

# Introduction

The COVID-19 pandemic is an unprecedented humanitarian and economic crisis. The mining industry has sought to respond quickly to protect the health of its employees and its communities. These steps are in response to (and often ahead of) emergency measures and lockdowns implemented by governments across the world to control the spread of the pandemic.

Government measures targeting the mining industry have to achieve a fine balance. Mine sites must be operated differently now in order to protect employees and guidelines have been issued on health screening, personal protective equipment and social distancing. On the other hand, most governments recognise that mining cannot stop completely. Mining companies play a critical role in protecting jobs, offering accommodation and health services to employees and the community, and meeting community needs like water supply. Mining is essential for many parts of everyday life from power plants to medical equipment. Some level of activity will also be essential to safely monitor tailings facilities and mines in care and maintenance.

Our team of mining experts are working together with firms across the globe, to track and compare government responses, whether these take the form of legislation, government guidance, regulator statements or resolutions by industry bodies.

In this second edition, we cover 18 jurisdictions. We will aim to update this resource on an ongoing basis so please check the version on our website (<a href="https://www.hsf.com/covid19mining">www.hsf.com/covid19mining</a>) for updates.

### Key areas of focus in this resource are:

- Restrictions currently in place on mining operations, including absolute lockdowns, partial suspensions, restrictions on production, social distancing rules and other such restrictions which directly affect miners' ability to operate in each jurisdiction.
- Exceptions for mining operations, including (for example) continued transport of goods, security operations, and more significant operations that cannot be easily shut down and restarted.
- Insights on any future policy decisions including expected duration of restrictions and proposed changes or relaxations.
- Impact on associated activities and the broader supply chain such as measures affecting suppliers, essential services (water, hospitals), transport of goods (ports, border closures) and support for employees.



# **Emerging Themes**

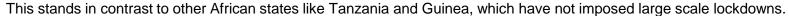


Asia Pacific: Australia, Indonesia and India - While mining in Australia has had to make a number of adaptions, the mining industry in Australia is operating at usual levels. This is the result of careful and ongoing engagement with government and recognition by federal and state governments of the mining industry as an essential service. Mining companies and unions have been in close collaboration during this time and significant steps have been taken to make personnel and communities safe such that there have been no outbreaks at mine sites. Emergency measures are now being progressively relaxed across Australia.

Like Australia, India and Indonesia are also gradually relaxing restrictions. In India, zones of high infection rates are drawn up on a local level and industrial activities in these areas are subject to stricter restrictions; although in most states mining is permitted unless the site is in a "containment zone". Similarly, restrictions are in applied in Indonesia at the regional and local level (described as "large-scale social distancing" rather than a "lockdown"). Despite, or perhaps partly due to, the crisis, both countries implemented significant changes to mining policy. Indonesia made sweeping changes to its mining law in May. In June, India announced plans to auction coal mining licenses to non-state owned companies for the first time.

### Botswana, Namibia, South Africa and Zimbabwe

Government responses in these jurisdictions reflect the heavy reliance of these economies on mining. While each of the four jurisdictions we have examined implemented national lockdowns, in some form or another, mining has been permitted to continue, and mining has been amongst the first of industries where lockdown carve-outs and exemptions have been implemented.



South Africa, having implemented one of the most restrictive lockdown regimes in the world, initially allowed mining of coal (to fuel its coal fired power stations), and limited mining activities in relation to gold and platinum-group metals, to the extent needed for medical equipment or otherwise to avoid turning off smelters. This has recently been relaxed to allow all mining activities to resume at full capacity and full employment provided that they comply with health and safety measures. Maintaining those measures, which include reducing the density of workplaces, in the deep level underground mines of Southern Africa is going to present a distinct challenge. These mines are typically labour intensive operations with significantly lower levels of automation when compared with mines in many developed economies.

Similarly, Botswana, Zimbabwe and Namibia are now all permitting mining operations, but subject to strict health and safety precautions.

### Kenya, Guinea and Rwanda

Mining operations are allowed to function in Kenya, subject to the restrictions on movement during curfew hours (currently 9pm to 4am). However, restrictions on travel between certain regions in Kenya continue. After a period of strict restrictions in Rwanda where mining was halted, the government has now allowed mining to resume subject to detailed health safeguards. Guinea is unique – there is no official lockdown. Instead, the government has encouraged people to work from home where possible and imposed travel restrictions in the Conarky area



# **Emerging Themes**



### **EMEA: Russia and the United Kingdom**

In Russia, the federal government has imposed a temporary shut down of businesses except for "companies operating continuously" which in most regions, includes mining companies. This is the case in major mining regions such as Kemerovo Oblast, Yakutia and Primorsky Krai. Travel restrictions within regions are also in place.

Mining operations are encouraged to operate in the UK now. All workplaces must ensure that they are 'COVID-19 Secure' and follow government and the Health and Safety Executive's guidance. The government has made reference to Site Operating Procedures published by the construction industry in the context of mining operations as well. Overall, general relaxations are being implemented gradually across the constituent nations of the UK.



### North America: Canada and USA (NY, TX, CA)

In Canada, Ontario, Quebec, British Colombia and the Northwest Territories have declared mining an essential service and operations are permitted under specific safety guidelines. In the Northwest Territory, special attention has been given to travel restrictions and workers are permitted to travel into and out of the territory. Quebec has issued statements requiring self-isolation for a period of 14 days after returning from outside Quebec. There are efforts to protect workers in remote work camps and local, isolated communities.

In the US, Federal Government guidance has classified workers in the mining sector as essential critical infrastructure workers. This classification has been adopted in Texas and California but no specific classification has been adopted in New York. Restrictions on non-essential travel and businesses remain in force but at varying levels between states.



### Latin America: Argentina, Brazil, Chile and Peru

At the federal level in Brazil, mining is regarded as an essential function that is permitted to function during the lockdown. While a recent decision by the State of Goiás to suspend industrial activities may extend to mining operations, mining operations are allowed to continue in Minas Gerais and Rio de Janeiro subject to implementing safety measures. Some general restrictions, such as quarantine measures, are slowly being lifted. In Peru, the government has authorised the restart of some mining activities, after mining titleholders comply with certain specific dispositions. Amongst others, these include the preparation of a prevention plan, which will be used by the authorities to carry out actions of control and supervision. The transportation of related goods continues to be allowed.

A state of emergency has been declared in Chile with restrictions on movement and work which may apply to mining operations. Mining has been declared an essential service in Argentina at the federal level. The National Secretariat of Mines has issued recommendations that related to the level of activities at mines and safety measures for employees. A biosecurity protocol has been published by the Chamber of Mining Business setting out best practices for safety.

# Impact on the future of the mining industry

The industry has been focused on its people, the communities it operates in and the broader impact of its actions in response to the crisis. ESG concerns were already acutely in focus prior to the pandemic and have been key factors in assessing how to respond and recover.

With the implementation of emergency measures and the resultant lock downs and reductions in some operations, the emphasis has necessarily shifted more towards the "S" in ESG (the "social" part), including a closer consideration of business and human rights. This focus on ESG will continue post-crisis, although there may well be different levels of emphasis on the various component parts than before.

## Looking further forward, a number of more specific changes brought about by COVID-19 may stay including:



Regular health screenings both onsite and also at airports



Reduction in fly-in-flyout (FIFO) workforces, and greater regional location



Move offsite of some services



Greater remote working for corporate offices



Changes to procurement of essential items, including more collaborative engagements



Air travel agreements will likely move more toward charter arrangements



Re-imagination of labour arrangements for the better (but there is scope for industrial disputation)

The crisis is likely to significantly delay mining companies' roll out of larger scale autonomous operations, as for the foreseeable future it may be considered politically or socially unpalatable to reduce workforce numbers materially.

That said, crises fuel innovation and create the conditions for expanded levels of creativity and problem solving. For those parts of the industry already focussed on innovation there will emerge new ways of thinking about old problems. This may in turn drive greater levels of collaboration in the industry, especially where issues such as health are concerned.

There will be an important policy question as to the impact of the crisis on underground mining, especially in less developed countries where there may be less access to healthcare and screenings, and where operations are less automated.

Major mining companies will likely take a leadership role in defining and setting the standards for the levels of health screenings and healthcare adopted at mine sites, and how, as part of the their ESG policies, they contribute to the solutions required to deal with the pandemic. This has happened with previous health crises where mining companies took leadership roles in e.g. HIV/AIDS and TB testing and treatment.



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RESTRICTIONS ON MINING OPERATIONS

# Australia, Canada, UK and USA

### Australia

(Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)
Last updated: 12 June 2020

Emergency measures have been introduced in Australia at a Federal and State and Territory levels.

### **Federal**

The Governor-General recently extended the human biosecurity emergency period to 17 September 2020. During this period, the Health Minister has emergency powers that allow for restricting the activities of businesses.

In May 2020, the Federal Government has released a three-step plan to recovery from COVID-19, which provides different recommendations for easing restrictions in three phases. States and Territories will implement this plan at different times based on local conditions. Each step will be subject to review by the National Cabinet every three weeks.

However, Australia's borders remain closed to all non-residents. On 25 March 2020, the Health Minister determined that an Australian citizen or permanent resident must not travel outside of Australia (by air or sea).

The Federal Minister has also <u>restricted</u> entry to certain remote Aboriginal and Torres Strait Islander communities in South Australia. Similar restrictions in place in the Northern Territory and Western Australia were eased on 5 June 2020, and restrictions in place in Queensland are due to ease from 12 June 2020).

### **Australian States and Territories**

Each of the States and Territories have implemented strict quarantine measures for individuals who have been diagnosed with COVID-19 or have returned to Australia from overseas. All non-essential activities and mass gatherings are subject to varying degrees of restrictions.

Queensland and Western Australia have closed their borders (with some exceptions), Tasmania, the Northern Territory and South Australia have the additional requirement of a 14 day self-quarantine period for interstate entrants. Constitutional challenges have been instituted in the High Court of Australia against

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

Last updated: 11 June 2020

A state of emergency has not been formally declared by the Federal government, but powers under other legislation have been invoked. In the mining jurisdictions of Ontario, Quebec, British Columbia and the Northwest Territories analysed here, a state of emergency or public health emergency has been adopted and remains in effect.

### Federal

The Canadian federal government has the ability to declare emergencies under the Emergencies Act but has not yet done so.

On March 25, the Governor-General issued an order mandating all travellers returning to Canada to go into self-isolation for 14 days. On April 14, 2020, an updated order under the Quarantine Act was issued with further restrictions and quarantine protocols.

The Public Health Agency of Canada has advised against non-essential travel outside of Canada until further notice. On March 18, Canada imposed a travel ban on foreign nationals from all countries (other than workers who will provide essential service while in Canada) except the United States, and on March 20 the U.S./Canada land border restricted all non-essential (tourism or recreational) travel. Trade is allowed, and this has not been restricted to "essential trade or essential services".

On May 21, an updated Order was issued which continues to prohibit entry into Canada by foreign nationals arriving from the United States (U.S.), with some limited exceptions, for optional or discretionary purposes, including tourism, recreation, and entertainment.

### Ontario

The Government of Ontario declared a <u>state of emergency</u> on March 17 and has issued <u>orders</u> mandating the closure of all non-essential workplaces and prohibiting gatherings of more than five people. In addition to emergency orders, directives and guidance have been issued recommending social distancing and avoiding non-essential travel outside the home.

On June 8, the Government of Ontario <u>announced</u> a region by region approach to move into Stage 2 re-openings.

