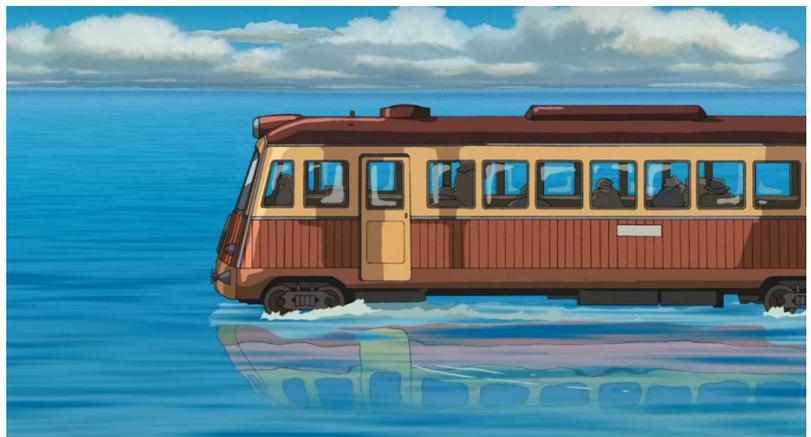
Mr. Yasunari Kawabata and Mr. Kenzaburo Ôe, instead, have received the prestigious international award in 1968 and 1994 respectively. Radically different in their styles, these writers undoubtedly were two pillars of 20th century literature.

For those of you interested in the history of Japan, Ryôtarô Shiba will take you 150 years in the past to explore the fascinating period of the Meiji revolution. "The Last Shogun: The Life of Tokugawa Yoshinobu" is a very good start, and one of the few of Shiba's books that have been translated so far. This overview would not be complete without naming Ms. Yôko Ogawa and Ms. Sawako Ariyoshi, two immensely talented and popular authors whose work has also

been translated in many languages. Several movies have been made based on their work. Ms. Ariyoshi's *The River Ki* (紀ノ川) is certainly the book I enjoyed the most out of those I read over the last two years.

For Netflix subscribers, the media-services provider recently added most of Miyazaki's movies to its platform. Every single movie is a poetic and emotional masterpiece. Definitely less poetic, but highly practical, *Tidying Up with Marie Kondo*, which offers effective organizing methods to declutter your home, is also available on the streaming service.

Take advantage of the lockdown to get rid of some unnecessary stuff and make your home a neat one!



A scene from Miyazaki's Spirit Away (千と千尋の神隠し)

JETRO is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world. Originally established in 1958 to promote Japanese exports abroad, JETRO's core focus in the 21st century has shifted toward promoting foreign direct investment into Japan and helping small to medium size Japanese firms maximize their global export potential.

The JETRO Switzerland Newsletter can also be viewed and/or downloaded online: <http://www.jetro.go.jp/switzerland/newsletter>

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