**United Kingdom** 

(England and Wales)

(Herbert Smith Freehills)
Last updated: 16 June 2020

The Government has so far coordinated its response through a combination of the following:

Primary legislation: by passing the Coronavirus Act 2020 (effective 25 March 2020), which gives the Government the power to pass regulations or make ministerial directions as a response to the Covid-19 crisis. The Scottish Parliament has separately passed the Coronavirus (Scotland) Act under its devolved powers to supplement the UK-wide Act.

Subordinate legislation: by introducing over 100 Regulations through powers given under both existing and new primary legislation. The Health Protection (Coronavirus, Restrictions) (England) Regulations 2020 dealing with restrictions on movement, and mandating the closure of pubs and other leisure hubs, is the key set of Regulations (the "lockdown Regulations") by which the lockdown measures have been enforced in England. It has been amended four times. Going forward, subordinate legislation may also be made in the form of ministerial directions.

There is a variation between the regulations applicable in England, and regulations introduced under devolved powers in Wales, Northern Ireland, and Scotland.

Government guidance: such as the Key Worker Guidance and Staying Alert and Safe Guidance. Guidance has often recommended significant measures/requirements beyond the actual legal obligations imposed by the regulations. The previous Stay at Home Guidance has been withdrawn.

**Executive statements**: such as the Prime Minister's announcement on Friday 20 March ordering the closure of pubs, restaurants, cafes, cinemas, gyms, and other leisure statements.

These powers have been used to create a number of measures that provide for the closure of certain listed businesses; social distancing rules such as restrictions on movement and travel; and restrictions on gatherings.

USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

Emergency measures have been introduced in the United States at both Federal and State levels.

### **Federal**

President Trump has issued since January 2020 a series of Proclamations (including nos. 9984, 9992, 9993 and 9996) suspending entry in the United States to nearly all foreign nationals who have been in China, Iran, and certain European countries (including the UK) during the 14-day period preceding their entry or attempted entry into the United States.

The Department of Homeland Security has further issued <u>Notice of Arrival Restrictions</u>, outlining the process for American citizens, legal permanent residents, and their immediate families who are returning to the United States after visiting such countries.

The United States have further reached agreements with both <u>Canada</u> and <u>Mexico</u> to limit all non-essential travel across borders. Individuals traveling to work in the United States and individuals engaged in lawful crossborder trade, such as truck drivers supporting the movement of cargo, are exempt and will not be impacted by this measure.

On March 13, 2020, President Trump declared a <u>national emergency</u> for all states, tribes, territories and the District of Columbia.

On March 31, 2020, the US Department of State raised its global health advisory to Level 4, the highest level, and advised to avoid all international travel. The advisory also stated that, if they are in countries where commercial departure options remain available, US citizens who live in the United States should arrange for immediate return to the United States, unless they are prepared to remain abroad for an indefinite period. US citizens who live abroad should avoid all international travel.

### **New York**

On March 7, 2020, the Governor of New York, Andrew Cuomo, issued <u>Executive Order No.</u> 202 declaring a Disaster Emergency in the State of New York.

Governor Cuomo issued a number of executive orders in response to the COVID-19 outbreak.

# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)
Last updated: 12 June 2020

the border restrictions in place in Western Australia and Queensland.

Following the announcement of the Federal Government's three-step plan, the States and Territories have released roadmaps which provide guidance on the gradual relaxation of restrictions, including the reopening of non-essential businesses and the reintroduction of public gatherings. As noted above, the pace and extent to which restrictions are relaxed will be based on local conditions in each jurisdiction.

### **New South Wales**

A public health emergency has not been declared in NSW. Rather, the NSW Government has been exercising its general emergency powers under the *Public Health Act 2010 (NSW)* in response to COVID-19, including to enforce restrictions on public gatherings, movement and operation of non-essential businesses.

NSW commenced easing restrictions as part of step 1 from 15 May 2020 and implemented further measures relaxing restrictions on 1 June 2020. The remaining step of the Federal Government's plan will be considered in due course.

### **Northern Territory**

The Northern Territory declared a <u>public health</u> <u>emergency</u> on 18 March 2020, and the government has used its powers to enforce restrictions on travel into and within the Northern Territory, to close non-essential businesses and to restrict gatherings of people.

On 7 May 2020, the Northern Territory Government released its three step Roadmap to the new normal which outlines the gradual easing of restrictions. Step 3 of the Roadmap commenced on 5 June 2020.

### Queensland

Queensland recently extended the public health emergency declaration to 17 August 2020. In the period since the initial declaration was made, the Queensland Government has used its powers to close non-essential businesses, place restrictions on interstate travellers (including closing its border save for limited excepted categories of persons) and mass gatherings and to require residents not to leave their principal place of residence except

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

Last updated: 11 June 2020

### Quebec

The Government of Quebec declared a <u>state of emergency</u> under the Public Health Act on March 13 and has issued orders mandating the closure of all non-essential workplaces and requiring open businesses that may remain open to maintain, if possible, a distance of 2 m between workers. On March 28, an <u>order</u> restricting travel to certain regions of Quebec and requiring self-isolation if entering or leaving these areas was issued.

The Government of Quebec has undertaken a phased relaxing of restrictions since May 1, including the reopening of certain enterprises supporting the mining sector on May 6.

### **British Columbia**

The Government of British Columbia declared a state of emergency on March 18 and has issued orders mandating the closure of all non-essential workplaces and prohibiting gatherings of more than fifty people. Guidance has been issued regarding physical distancing rules and enforcement thereof.

Since May 6, the Government of British Columbia has undertaken a phased relaxation of restrictions.

### **Northwest Territories**

The Government of the Northwest Territories declared a <u>state of emergency</u> of March 18 and a <u>travel prohibition</u> into the territory was issued on March 22. On April 11, an <u>order</u> banning public gatherings and closing certain business by category was issued.

On May 15, the Government of the Northwest Territories issued an Order implementing the first phase of a stage reopening. Travel restrictions remain in place.

# United Kingdom (England and Wales)

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### USA

(Federal, New York, California and Texas)

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These include Executive Order No. 202.3, issued on March 16, 2020, ordering that any bar or restaurant in the State of New York cease serving food or beverage on-premises, and closure of video lottery gaming or casino gaming facilities, gyms, movie theatres; and Executive Order No. 202.8, issued on March 20, 2020, ordering non-essential businesses reduce its in-person workforce at any work location by 100%, and utilize, to the maximum extent possible, any telecommuting or work from home procedures.

### California

On March 4, 2020, the Governor of California, Gavin Newsom, <u>proclaimed a State of Emergency</u>.

Governor Newsom issued a number of executive orders in response to the COVID-19 outbreak. These include <a href="Executive Order N-33-20">Executive Order N-33-20</a>, issued on March 19, 2020, ordering all individuals living in the State of California to stay at home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors.

### Texas

On March 13, 2020, the Governor of Texas, Greg Abbott, <u>declared the state of disaster for</u> all counties in Texas.

Governor Abbott issued a number of executive orders in response to the COVID-19 outbreak. These include the Executive Order Implementing Essential Services And Activities Protocols, issued on March 31, 2020, ordering that every person in Texas minimize social gatherings and in-person contact, except where necessary to provide or obtain essential services.

# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)

Last updated: 12 June 2020

to accomplish specified permitted purposes, such as obtaining food, medical treatment, for physical exercise or to perform work that cannot be performed from the person's residence.

On 8 May 2020, the Queensland Premier released Queensland's Roadmap to Easing COVID-19 restrictions which outlines a three-step approach to relaxing restrictions. Stage 1 of the Roadmap commenced on 16 May 2020 and Stage 2 commenced on 1 June 2020. Before transitioning between stages, an assessment of the impact of relaxing restrictions (including consideration of public health advice) will be undertaken to ensure any transition would not present an undue risk. The Queensland Government has indicated that it intends to review its existing border restrictions at the end of each stage of the Roadmap.

### **South Australia**

South Australia declared COVID-19 to be a major emergency on 22 March 2020. The major emergency period declaration was most recently extended for a 28 day period from 30 May 2020. In the period since the initial declaration was made, South Australia has used its powers to close non-essential businesses, place restrictions on interstate travel and limit the size of gatherings.

On 8 May 2020, the South Australian Government released its Roadmap for Easing COVID-19 Restrictions which outlines a two-step approach to relaxing restrictions, with consideration of further steps to follow. Step 1 of the Roadmap commenced on 11 May 2020 and Step 2 was implemented on 1 June 2020. The South Australian Government has indicated that public health advice, economic factors and community considerations (among others) will inform the transition to later steps in the Roadmap.

### **Tasmania**

The Tasmanian Premier <u>declared a state of emergency</u> on 17 March 2020 (effective for a period of 12 weeks), which restricted the operation of some non-essential businesses and other operations and has <u>directed</u> that residents do not leave their primary place of residence except for specific permitted purposes, such as such as obtaining food, medical treatment, for physical exercise or to

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

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# United Kingdom

(England and Wales)
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### USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

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# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)

Last updated: 12 June 2020

perform work that cannot be performed from the person's residence. Tasmania's public health state of emergency was extended by 12 weeks commencing 8 June 2020.

On 8 May 2020, the Tasmanian Premier released a Roadmap to Recovery, providing that from 11 May 2020 restrictions in Tasmania would start being eased. Stage 1 of the Roadmap commenced on 18 May and Stage 2 commenced on 5 June 2020. Each stage is subject to Public Health advice and gradually lifts existing restrictions.

### Victoria

Victoria initially declared a state of emergency on 16 March 2020 and has extended that period of that declaration to 21 June 2020. In the period since the declaration was made, the Victorian Government has restricted the operation of non-essential businesses, limited the bases on which persons are permitted to leave their primary place of residence.

On 11 May 2020, the Victorian Premier announced the gradual easing of restrictions to movement, gatherings and non-essential businesses. Restrictions were further eased on 31 May 2020.

### Western Australia

Western Australia declared a state of emergency on 15 March 2020 in relation to the COVID-19 pandemic and has recently extended the state of emergency to 25 June 2020. A public health state of emergency was declared on 23 March 2020 and has recently been extended to 17 June 2020. In the period since the declarations have been made, the Western Australian government has restricted the operation of non-essential businesses and limited regional travel within the state.

On 9 May 2020, the Western Australian Government released its <u>COVID-19 WA Roadmap</u> which is a four phase plan providing for the gradual lifting of restrictions from 27 April 2020. Phase 3 of the Roadmap commenced on 6 June 2020, and involved the further relaxation of regional travel restrictions.

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

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# United Kingdom

(England and Wales)

(Herbert Smith Freehills)

Last updated: 16 June 2020

### USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

RESTRICTIONS ON MINING OPERATIONS

### **Australia**

# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)
Last updated: 12 June 2020

The above measures generally apply to mining operations, however a number of general exemptions which may apply and specific exemptions have been provided.

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

Last updated: 11 June 2020

### Federal

Mining operations, including closed or suspended operations, are included in services and functions deemed essential to Canada's critical infrastructure. This designation is guidance only, and individual provinces and territories may make conflicting designations.

### Ontario

Mining operations are considered an essential service and are permitted to remain open. Specific safety <u>guidance</u> for workers in the mining sector has been released.

### Quebec

Mining operations were added to the list of essential services permitted to remain open on April 15, after being excluded from the March 24 order. No mining specific guidance has been provided by the Government of Quebec.

### **British Columbia**

Mining operations are considered an essential service and are permitted to remain open. The provincial government has released <u>guidance</u> specific to mining and smelting operations.

### **Northwest Territories**

Mining operations are considered an essential service and are permitted to remain open (subject to compliance with applicable orders for mining operations). Exceptions for mining operations have been included in the travel prohibition. On May 12, updated incentives supporting the mining industry were introduced in response to negative impacts arising from the COVID-19 pandemic.

# United Kingdom

(England and Wales)

(Herbert Smith Freehills)
Last updated: 16 June 2020

As of 16 June 2020, the UK lockdown has been significantly eased to allow the reopening of certain non-essential businesses and outdoor attractions, and to allow a wider range of public gatherings.

The above measures and guidelines generally apply to mining operations. Practically, people are still being encouraged to avoid non-essential use of public transport. However, the focus has changed from simply asking people to work from home where possible to actively encouraging workers to travel to work if their workplace is open and their jobs cannot be done from home. Workplaces are now expected to be 'COVID-19' Secure. Even though COVID-19 Secure standards have been set out in government guidance (which is ordinarily not enforceable), the Health and Safety Executive has issued the following statement:

Where HSE identifies employers who are not taking action to comply with the relevant public health legislation and guidance to control public health risks, eg employers not taking appropriate action to socially distance or ensure workers in the shielded category can follow the NHS advice to self-isolate for the period specified, we will consider taking a range of actions to improve control of workplace risks. These actions include the provision of specific advice to employers through to issuing enforcement notices to help secure improvements with the guidance.

It is therefore important that any mining operations are carried out in a manner that meets the guidance as far as practicable. The COVID-19 Secure guidance has specific sections on Construction and other outdoor work as well as guidance for operating factories, plants and warehouses.

Separately to the lockdown Regulations, the UK government has also published regulations requiring members of the public to wear face coverings (unless that person has a reasonable excuse) whilst using public transport (such as buses, trains, the London Underground, trams, aircraft and water taxis). This may also be relevant to mining operations.

There are a number of other points to think about for the mining industry if it is looking to get people back to work. An overview of the key issues is available on our webinar here.

### USA

(Federal, New York, California and Texas)
(Herbert Smith Freehills)

Last updated: 19 May 2020

The above measures generally apply to mining operations, however a number of general exemptions which may apply and specific exemptions have been provided.

**EXEMPTIONS AVAILABLE FOR MINING OPERATIONS** 

### Australia

# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)
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### **Federal**

Australian citizens or permanent residents will only be allowed to travel outside of Australia in very limited circumstances, including if they are ordinarily the resident of another country or if travel is associated with essential work at an offshore facility.

As set out below, the states and territories have taken different approaches with respect to border closures. NSW, Victoria and the ACT have no border restrictions in place for interstate travel, while the other states have enacted such restrictions, but with certain exemptions. However, all states and territories have committed to the continued provision of services and freight operations and cross-border travel for workers in occupations delivering essential goods and services.

### **New South Wales**

Unlike some of the other States, <u>NSW</u> has not closed its borders. From 1 June 2020, the NSW Government lifted restrictions on non-essential regional travel within NSW. There is also no restriction on movement of heavy vehicles transporting freight in or around Australia.

### **Northern Territory**

Persons entering the Northern Territory must complete a mandatory 14 day quarantine unless they are eligible for an exemption. While there is a general exemption in place for persons involved in transport, freight and logistics, there is no general exemption available for mining personnel.

### Queensland

Only Queensland residents and a person considered an 'exempt person' will be allowed to enter Queensland. Persons who are considered an 'exempt person' include people who provide crucial services to Queensland including:

- national/state security;
- · essential health and emergency services;
- · transport of goods or freight;
- critical maintenance/repair to critical infrastructure;
- construction/mining/energy/agribusinesse s.

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

Last updated: 11 June 2020

Mining operations, including closed or suspended operations, are included in services and functions deemed <u>essential</u> to Canada's critical infrastructure in guidance provided by the Public Health Agency. This designation is guidance only, and individual provinces and territories may make conflicting designations. To date, each of the jurisdictions covered by this summary continue to designate mining operations as essential businesses.

# United Kingdom (England and Wales)

(Herbert Smith Freehills)
Last updated: 16 June 2020

The latest amendments to the key lockdown Regulations mean that non-essential retail shops have been allowed to reopen, along with outdoor attractions. However, the businesses that are still listed in Part 2, Schedule 2 of the lockdown Regulations – such as spas, hair salons, cinemas and theatres and a number of other indoor leisure facilities – must remain shut.

Mining operations do not fall within the list of businesses that must remain close.

Further changes are expected on 4 July 2020, and in general, the measures must be reviewed every 28 days.

### USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

As set out above, individuals will be allowed to travel to and from the United States in limited circumstances, depending on whether they are traveling from and to.

Travel between the United States and Canada and Mexico is permitted for individuals traveling for work.

Essential businesses are exempt from the restrictions in the States of New York, California and Texas. The three States have different designations of what constitutes an essential business. As set out in detail below, there are specific exemptions that may apply to certain mining operations.

# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)

Last updated: 12 June 2020

As of midnight on 4 April 2020, Queensland has restricted all interstate FIFO workers apart from those that hold statutory positions and "critical workers" approved by the Queensland Chief Medical officer (list available here).

Residents and exempt persons returning from overseas or from a COVID-19 "hotspot" interstate are required to self-quarantine for 14 days (though the requirement for exempt persons to self-quarantine after arriving from a COVID-19 hotspot does not apply to FIFO workers travelling directly to work).

On 12 June 2020, the Queensland Government indicated it would consider relaxing border restrictions on 10 July 2020.

### South Australia

A person is not required to comply with the directions on cross-border travel (which otherwise require self-quarantine) if they are "essential travellers" which includes:

- Government officials and defence personnel in the conduct of their duties and roles:
- healthcare workers requested to assist in the provision of health services to South Australia:
- persons who provide transport and freight services within and out of South Australia; and
- specialists with skills critical to maintaining key industries or businesses persons who primarily reside or work in South Australia and travel for work purposes for regular periods according to established schedules, such as FIFO workers.

Mining, oil and gas production operations are considered key industries. However, the employers of essential travellers are required to apply risk mitigation strategies during periods of work.

On 12 June 2020, the South Australian Government indicated it would relax border restrictions on 20 July 2020.

### **Tasmania**

A person is not required to comply with the directions on crossing Tasmanian borders if they are "specified persons" (i.e. travelling for "work that is essential for the proper functioning

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

Last updated: 11 June 2020

# United Kingdom (England and Wales)

(Herbert Smith Freehills)

Last updated: 16 June 2020

### USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

### (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills) Last updated: 12 June 2020

of the state"). As set out in the travel direction, this includes:

- senior Government officials;
- · healthcare workers requested to return to
- "any person who in the carriage of his or her duties is responsible for provision of transport or freight and logistics into, within and out of Tasmania";
- · "any specialists required for industry or business continuity and maintenance of competitive operations where the appropriate skills are not available in Tasmania"; and
- "any person, who, in the carriage of his or her duties, is responsible, while in Tasmania, for critical maintenance or repair

However, specified persons will only be strict criteria. They must also comply with the

### Victoria

There are no border restrictions in Victoria. From 1 June 2020, the Victorian Government

### Western Australia

A person is not permitted to enter Western Australia unless the person is an "exempt traveller", which includes FIFO workers and of 14 days self-quarantine on entering Western Australia. Restrictions on regional travel were lifted on 5 June 2020, however some restrictions on entry to remote Aboriginal communities remain in place.

### Canada

(Federal, Ontario, Quebec British Columbia **Northwest Territories**)

(Torys LLP)

Last updated: 11 June 2020

# **United Kingdom** (England and Wales)

(Herbert Smith Freehills) Last updated: 16 June 2020

### USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

- of infrastructure critical to Tasmania".

exempt from 14 day quarantine if they meet quarantine conditions listed in the direction.

lifted restrictions on regional travel within Victoria.

their families, provided they complete a period

# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)

Last updated: 12 June 2020

### Federal

On 26 March 2020, the Federal Government made the Biosecurity (Human Biosecurity Emergency) (Human Coronavirus with Pandemic Potential) (Emergency Requirements for Remote Communities) Determination 2020, which was subsequently amended most recently on 10 June 2020. That determination prohibits persons entering certain designated areas, being remote communities in South Australia unless an exception applies, including carrying out commercial primary production in an area such as mining operations or operations ancillary to mining operations. This determination previously applied to designated areas in Queensland, Western Australia and the Northern Territory but the restrictions have since been relaxed.

### **New South Wales**

In <u>NSW</u> mining sites are exempt from restrictions on gatherings.

### **Northern Territory**

In the Northern Territory, as at 1 May 2020, restrictions on gatherings have been revoked. Previously, however mining sites / accommodation had been exempted from the relevant measures on mass gatherings and public gatherings.

Workers in mining/energy businesses are exempt from the measures on interstate travellers, provided that the company has a plan to manage the transmission of COVID-19 approved by the Chief Health Officer. FIFO workers must apply for an exemption. The exemption will be granted for a period relevant to the nature of the service provided by the organisation requesting the exemption (i.e. an exemption for a fly in fly out workforce will be granted an exemption for a period of time, such as several months).

### Queensland

In Queensland, mining sites/resource extraction sites are exempt from restrictions on gatherings.

In relation to the restrictions on interstate travellers, workers in mining/petroleum businesses must apply for a Queensland Entry Pass (unless driving a heavy vehicle through

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

Last updated: 11 June 2020

In each of Ontario, Quebec, British Columbia and the Northwest Territories, mining operations are exempt from relevant regulations on public gatherings and business closure orders.

The Northwest Territories is the only relevant provincial or territorial jurisdiction that has imposed travel restrictions on entering the jurisdiction. Workers at mineral sites are exempt from this prohibition. Quebec has issued statements requiring self-isolation for a period of 14 days after returning from outside Quebec.

The Northwest Territories has issued an <u>order</u> outlining the conditions on which mining camps may continue to operate. This is reflective of a significant legislative and practical focus on the issues generated by remote work camps with transient work forces coming into the Northwest Territories and the potential impact on local, isolated communities, including First Nations communities.

# United Kingdom (England and Wales)

(Herbert Smith Freehills)
Last updated: 16 June 2020

### USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

### **Federal**

The US Department of Homeland Security's Cybersecurity & Infrastructure Security Agency has listed in its <u>Guidance on the Essential</u> <u>Critical Infrastructure Workforce</u> workers in the mining sector as essential critical infrastructure workers vital to the national effort against the COVID-19 pandemic. The Guidance is advisory in nature, and is intended to support state, local and industry partners in identifying essential critical infrastructure workers. As set out below, version 2.0 of the essential critical workers list was adopted by the Governor of Texas to designate essential services.

### **New York**

Mining operations are not specifically included in the list of essential businesses or entities issued by the <a href="State Guidance">State Guidance</a>. However, the list includes, within the essential manufacturing category, operations manufacturing any parts of components necessary for essential products that are referenced within the Guidance. Therefore, this may include, for example, mining operations providing parts or components for the medical supply chain.

### California

With <u>Executive Order N-33-20</u>, Governor Newsom designated a list of <u>Essential Critical Infrastructure Workers</u> exempt from the stay at home order. These include:

employees of companies engaged in the production of substances used by the food and agriculture industry, including **minerals**;

 workers necessary for the manufacturing of materials and products needed for medical supply chains, transportation, energy communications, food and agriculture, chemical manufacturing, nuclear facilities, the operation of dams, water and wastewater treatment, emergency services, and the defense industrial base.

### Texas

Essential services exempt from the stay at home order consist of everything listed by the US Department of Homeland Security in its Guidance on the Essential Critical Infrastructure Workforce, Version 2.0. These include workers necessary for mining and production of critical minerals, materials and associated essential supply chains, and

# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)

Last updated: 12 June 2020

the border). FIFO workers who hold statutory position or that are classed as "critical" by Queensland's Chief Health Officer are also exempt, but must prove they are FIFO workers entering Queensland to go directly to work, and the company must provide a health plan complying with the Chief Health Officer's requirements.

From 12 June 2020, the federally designated biosecurity areas in Queensland have been removed. In their place, the Queensland Government has implemented <u>directions</u> which restrict entry to the remote Aboriginal communities specified. Under these directions, a person may only these areas if they are performing an essential activity, including the carrying out of mining operations or operations ancillary to mining operations, and possess a Queensland risk management plan (if required under the direction).

### **South Australia**

In South Australia, gatherings at mining or construction sites that are necessary for the normal operation of those premises are excluded from the definition of prohibited gatherings.

FIFO workers in South Australia will be exempt from requirements of keeping a record of close contacts and other measures concerning interstate travellers provided their employers are applying appropriate mitigation strategies during periods of work.

Workers required to access federally designated biosecurity areas to perform an essential activity must apply for permission to enter from a human biosecurity officer. Workers must self-isolate for 14 days prior to entering the designated area.

### **Tasmania**

In Tasmania, mining sites are exempt from the <u>restrictions on gatherings.</u>

Workers in mining businesses will be exempt from measures concerning interstate travelers where they are specialists required for industry or business continuity and maintenance, and other criteria and conditions are met and complied with.

### Victoria

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

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Last updated: 16 June 2020

### USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

workers engaged in the manufacture and maintenance of equipment and other infrastructure necessary for mining production and distribution.

INSIGHTS INTO FUTURE POLICY DECISIONS

### **Australia**

### (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)

Last updated: 12 June 2020

In Victoria, there are currently no specific exemptions to the directions to stay at home or on restricted activities for mining sites or operations. However, workers would likely be able to leave their premises to work at mining sites as it would not be reasonably practicable for them to do so from their premises, provided they comply with physical distancing and hygiene practices.

### Western Australia

In Western Australia, mining sites and mining site accommodation are exempt from the restrictions on gatherings.

State and federal governments have defined the resources sector as an 'essential' industry to keep people working.

Industry bodies such as the Minerals Council of Australia and Queensland Resources Council, Chamber of Minerals and Energy of Western Australia are liaising with Government and releasing updates to members. In Western Australia, the Chamber of Minerals and Energy and the Western Australian Government (via the Department of Premier and Cabinet) released an agreed Framework for COVID-19 in the Resources Sector on 24 March 2020 and a supporting Implementation Plan in April 2020 to provide guidance to the energy and resources sector on continued operations during COVID-19.

Unions, industry bodies and Government cooperated to enable work to continue wherever possible as Australia went into restrictions. For example, the Minerals Council of Australia, AWU and CFMEU released a joint statement on 2 April 2020 which appears to suggest union support for changed work

### Canada

(Federal, Ontario, Quebec British Columbia **Northwest Territories)** 

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# **United Kingdom** (England and Wales)

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### **USA**

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

From 5 June 2020, the federally designated biosecurity areas within Western Australia were lifted. In their place, the Western Australian Government has implemented directions which restrict entry to specified remote Aboriginal communities (as specified in the direction). Under these directions, a person may only enter the land or waters within a Remote Aboriginal Community if they are supplying essential, community or human services and supplies, including the carrying out of mining operations or operations ancillary to mining operations.

> Industry and government are working together to mitigate the risks faced by mining operations, particularly in remote areas and FIFO operations. Many operators have taken proactive steps within their operations and in relation to local communities, including First Nations communities. This includes guidance in line with physical distancing and self-isolation practices. To date, the Northwest Territories has introduced the most specific procedures for mining operations, as discussed above.

> While each of the covered jurisdictions has undertaken a phased relaxation of restrictions generally, the measures undertaken to mitigate the risks faced by mining operations, particularly in remote areas and FIFO operations remain in place.

In March, the Business Secretary reiterated in an open letter to the construction industry (which additionally referenced those producing mineral products) that operations can continue. The open letter includes reference to the Site Operating Procedures (SOP) that have been published by the Construction Leadership Council that act as further guidelines in this area.

The SOP include guidance on maintaining compliance with social distancing guidelines whilst on construction sites, site access points, and eating arrangements, and provision of PPE (both disposable and PPE that would normally otherwise be shared). These should be considered alongside the COVID-Secure guidance linked above.

The US Department of Labor's Mine Safety and Health Administration (MSHA) issued a Response to COVID-19. This includes advising mine operators and miners to avoid close contact and refrain from crowding personnel carriers, hoists and elevators, or other means of transportation at the mine.

The National Mining Association (NMA) applauded the inclusion of mineworkers in the Guidance on Essential Critical Infrastructure Workers by the US Department of Homeland Security, and held that mining underpins every aspect of the US economy, providing the metals, minerals and coal that are essential to nearly every sector identified as critical infrastructure under DHS' Cybersecurity and Infrastructure Security Agency (CISA) National Infrastructure Protection Plan.

INSIGHTS INTO FUTURE POLICY DECISIONS

### Australia

### (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)

Last updated: 12 June 2020

rosters due to COVID-19 restrictions. That position is holding, but there is potential for tensions to appear concerning returns to normal arrangements - including timing. Large numbers of workers relocated to avoid 'hard border' closures, and those that could not were placed on various leave arrangements. Normalising those arrangements is a

### Canada

(Federal, Ontario, Quebec British Columbia **Northwest Territories**)

(Torys LLP)

Last updated: 11 June 2020

# **United Kingdom** (England and Wales)

(Herbert Smith Freehills) Last updated: 16 June 2020

### **USA**

(Federal, New York, California and Texas) (Herbert Smith Freehills) Last updated: 19 May 2020

significant task.

Government focus in Australia at a federal and state level is now shifting towards economic recovery from COVID-19. The Federal government announced a "3 Step Framework for a COVIDSafe Australia" on 8 May that broadly sets the approach to easing restrictions implemented by the States and Territories. The framework is intended as a guide - States and Territories can adopt measures that suit the conditions on the ground.

Federal and State governments have also foreshadowed structural reforms in light of COVID-19. This includes discussions regarding the reform of inefficient State-based taxes such as stamp duty and payroll tax, and regulation aimed at facilitating economic recovery.

State governments are fast tracking approvals for projects and announcing programs of government spending on projects intended to create jobs.

The Federal Government has also granted limited temporary relief to listed companies and officers from continuous disclosure obligations, in the form of narrowing the circumstances in which liability for non-disclosure can arise.

It had initially been reported that the UK Government is considering adopting a different approach under which it will specify which construction projects may remain open.

### **Federal**

President Trump has announced the Guidelines for Opening Up America Again, divided in three phases. In Phase One, employers would still encourage telework, whenever possible and feasible with business operations, and if possible, return to work in phases. Non-essential travel would still be minimized, and the CDC guidelines on isolation following travel would still be adhered to. In Phase Two, telework would still be encouraged, whenever possible and feasible with business operations, and non-essential travel may resume. In Phase Three, unrestricted staffing of worksites may resume.

### **New York**

The restrictions applicable to non-essential businesses have been extended by **Executive** Order No. 202.18 until May 15, 2020, unless later extended by a future executive order.

### California

California's Executive Order does not have a set end date. Governor Newsom outlined a framework based on six critical indicators that the State will consider before modifying the stay at home order. These include the ability of the hospital and health system to handle surges, as well as the ability for businesses,

# Activities required to support mining

### Australia

(Federal, States and Territories (excluding ACT))

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### Canada

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### **USA**

(Federal, New York, California and Texas)

(Herbert Smith Freehills) Last updated: 19 May 2020

schools, and child care facilities to support physical distancing.

### **Federal**

Maritime crew (including any person required to be part of a crew operating a commercial vessel or offshore installation) in Australia waters who arrive in Australia on an international maritime voyage within 14 days from their last international port of call are required to comply with the following:

- · crew must remain on board while the vessel is berthed in Australia;
- · crew may disembark to conduct essential vessel functions and must wear PPE;
- · crew should restrict interaction with noncrew members:
- crew may leave the vessel within 14 days in certain limited circumstances (such as to depart Australia by air).

These requirements apply until 14 days have elapsed since the vessel departed its last foreign port, where there are no reports of crew being or having been unwell.

### States and territories

The States and Territories have largely taken a similar approach to the Federal government. However, some maritime/port authorities have issued further guidance on entry to their ports, while others have imposed additional

The exemptions for critical industries including mining operations include exemptions for critical supply lines to such industry.

### Texas

Governor Abbott issued on April 17, 2020, an Executive Order to Safely and Strategically Reopen Select Services and Activities in Texas. Starting from April 24, 2020, restrictions shall not apply to "essential services" (as defined above) and to "reopened services", consisting of retail services that are not "essential services", but that may be provided through pickup, delivery by mail, or delivery to the customer's doorstep.

(Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)

Last updated: 12 June 2020

restrictions, requirements and conditions to

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

Last updated: 11 June 2020

# **United Kingdom**

(England and Wales)

(Herbert Smith Freehills)

Last updated: 16 June 2020

# USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

IMPACT ON ASSOCIATED ACTIVITIES

### **Australia**

# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)
Last updated: 12 June 2020

### Federal

The Federal Government has announced support packages for small businesses, and increases to job search pay and early access to superannuation for employees.

Absences can be managed through personal (sick or carer's) leave, annual or long service leave, extra paid leave, unpaid leave, or stand down without pay.

Employers must consult on redundancies and major workplace change for permanent employees and should check requirements for casuals and contractors.

### **Northern Territory**

The Northern Territory has introduced several initiatives to support certain businesses including providing access to concessions such as payroll tax, utilities, rents and rates.

### **New South Wales**

NSW has implemented payroll and other tax deferrals. A number of other stimulus measures have been made available in NSW to support businesses, health services, rent and utilities payments.

### Queensland

Queensland permits businesses affected by COVID-19 to apply for deferral of payroll tax for the 2020 calendar year.

### South Australia

South Australia has implemented payroll tax relief for certain businesses and has made available other funding to support businesses.

### Tasmania

Tasmania introduced a number of business support measures, stimulus packages for certain industries and tax relief packages in an effort to assist businesses affected by coronavirus, including deferral of payroll tax.

### Victoria

Victoria has introduced a payroll tax exemption for additional payments made under the JobKeeper program. A number of support measures and funding initiatives have also been introduced for small businesses impacted by COVID-19.

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

Last updated: 11 June 2020

### **Federal**

The federal government has introduced wage support, through a 75% wage subsidy for qualifying business and a 10% temporary wage support available immediately. They have also extended the time frame for the filing and payment of income taxes and a deferral on the payments of sales taxes and customs duties until June 30, 2020.

They have also introduced credit support measures through the provision of additional credit from government business development banks to eligible borrowers.

The federal government has also announced financial support for measures by territorial governments (including the Northwest Territories) to keep air service operational.

### Ontario

The Ontario provincial government has announced relief for five months from interest and penalties on late payment of provincial taxes. They have also announced deferral of workplace insurance premiums.

### Quebec

The Quebec provincial government has introduced supplemental financial assistance to the Canada Emergency Response Benefit for essential workers. They have also introduced measures providing cash liquidity to businesses during the pandemic.

### **British Columbia**

The provincial government announced extended filing and payment deadlines until September 30, 2020 for provincial taxes. They have also announced deferral of employer health taxes.

The provincial government also announced the deferral of the imposition of new carbon taxes, until at least September 30, 2020.

### **Northwest Territories**

The territorial government announces a package of business support measures, including the removal of corporate fees through the end of June for supply chain business.

# United Kingdom (England and Wales)

(Herbert Smith Freehills)
Last updated: 16 June 2020

Through the <u>Coronavirus Job Retention Scheme</u>, employers have been able to put their employees on furlough if they are unable to operate or have no work due to coronavirus. Employees could get paid 80% of their wages up to a monthly cap of £2,500, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage.

From 1 July, employers can bring furloughed employees back to work for any amount of time and any shift pattern, while still being able to claim the government grant for the hours not worked.

From 1 August 2020, the level of grant will be reduced each month. To be eligible for the grant, employers must pay furloughed employees 80% of their wages, up to a cap of £2,500 per month for the time they are being furloughed.

The scheme is set to close on 31 October 2020.

### USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

### **Federal**

On March 27, 2020, President Trump signed into law the "Coronavirus Aid, Relief and, Economic Security Act" (or "CARES Act") into law. The CARES Act authorizes more than \$ 2 trillion to battle COVID-19 and its economic effects (including cash relief, loan programs, support for hospitals and other medical providers).

The <u>Families First Coronavirus Response Act</u> ("FFCRA") requires certain employers to provide their employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19.

### **New York**

New York State has introduced <u>measures</u> aimed at protecting New Yorkers during the <u>uncertainties resulting from COVID-19</u>. These include emergency legislation guaranteeing job protection and pay for New Yorkers who have been quarantined as a result of COVID-19, as well as an executive order waiving the 7-day waiting period for workers in shared work programs to claim unemployment insurance for those that have lost their job as a result of COVID-19.

### California

California has introduced <u>benefits for workers</u> <u>affected by COVID-19</u>. This includes Statewide moratorium on evictions, relief from financial institutions, unemployment and disability insurance, and paid family leave.

### Texas

Texas has introduced a series of economic programs in response to the COVID-19 outbreak. This includes <u>loan programs for small businesses</u> and <u>extending the due date for tax reports and payments</u>. The Texas legislature has not changed any laws or rules concerning unemployment benefits during the pandemic.

# (Federal, States and Territories (excluding ACT))

(Herbert Smith Freehills)

Last updated: 12 June 2020

### Western Australia

Western Australia has introduced certain payroll tax measures to support businesses affected by COVID-19. Other support and stimulus packages are available to small businesses.

### Canada

(Federal, Ontario, Quebec British Columbia Northwest Territories)

(Torys LLP)

Last updated: 11 June 2020

# United Kingdom

(England and Wales)

(Herbert Smith Freehills)

Last updated: 16 June 2020

### USA

(Federal, New York, California and Texas)

(Herbert Smith Freehills)

Last updated: 19 May 2020

RESTRICTIONS ON MINING OPERATIONS

# Southern Africa: South Africa, Botswana, Namibia & Zimbabwe

### **South Africa**

(Herbert Smith Freehills)
Last updated: 16 June 2020

On 15 March, South Africa <u>declared</u> a state of national disaster. The government has the power to issue regulations to respond to the disaster.

On 23 March, a national lockdown was <u>declared</u> for 21 days from 27 March to 16 April. This period was subsequently extended on 9 April by a further two weeks to 30 April.

On 1 May, the Government introduced a risk adjusted strategy to ease the nationwide lockdown restrictions which involves five separate 'Alert Levels' of lockdown. Alert Level Five is the most serious and Alert Level One is the least restrictive form of lockdown. Contemporaneously, the Government moved South Africa from Alert Level Five to Alert Level Four

On 1 June, South Africa moved to Alert Level Three. All economic activity is permitted to resume during this level with the exception of specific listed activities where the risk of transmission is deemed to be high. If employers require employees to return to work they must ensure that they implement the prescribed health and safety measures. Such measures include making arrangements for social distancing at the workplace, providing sanitiser or handwashing facilities, and screening employees for symptoms daily. All gatherings remain banned, except for funerals, when at a workplace, or when buying or obtaining goods and services,

On 2 June, the Gauteng Division of the High Court of South Africa declared the regulations relating to Alert Levels Three and Four unconstitutional and invalid. The Government has since brought an application for leave to appeal against the High Court judgment. It remains to be seen whether leave will be granted. If not, the Government may petition the Supreme Court of Appeal to hear the appeal.

### **Botswana**

(Armstrongs)

Last updated: 15 June 2020

The Government of Botswana <u>declared</u> a state of emergency from the 2 April 2020 midnight, for 21 days in terms of the Emergency Powers (COVID-19) (Amendment) Regulations, 2020 ("**the Regulations"**). The Government has the power to issue regulations to respond to the state of emergency. The state of emergency has now been extended for 6 months with the approval of Parliament at a special meeting on the 9 April 2020.

The Government of Botswana in terms of the Regulations also declared that Botswana shall follow extreme social distancing or national lockdown for 28 days from the 2 April 2020 midnight to 30 April 2020. This period was extended until 20 May 2020 by way of amendments to the Regulations.

The Government of Botswana lifted the extreme social distancing at midnight 20 May 2020.

However, in terms of the Regulations it provides that from 21 May 2020,

- a) a trade or business, a religious place of worship, schools for purposes of contact tracing, maintain a register containing the personal details and contact details of all persons accessing a trade or business;
- a trade or business, a religious place of worship and schools shall check the temperature of anyone entering the premises and shall disinfect premises to the satisfaction of the Director of Health or his representative (where a person's temperature is above 37.4 degrees Celsius, they must be referred to the Department of Health); and
- all business and trade must observe social distancing.

On the 12<sup>th</sup> June 2020, the Government announced that Greater Gaborone shall be placed under extreme social distancing with effect from 12 June 2020 midnight in light of new cases of COVID-19 infections.

### Namibia

(Engling, Stritter & Partners)
Last updated: 1 May 2020

The President of the Republic of Namibia declared a state of emergency with effect from 17 March 2020, and on 28 March 2020, issued regulations ("Lockdown Regulations"), providing for a lockdown period from 28 March 2020 until 17 April 2020, which period of lockdown was extended until and including 4 May 2020 in terms of amendments to the said regulations which were published on 17 April 2020.

### **Zimbabwe**

(Manokore Attorneys)
Last updated: 15 June 2020

On 23 March 2020, government <u>published</u> the Public Health (COVID-19 Prevention, Containment and Treatment) Regulations, which:

- declare Covid-19 to be a formidable epidemic disease:
- prohibit gatherings of more than 100 people, whatever their purpose;
- permit compulsory testing, detention, quarantine and treatment, and;
- give the Minister of Health power to gazette and publish orders providing for most of the matters for which regulations can be made under the Public Health Act.

On 28 March 2020, Minister <u>published</u> the Public Health (COVID-19 Prevention, Containment and Treatment) (**National Lockdown**) Order ("Lockdown Order"). This order provides for a 21-day national lock-down beginning on Monday 30 March 2020 and ending at midnight on Sunday the 19 April 2020 and prohibits gatherings of more than two people in public places.

On the 19<sup>th</sup> of April 2020, the President announced a **14 day extension** to the initial 21 days period but with a provision for the Mining and Manufacturing sectors to resume operations, based on prescribed COVID 19 prevention parameters.

In his statement, the President indicated that the Ministries of Health and Child Care, and that of Mines and Mining Development are to work closely to ensure the workforce in the mining sector is immediately screened and tested ahead of resumed operations.

More recently on the 16<sup>th</sup> of May 2020, the President of Zimbabwe extended the national lockdown (Level 2) for an indefinite period, subject to fortnightly review from the 31st May 2020. This was gazetted under Statutory Instrument 110/20 (Order No. 8).

RESTRICTIONS ON MINING OPERATIONS

# South Africa

(Herbert Smith Freehills)
Last updated: 16 June 2020

### During the lockdown:

- every person is confined to his or her place of residence, unless strictly for the purpose of performing an essential service, obtaining an essential good or service ... or seeking emergency, life-saving, or chronic medical attention;
- gatherings are prohibited;
- all businesses and other entities shall cease operations during the lockdown, save for any business or entity involved in the manufacturing, supply, or provision of an essential good or service or which can be provided remotely by a person from their normal place of residence.

These restrictions apply to mining operations, subject to some specific exemptions.

### Botswana

(Armstrongs)

Last updated: 15 June 2020

### During the lockdown:

- every person is confined to his or her place of residence, unless strictly for the purpose of performing an essential service, obtaining an essential supply or service while using a prescribed permit authorising travel and recognition as an essential service;
- · gatherings are prohibited;
- all businesses and other entities shall cease operations during the lockdown, save for any business or entity involved in the manufacturing, supply, or provision of an essential good or service or which can be provided remotely by a person from their normal place of residence.

These restrictions apply to mining operations subject to the exceptions below.

### Namibia

(Engling, Stritter & Partners)
Last updated: 1 May 2020

### During the lockdown:

- The whole of Namibia has been divided into zones in respect of which a person is prohibited from entering into or departing from one zone to another, except as is allowed under the Lockdown Regulations.
- all businesses must cease operations, except those who are involved in the manufacturing, supply or provision of essential goods or
- critical services, including the importation and exportation of essential goods or equipment and goods necessary for the provision of critical services; and
- All businesses must be closed, except those that sell essential goods or provide critical services

every person must be confined to his or her place of residence, except for, amongst other, the reasons of "performing a critical service", "obtaining essential goods or services", and visits to providers of essential goods or critical services.

"critical services" have been listed and described as such in the Lockdown Regulations, and include: "Mining and related activities to maintain mining operations including critical maintenance work on plant and equipment. Normal mining operations, including value chain activities, will be allowed, provided that mining companies are subject to imposition of public health measures."

"Mining Products" (not defined in the Lockdown Regulations) are stipulated to constitute essential goods, as well as "goods necessary for the effective provision of critical services".

A mine is required to, in the manner and within the period set out in directives issued under the Lockdown Regulations, obtain from the Ministry of Industrialisation & Trade, a confirmation of registration as a business that engages in the *provision of essential goods* or a *critical service*.

The Minister of Mines and Energy, has informed all mining operations, that normal mining operations will be allowed, provided that mining companies have put in place health measures that are approved by the Minister of Health before normal minng operations resume

### Zimbabwe

(Manokore Attorneys)
Last updated: 15 June 2020

The provisions of Statutory Instrument 99 of 2020 Public Health (COVID-19 Prevention, Containment and Treatment (National Lockdown) Order, 2020 still remain in force. This Lockdown Order maintains that every individual is confined to his or her home and may not leave therefrom except temporarily for the purposes of:

- buying basic necessities at a supermarket or food retail store, or fuel or gas at a fuel or gas retail outlet, within a radius not exceeding five (5) kilometres from his or her home;
- to buy medicine at the establishment of a pharmaceutical chemist within a radius not exceeding five (5) kilometres from his or her home;
- if the individual is employed in an essential service, to go to and from his or her place of employment and go about the business of that essential service
- to obtain medical assistance on his or her own behalf or on behalf of anyone to whom he or she is related or for whom the individual has a duty of care.

Every individual who by this Order is permitted to leave his or her home or to be in any public space is required to wear a face mask (whether improvised or manufactured, and whether or not of a standard specified in the Public Health (Standards for Personal Protective Apparel, Materials and Equipment) Regulations, 2020, published in Statutory Instrument 92 of 2020). Failure to do so constitutes a criminal offence and attracts a fine up to level 12 or to imprisonment to a period not exceeding one year.

The recent Order further allows businesses in the formal industry to operate on a stipulated timelines (0800 hours to 1500 hours) and subject to such directions from any enforcement officers, such as:

- a. to submit to screening and testing for the COVID-19 disease;
- at all times to observe the social distancing rule at the workplace, to wear protective masks and to make available for use by employees and other persons hand sanitising liquid;
- to disperse and return home where any business or industry.

(Herbert Smith Freehills) Last updated: 16 June 2020

### Botswana

(Armstrongs)

Last updated: 15 June 2020

### Namibia

(Engling, Stritter & Partners) Last updated: 1 May 2020

### **Zimbabwe**

(Manokore Attorneys) Last updated: 15 June 2020

These restrictions apply to mining operations, subject to some specific exemptions.

### The recent Lockdown Order No. 8 has restrictively broadened the scope of essential businesses to include all business that operate on a formal basis.

Such businesses would include:

- a. Businesses which own or hold a shop license or other related licenses:
- b. Registered operators in terms of the Value Added Tax Act:
- c. The lessee of premises governed by the Commercial Premises (Lease Control) Act [Chapter 14:04]; and
- d. being a registered employer for the purpose of paying employees' tax under the Income Tax Act.

In relation to transport services:

- (a) every vehicle used by the transport service must be disinfected against COVID-19 by or at the direction of an enforcement officer at least twice daily; and
- (b) every individual must be temperature-tested and have his or her hands sanitised before being allowed to board any vehicle used by the transport service in question; and
- (c) every individual in or about a vehicle used for a transport service must observe the social distancing rule.

such as manufacturers, Businesses supermarkets and banks have been allowed to continue operating for maximum of six hours to more than eight hours between 0800 hours and 1630 hours.

The principal Public Health (COVID-19 Prevention, Containment and Treatment) (National Lockdown) Order published under Statutory Instrument 83 of 2020 issued on 28 March 2020 specifically cites coal mining operations as 'essential services" which are allowed to continue operations, based on prescribed COVID 19 prevention parameters.

Under Alert Level Three, all mining activities qualify as "permitted services". All mining operations may therefore scale up to 100 per cent operating capacity.

Mining companies however remain obliged to ensure that they implement all the health and safety measures prescribed under the Mine Health and Safety Act and the regulations published under section 27 of the Disaster Management Act. In particular, they are required to prepare and implement a Code of Practice (COP) on the COVID-19 pandemic that adheres to the requirements imposed under the Guidelines for a Mandatory Code of Practice on COVID-19 in the Mining Sector (Guidelines) issued by the Chief Inspector of Mines on 18 May 2020.

Among other things, the Guidelines oblige employers to develop policies and indicate how they will:

- de-densify modes of transport and workplaces:
- disinfect the transportation services which they offer;
- identify and treat employees' history of COVID-19 and potential contact;
- screen and test employees at various intervals during the day; and
- create awareness and education campaigns.

Under the lockdown regulations, the following services have been declared as essential services which are inter alia, energy sector services, mining services, procurement services, medical services, petroleum services and maintenance and hardware services.

Furthermore, in terms of the lockdown regulations, the following have been declared as essential supplies:

- Mining supplies
- Food supplies;
- Medical equipment and supplies including sanitisers, surgical gloves, soap, antiseptics, bleach, surgical spirit, methylated spirit, disinfectants, baby wipes, wet wipes and surgical masks;
- Pharmaceutical supplies;
- · Maintenance and hardware supplies;
- Communication supplies;
- · Air supplies;
- Rail supplies:
- · Water supplies, including chemicals and equipment required by the water sector;

and any other commercial supplies connected with essential services.

An essential service provider includes employees of essential services.

The following are allowed to continue:

- · "Mining and related activities to maintain mining operations including maintenance work on plant and equipment. Minimal mining operations" and "critical maintenance work": and
- · "Normal mining operations, including value chain activities, will be allowed, provided that mining companies are subject to imposition of public health measures"
- In addition, mines are allowed to conduct: "Related operations to maintain minimal mining operations and critical maintenance work."

The Minister of Mines & Energy has issued two letters dated 27 and 30 March 2020. In his letter of 27 March 2020, the Minister stated that "normal mining operations" must be discontinued, but that "minimal mining operations and critical maintenance work" are allowed to continue. In a letter of 30 March 2020, the Minister stated that "minimal mining operations", include: "... those activities that need to be sustained in order to enable full-scale mining operations to resume quickly after the restrictions are lifted.".

- Mining Companies have been required to provide the Mining Commissioner with the measures that they would put into place in the implementation of the restrictions, including health measures.
- The Minister of Mines and Energy would be required to determine the "essential service" that is allowed to be performed for the period of lockdown and determine who may perform such services (Reg 10).
- The Lockdown Regulations allow the President to authorise a Minister to issue directives for the purpose of: supplementing or amplifying on any provision of the regulations; or ensuring that the objectives of the regulations are attained. Any directive issued under this regulation must be referred to the Attorney General for approval and published in the Gazette, for it to have force of law. The letters from the Minister, referred to above, did not meet the requirements of the regulations and therefore do not constitute such a directive.

(Herbert Smith Freehills)
Last updated: 16 June 2020

### Botswana

(Armstrongs)
Last updated: 15 June 2020

### Namibia

(Engling, Stritter & Partners)
Last updated: 1 May 2020

- The amended Lockdown Regulations which were issued on 17 April 2020, expanded the definition of critical services relating to mining, and now include:
  - "Normal mining operations, including value chain activities, will be allowed, provided that mining companies are subject to imposition of public health measures"
- The Minister of Mines and Energy, has informed all mining operations, that normal mining operations will be allowed, provided that mining companies have put in place health measures that are approved by the Minister of Health before normal minng operations resume.
- Provision of a critical service or performing a critical service includes the provision of essential goods or critical services to any person.
- The Lockdown Regulations oblige the Minister of Mines and Energy to ensure that persons who perfrom critical services adhere to the measures to prevent the spread of COVID-19.
- Supply or provision of a particular commodity as an essential good exempted:
- "Mining Products" (not defined in the Lockdown Regulations) are stipulated to constitute essential goods, as well as "goods necessary for the effective provision of critical services"

### Manufacturing:

- Manufacturing does also constitute a "critical service" but is restricted to the manufacturing of health-related products, hygiene and sanitary products, supplies and equipment, and the production of food and essential products, including the packaging thereof but only to the extent that these support essential or critical business continuity service.
- Construction "that cannot be reasonably postponed", is now allowed under the amended Lockdown Regulations.

### Transportation:

 Warehousing, transport, distribution, cold storage and logistics for food & essential products, production inputs and health related goods, constitute a "critical service".

### Accommodation:

 Accommodation constitutes a "critical service" to the extent that accommodation is

### **Zimbabwe**

(Manokore Attorneys)
Last updated: 15 June 2020

(Herbert Smith Freehills)
Last updated: 16 June 2020

### Botswana

(Armstrongs)
Last updated: 15 June 2020

### Namibia

(Engling, Stritter & Partners)
Last updated: 1 May 2020

supporting essential or critical business continuity services to the fight of the COVID-19.

### **Security Services:**

Safety and security services protecting people and property, are stipulated to constitute "critical services".

The Ministry of Mines and Energy did not issue directives which would provide for specific exemptions, and there presently only exist the above-mentioned general exemptions of allowing mines to:

- Conduct "Mining and related activities to maintain mining operations including critical maintenance work on plant and equipment; and
- Normal mining operations, including value chain activities, will be allowed, provided that mining companies are subject to imposition of public health measures."

"Mining Products" (not defined in the Lockdown Regulations) are stipulated to constitute essential goods, as well as "goods necessary for the effective provision of crticial services".

Businesses who manufacture, supply or provide **essential goods** or **critical services** and who conduct the business of selling essential goods or provide critical services, are allowed to continue their operations.

### Zimbabwe

(Manokore Attorneys)
Last updated: 15 June 2020

Under the Alert Level Three lockdown regulations mining is a "permitted service". It therefore forms part of the business operations that may return to work at 100 per cent capacity, on condition mining companies comply with the:

- regulations, as amended from time to time, published under section 27 of the Disaster Management Act together with various Ministerial directives pursuant to the regulations;
- Mine Health and Safety Act; and
- Guidelines for a Mandatory Code of Practice on COVID-19 in the Mining Sector.

In this regard mining companies are required to as far as reasonably practicable provide and maintain a working environment that is safe and without risk to the health of employees.

Mines which comply with this requirement may operate without any further restrictions in this regard.

The principal Public Health (COVID-19 Prevention, Containment and Treatment) (National Lockdown) Order published under Statutory Instrument 83 of 2020 issued on 28 March 2020 specifically cites coal mining operations as 'essential services' which are allowed to continue operations, based on prescribed COVID 19 prevention parameters.

On 29 March 2020, the Minister of Mines and Mining Development issued a press statement in which he announced that:

"Mining operations which face (lockdown) implementation challenges are requested to apply for partial exemption to the Ministry of Mines and Mining Development through the Chamber of Mines and Zimbabwe Miners Federation.

"The applications should indicate clearly the nature and modus of operation during the lockdown period and the measures which will be taken to safeguard employees and other stakeholders from the potential spread of the COVID-19 virus. Once the application is lodged with the Chamber of Mines or Zimbabwe Miners Federation, the mining company in question may be allowed to continue operating pending a response from Government."

Initially, mines were to continue with operations subject to applying for partial exemptions via the Chamber of Mines or Zimbabwe Miners Federation (which is the representative body for small-scale miners).

However, on the 16<sup>th</sup> of May 2020, the President of Zimbabwe announced an indefinite extension to the lock down period subject to fortnightly review from the 31st May 2020. Exemptions to the Mining and Manufacturing sectors to allow for them to resume operations during the lock down period are still in force. The Ministries of Health and Child Care, and that of Mines and Mining Development have been directed to work closely to ensure the workforce in the mining sector is immediately screened and tested ahead of resumed operations.

No specific exemptions to mining apart from the mining sector and supplies being declared as an essential service and essential supplier.

INSIGHTS INTO FUTURE POLICY DECISIONS

### **South Africa**

(Herbert Smith Freehills)
Last updated: 16 June 2020

The DME consulted with the Minerals Council SA (**Council**) prior to the lockdown to frame its policy on exemptions and has continued to do so during the lockdown.

The Council's CEO Roger Baxter has stated publicly that the Council is proud to be part of collective efforts to minimise the impact of COVID-19 on South Africa and its people (here). Some of the tangible contributions that the mining sector has made towards the fight against COVID-19 include:

- providing equipment and consumables for testing facilities;
- providing and/or purchasing Personal Protective Equipment (PPE) and critical medical equipment for health and social development personnel in the field, and in hospitals and clinics;
- purchasing water tanks and supplying water to public facilities and communities;
- providing food parcels to vulnerable families in host communities;
- contributing to the Solidarity Fund and other non-governmental organisations (NGOs).

Under current conditions, all mining operations are permitted to scale up to at 100 per cent capacity on condition that they comply with the requirements imposed under the:

- The regulations, as amended from time to time, published under section 27 of the Disaster Management Act and various directives issued by the responsible Ministers pursuant to the regulations;
- Mine Health and Safety Act; and
- Guidelines for a Mandatory Code of Practice on COVID-19 in the Mining Sector.

Failure by the employers to prepare and implement a mine specific Code of Practice (which accords with the requirements imposed under the Guidelines) constitutes a criminal offence and a breach of the Mine Health and Safety Act.

### Botswana

(Armstrongs)

Last updated: 15 June 2020

We are currently not aware of any industry consultations between the Department of Mines and the Government.

### Namibia

(Engling, Stritter & Partners)
Last updated: 1 May 2020

The Chamber of Mines of Namibia is in continuous consultation with the Minister of Mines and Energy and further Government institutions.

Prior to the issuing of the Lockdown Regulations, the Minister engaged with mines which resulted in providing for the above-mentioned general exemptions and their expansion under the amended regulations.

Mining Companies have been required to provide the Mining Commissioner with the measures that they would put into place in the implementation of the restrictions, including health measures.

The Minister of Mines and Energy, has informed all mining operations, that normal mining operations will be allowed, provided that mining companies have put in place health measures that are approved by the Minister of Health before normal mining operations resume.

The Ministry of Labour is engaging the mines and discussions are ongoing as to measures that are possible to implement in order to prevent losses of employment

### Zimbabwe

(Manokore Attorneys)
Last updated: 15 June 2020

The Ministry of Mines and Mining Development in consultation with the Chamber of Mines of Zimbabwe and Zimbabwe Miners Federation, has developed a framework through which the mining industry, taking into account applications for specific exemptions, will implement the national lockdown. The details of the framework have not been disclosed.

The Ministries of Health and Child Care, and that of Mines and Mining Development are working closely to ensure the workforce in the mining sector is compliant with all the lockdown requirements for operations, particularly the wearing of facemasks. This is pursuant to the full exemption for the Mining and Manufacturing sectors from the new lock down order ending on the 3rd of May 2020.

As of the 17th of May 2020 which marked the beginning of the indefinite lock down extension, the Minister of the Minister of Mines and Mining Development has been working closely with the Ministry of Health to take the appropriate measures and ensure that the workforce in the mining sector is immediately screened and tested in light of resumed operations. Workers in the workers in the mining sector were ordered to remain within the precincts of their accommodation at workplaces for the duration of the extended lockdown.

We are currently not aware of any further guidance on policies in relation to the mining sector.

(Herbert Smith Freehills)
Last updated: 16 June 2020

Under Alert Level Three, all mining is permitted to scale up to 100 per cent capacity and employment. The following related activities are also permitted: production, manufacturing, supply, logistics, transport, delivery, critical maintenance and repair in relation to the rendering of permitted services including components and equipment.

### Botswana

(Armstrongs)

Last updated: 15 June 2020

The Botswana Unified Revenue Service ("BURS") has published guidelines for the implementation of wage subsidies for businesses announced by the Honourable Minister of Finance and Economic Development on the 1 April 2020 subject to these conditions:

- Applicable only to citizen employees;
- Employers in identified sectors must be registered for tax with BURS;
- Employers must make a commitment not to retrench employees as a result of the pandemic;
- Applicant employer must produce a wage bill from December 2019;
- The subsidy period commences in April and ends in June 2020.

Minimum support of BWP1000 and a maximum of BWP2500 for each qualifying employee.

### Namibia

(Engling, Stritter & Partners)
Last updated: 1 May 2020

No specific exemptions have been issued with regard to activities required to support mining operations.

The above-mentioned general exemptions would entail associated activities which should be allowed to continue.

Certain other services which are referred to above (i.e. manufacturing, accommodation & security services) also constitute critical services which are allowed to continue.

### Zimbabwe

(Manokore Attorneys)
Last updated: 15 June 2020

Whilst there has been no gazetted list of essential services relating to support of mining operations specifically, the recent Lock Down Order No. 8 emphasizes the following in relation to transport services as would apply generally and also to the mining sector:

- (a) every vehicle used by the transport service must be disinfected against COVID-19 by or at the direction of an enforcement officer at least twice daily; and
- (b) every individual must be temperature-tested and have his or her hands sanitised before being allowed to board any vehicle used by the transport service in question; and
- (c) every individual in or about a vehicle used for a transport service must observe the social distancing rule.

The previous lockdown order under S.I 83/2020 that any services relating to the supply and distribution of fuel can still continue operations based on prescribed COVID-19 prevention parameters has remained in force.

The services being rendered by mines and mining companies to communities, such as the supply of water, will continue during all five levels of lockdown

The Council offered to provide the use of its members' **health infrastructure** (facilities and staff) during the lockdown, to support the Government's efforts.

The Minister of Employment and Labour (Minister) issued a Directive under which he implemented steps to assist with the administration of labour matters related to COVID-19 through the COVID-19 Temporary Employee / Employer Relief Scheme (C19 TERS). The Directive issued on 26 March 2020 was amended on 6 April 2020 (GG dated 8 April 2020),16 April 2020 (GG dated 5 May 2020) and again on 25 May 2020.

Under Clause 3 of the Directive, as amended:

- should an employer as a direct result of Covid-19 pandemic close its operations, or part of the operations, for a three month or shorter period the employer must apply under clauses 5.1 and 5.2 for COVID-19 benefits for and on behalf of its employees. ("Benefit");
- the Benefit is not linked to the Unemployment Insurance Fund's normal benefits;

The Government of Botswana has published the Emergency Powers (COVID-19) (Amendment) (No.2) Regulations, 2020 on the 9th April 2020. Section 30E of these Regulations provides that "Where a business is unable to have employees to work remotely from home or where a business is unable to pay salaries, the business may cease operations but shall not retrench or dismiss an employee during the state of public emergency."

Services: The Lockdown Regulations provide that certain kinds of services would constitute "critical services" which are allowed to continue, which include portable water services, electricity distribution, supply and maintenance services.

### Labour:

- To avoid major retrenchments and business closures, employers including government and business owners will be allowed to negotiate a temporary 20% reduction in salaries and wages during the crisis period and 40% for the worst hit industries. Negotiations must take place through a consultative process with employees and unions if applicable.
- The Namibian Ministry of Labour, Industrial Relations and Employment Creation has released a statement that prohibits the practice of placing employees on unpaid leave which, in our judgement, would be unlawful in any event.

The Namibian Government, in collaboration with all stakeholders; private, development partners and other non-state actors, has adopted the "First Phase of the Economic Stimulus and Relief Package" geared at addressing the negative effects arising from the lockdown period. These relief measures include:

### **Social Welfare**

All public transportation services, except the Zimbabwe United Passenger Company, remain suspended except for employees in essential services. Security personnel have been deployed across the country to ensure the public comply with the lockdown measures.

The government, through the Ministry of Women Affairs, Community, Small and Medium Enterprises Development, offered a response plan to save small businesses affected by the initial 21-day National Lockdown beginning 30 March 2020. This has been an ongoing programme rolled out by Government during the lock down extensions to date.

The Ministry of Finance and Economic Development previously announced that the Government was considering as one of its interventions to minimise the impact of the lockdown, to assist people engaged in the SME and informal sector through providing assistance to cushion against loss of income for subsistence through a treasury fund to small businesses and vulnerable groups.

The Labour Minister has stated that government will not force private sector employers to pay their workers' salaries during the COVID-19 national lockdown. However, this position has not been

(Herbert Smith Freehills)
Last updated: 16 June 2020

- the Benefit will only pay for the cost of salary for the employees during the temporary closure of the business operations;
- the salary benefits will be capped at a maximum amount of ZAR 17 712.00 per month per employee and an employee will be paid in terms of the income replacement rate sliding scale (38 percent to 60 percent) as provided in the Unemployment Insurance Act;
- in the event that the employee's income determined in terms of the replacement rate sliding scale falls below the minimum wage, the employee will be paid the minimum wage of the sector concerned;
- for a company to qualify in terms of the Scheme: (A) it must be registered with the Unemployment Insurance Fund; (B) it must comply with the application procedure; and (C) its temporary closure must be directly linked to the COVID-19 pandemic.

### Restrictions on public transport

Under Alert Level Three lockdown:

- employees are permitted to travel to and from work:
- from 1 June onwards persons approved for inter-provincial travel are permitted to use long-distance public transport to do so. This should however be read together with the Alert Level Three regulations which outline the scenarios where South Africans are permitted to travel between provinces, districts and metropolitan areas.
- the time restrictions on all road-based public transport modes are lifted. Public transport will now be allowed to operate throughout the day. However, capacity restrictions remain in place:
- Minibus taxis remain at 70 percent loading capacity;
- Buses must adhere to a maximum loading capacity of 50 per cent, taking due regard of standing passengers;
- eHailing and Metred Taxis remain at 50 per cent loading capacity; and
- Shuttle, Chauffeur and Charter services remain at 50 per cent loading capacity.

In a separate <u>directive</u>, the Minister of Transport indicated that some rail services will be allowed to operate during the Alert Level Three lockdown.

### Botswana

(Armstrongs)

Last updated: 15 June 2020

### Namibia

(Engling, Stritter & Partners)
Last updated: 1 May 2020

- Wage subsidy for hardest hit sectors.
   Government would provide a wage subsidy to aid businesses in keeping employees employed in the tourism, travel and aviation and construction sectors. "Mining" had not been expressly mentioned. Details will vary between sectors. Government is setting N\$400 million aside for this subsidy.
- Relaxation of labour regulations to protect jobs. The Government Statement on relief measures stipulated that to avoid major retrenchments and business closures, employers including Government and business owners will be allowed to negotiate a temporary 20% reduction of salaries and wages during the crisis period, and 40% for the worst-hit industries. The negotiations would be undertaken through a consultative process with employees and labour unions.

These "regulations" have not been properly issued as per the requirements for valid and binding directives und the Lockdown Regulations, and these statements are in conflict with the applicable Labour Law, 2007 which allows an employer to reduce an employee's ordinary number of working hours for a period of no longer than three months for operational reasons or other reasons recognised by law. When an employer does so they may correspondingly reduce that employee's remuneration by no more than one half of that employee's basic wage. Furthermore, an employer may extend the period of three months by no more than a further three months by written agreement between the employer and employee or trade union representative.

One may fairly dismiss employees in terms of section 34 of the Labour Act when terminating or reducing the business for economic or technological reasons.

The Hospitality Association of Namibia was informed by the Namibia Employers Federation, that the Ministry of Labour has worked on directives, which are currently with the legal drafters before publication thereof in the Government Gazette. It is possible that restrictions on retrenchment may be imposed in future. The legality of any such measures will then have to be considered.

### Zimbabwe

(Manokore Attorneys)
Last updated: 15 June 2020

officialised through a government directive or statutory instrument.

(Herbert Smith Freehills) Last updated: 16 June 2020

This includes the following Passenger Rail

- Cape Town Southern line to Simonstown;
- East London to Berlin;
- Port Elizabeth to Uitenhage;

International passenger flights remain prohibited except where the Minister of Transport Africa.

Domestic flights commenced on June 8 but are

### Botswana

(Armstrongs) Last updated: 15 June 2020

### Namibia

(Engling, Stritter & Partners) Last updated: 1 May 2020

### Zimbabwe

(Manokore Attorneys) Last updated: 15 June 2020

Agency of South Africa routes:

• Pienaarspoort to Pretoria Central;

- Any other commuter services.

authorizes it or when it concerns the repatriation of South African nationals from foreign countries and evacuation of foreign nationals from South

restricted to persons who are required to fly for business purposes.

# Western & Eastern Africa: Guinea, Rwanda and Kenya

### Guinea

(Salimatou Diallo)

Last updated: 3 June 2020

In order to mitigate the COVID-19 spread in the Republic of Guinea (the "Country"), the Government has not imposed an absolute lockdown nor the closure of companies, public/private agencies, institutions and administrations.

However, in a press release dated March 31, 2020, the Prime Minister advocated for the remote working in regards of jobs and sectors that allow it.

"For those positions not eligible for remote working and for which the maintenance of the activity is considered indispensable, the rules of social distancing are in force".

These social distancing rules include limiting the spread of COVID-19 by "encouraging e-mails, telephone, audio or video conferencing, ensuring that handwashing stations are supplied with soap and preferably single-use paper, or limiting the number of visitors or customers by organizing lines".

Therefore, companies, public/private agencies, institutions remain open and essentially operate throughout a system of worker rotation. However, a national health emergency has been instituted by the President Alpha Condé. Such health emergency provides for the closure of the Country's borders, the limitation of movement of people and vehicles from the national capital Conakry to the other regions of the Country and establishes a curfew from 10:00 PM to 05:00 AM in Conakry. We do not know exactly at this stage the impact of such measures on the mining supply chain and bauxite exportation.

In addition, companies, public/private agencies, institutions and administrations are required to strictly comply with their health and safety protocols and the wearing of masks is mandatory all over the country.

### Rwanda

(ENSafrica)

Last updated: 12 June 2020

On 21 March 2020, Rwanda declared a national lockdown for 14 days. The lockdown was reviewed and extensions made on 01 April and 17 April 2020.

All types of mass gatherings and unnecessary movements were strictly prohibited. The latter also required all employees (with an exception of those engaged in essential services) to work from home where possible.

### Kenya

(Anjarwalla & Khanna LLP)

Last updated: 18 June 2020

On 2 March 2020, the Cabinet Secretary for Health declared COVID-19 a formidable epidemic disease pursuant to the provisions of the Public Health Act. The Public Health Act allows the Cabinet Secretary to make rules to respond to a formidable epidemic, endemic or infectious disease.

On 25 March 2020, a state curfew was declared from the hours of darkness between 7 p.m. and 5 a.m. for a period of 30 days with effect from 27 March 2020.

This period was subsequently extended by a further 21 days each on 25 April and 16 May and by a further 30 days as from 7 June 2020. However, the hours for the curfew were changed to between 9 p.m. and 4 a.m. in the 30 day extension commencing on 7 June 2020.

In addition to the dawn to dusk curfew, on 6 April 2020 the President ordered a restriction of movement of persons in and out of the Nairobi Metropolitan Area, Kilifi County, Mombasa County, and Kwale County for a period of 21 days. A similar restriction of movement was imposed in relation to Mandera County on 22 April 2020 and the neighbourhoods of Eastleigh in Nairobi and Old Town in Mombasa on 6 May 2020. The restrictions of movement were extended severally up until 6 June 2020 when the restrictions relating to Kilifi County, Kwale County and the Eastleigh and Old Town neighbourhoods were lifted. The movement restrictions relating to the Nairobi Metropolitan Area, Mombasa County and Mandera County were extended by 30 days as from 7 June 2020.

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# EXEMPTIONS AVAILABLE FOR MINING OPERATIONS

### Guinea

(Salimatou Diallo)
Last updated: 3 June 2020

### Rwanda

(ENSafrica)

Last updated: 12 June 2020

### Kenya

(Anjarwalla & Khanna LLP) Last updated: 18 June 2020

During the dusk to dawn curfew:

- public gatherings, processions or movement is prohibited unless permitted by a police officer in charge of the police in a county or a police officer in charge of a police division; and
- only specific essential services providers are exempt from the dawn to dusk curfew.

There is a general prohibition against public gatherings (including outside curfew hours).

These restrictions apply to mining operations.

However, given that the curfew period currently only covers the period of darkness between 9 p.m. and 4 a.m., mining operations are free to continue during the non-curfew hours subject to the hygiene measures set out below.

Every organisation is required to:

- provide a hand-washing station with soap and water or an alcoholbased sanitizer approved for use by the Kenya Bureau of Standards;
- put in place measures to ensure that physical distance of no less than 1 meter is maintained between persons accessing or within their premises; and
- regularly sanitise their premises or business location.

As mentioned above, the Government has not imposed an absolute lockdown and the closure of companies.

With respect to the restriction of transportation and movement all over the Country, we understand that a barrier is erected at the entrance of the Conakry region. Therefore, in respect of the movement towards/from Conakry zone, the transport of goods and merchandise is permitted under certain conditions, including the following:

- a) No more than two (2) occupants per vehicle.
- b) The occupants must hold a negative COVID-19 test of less than two (2) weeks issued exclusively by the military health base held in Kagbelen (Dubréka region).

Inside the Country, the lift of the emergency health measures now allows the free movement of goods and persons in the other regions area.

Businesses that provide essential services and transport services for persons rendering essential services and goods were allowed to continue. Services considered to be "essential" included (without limitation) financial services, medical and health services. Essential goods included foodstuffs and sanitary materials.

Similarly, agriculture and associated activities kept running so that the food chain would not be disrupted. It included veterinary pharmacies, livestock feeds, fertilisers, harvesting, transportation and trading of farm produce, agriculture extension services, and agro-processing, as well as the marketing of processed foods and beverages.

Public and private security services have been exempted as well.

Providers of essential services are exempted from the curfew. Where the mining operations require essential services during the curfew hours they can access the same regardless of the existing movement restrictions. Essential service providers include the following:

- medical professionals and health workers;
- water service providers;
- power producers;
- food and farm produce processors, distributors, dealers, wholesalers and transporters;
- distributors and retailers of petroleum and oil products and lubricants;
- fire brigade and emergency response services;
- licensed security firms;
- lawyers; and
- members of the Independent Policing Oversight Authority.

		(Salimatou Diallo) Last updated: 3 June 2020	(ENSafrica) Last updated: 12 June 2020	(Anjarwalla & Khanna LLP) Last updated: 18 June 2020
EXEMPTIONS AVAILABLE FOR MINING OPERATIONS	Specific exemptions		No exemptions which are specific to mining operations were announced during lockdown. As for any other businesses, mining activities resumed upon the lifting of the lockdown.	There are no specific exemptions available for mining operations.
INSIGHTS INTO FUTURE POLICY DECISIONS	Industry consultations	We have not identified any future policy decisions regarding restrictions and measures in respect of the spread COVID 19 at this stage. However, we might assume that the public health emergency state will be in force until at least June 15, 2020.	No industry consultations have been publicly announced.	We are not aware of any mining industry consultations relating to the impact of COVID-19 on mining operations.

Rwanda

Guinea

Kenya

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### Guinea

(Salimatou Diallo)
Last updated: 3 June 2020

### Rwanda

(ENSafrica)

Last updated: 12 June 2020

Mining activities were allowed to reopen following the cabinet meeting of 30 April 2020 which generally allowed public and private businesses to resume with "essential staff" effective from 04 May 2020.

On 04 June 2020, the Rwanda Mines, Petroleum and Gas Board (RMB) issued guidelines to be observed during the COVID-19 pandemic.

The guidelines are based on the Ministry of Health's instructions to prevent the spread of COVID-19 and the existing health and safety guidelines in the mining sector.

In these guidelines, mines owners are required (among other things) to:

- put mechanisms in place to protect the health and safety of the employees at the site and ensure that workers respect these guidelines;
- put in place risk assessment mechanisms to identify any risk or hazard to the safety and health in the mining activities;
- · provide all workers with PPEs and hygienic supplies;
- create awareness program and update workers with the latest information on COVID-19 provided by the Ministry of health, to seek medical help;
- · check temperature of workers attending or leaving work;
- isolate workers with an elevated temperature of ≥38o C for further management and specified additional symptoms;
- put in place tracing program by recording in the log book movement of employees in the mine; and
- put in place mechanisms to work in shifts for companies with many workers as a way to enforce physical distancing.

On the other hand, these guidelines require mine workers to:

- · wash hands;
- wear face masks;
- stay home when an employee does not have work or is sick; and
- wear PPEs

It is the obligation of the mining and quarries companies to ensure compliance with the guidelines.

### Kenya

(Anjarwalla & Khanna LLP) Last updated: 18 June 2020

We are not aware of any specific policy considerations relating to the management of COVID-19 that would impact mining operations. However, it is expected that the state curfew and movements restrictions relating to the Nairobi Metropolitan Area, Mombasa County and Mandera County will be lifted soon. In an Extraordinary Session of the National and County Governments Coordinating Summit on the coronavirus pandemic held on 10 June 2020 at the State House, the President and the Governors agreed to gradually re-open the economy to enable Kenyans resume their normal lives and activities. However, the finer details of the gradual re-opening are yet to be announced.

(Salimatou Diallo)

Last updated: 3 June 2020

The state of health emergency has instituted the closure of borders in respect of movement of persons. However, despite a general slowdown of activities, the public and private services, ports, and cross border's commercial activities (goods import & export) remain functional.

#### Rwanda

(ENSafrica)

Last updated: 12 June 2020

Mining activities were not among essential services and they stopped due to the declaration of total lockdown. Thus, no supporting activities specific to the sector were undergoing.

#### Kenya

(Anjarwalla & Khanna LLP) Last updated: 18 June 2020

As mentioned above, providers of essential services are exempted from the curfew. Therefore, where the mining operations require the support of essential service providers during the curfew hours (such as security services, water, power, petroleum and oil products) they can access the same regardless of the existing movement restrictions.

No specific measures were adopted with respect to the workers in the mining sector.

The COVID-19 Guidelines in the Mining sector are aimed at the prevention of the spread of COVID-19 but do not provide specific measures to support the community and workers in the sector.

On a different note, however, it is noteworthy that the government has recently declared a social protection plan through which people who have been hit by the consequences of COVID-19 would be aided to meet their basic needs including but not limited to food and hygiene materials.

As one of the measures aimed at cushioning Kenyans against the adverse effects of the pandemic, Parliament enacted the Tax Laws (Amendment) Act, 2020 (the Tax Laws Amendment Act) which makes certain fiscal changes to the taxation regime effective 25 April 2020. The following changes impact mining companies and their employees in various ways:

#### Tax reduction for resident companies

The Tax Laws Amendment Act reduced corporation tax from 30% to 25%.

#### Reduction in Pay As You Earn (PAYE)

The highest PAYE tax band was reduced from 30% to 25%. Further, low income employees earning gross monthly income of up to KES 24,000 (approx. USD 226) have been cushioned by being granted 100% tax relief. In addition, personal relief has been increased from KES 1,408 (approx. USD 14) per month to KES 2,400 (approx. USD 24) per month).

#### Reduction in Value Added Tax (VAT)

The rate of VAT was reduced from 16% to 14% effective 1 April 2020.

#### **Investment Allowance**

The Tax Laws Amendment Act has introduced an investment allowance on machinery used to undertake operations under a mining right as follows:

- 50% in the first year of use; and
- 25% per year on a reducing balance.

Previously, the wear and tear allowance was applied at various rates of between 12.5% and 37.5% depending on the equipment and machinery.

VAT exemption on personal protective equipment (PPE)

Guinea
(Salimatou Diallo)

Last updated: 3 June 2020

#### Rwanda

(ENSafrica)

Last updated: 12 June 2020

Kenya

(Anjarwalla & Khanna LLP) Last updated: 18 June 2020

PPEs for use by medical personnel and members of the public in the case of a pandemic are subject to a VAT exemption. Manufacturers of PPEs are also VAT exempt.

While most of the provisions introduced by the Tax Laws Amendment Act are beneficial to companies and their employees, some are not such as the following:

- VAT exemptions applicable to manufacturing, power, mining and oil exploration companies were withdrawn. This means that taxable supplies, imported or purchased for direct and exclusive use in geothermal, oil or mining prospecting or exploration, excluding motor vehicles are now chargeable for VAT at the rate of 14%; and
- The withholding tax rate for dividends paid to non-resident persons has been increased from 10% to 15%.

#### **Public transport**

All public transport services are allowed to operate provided that users wear a proper mask and subject to the following conditions:

- passenger rail services, buses, matatus services, taxicabs and ehailing services shall not carry more than 50% of their licensed capacity;
- motorcycles shall carry only one passenger or goods;
- bicycles shall carry only the rider;
- tricycles may carry goods and not more than one passenger; and
- private vehicles shall not carry more than 50% of the licensed capacity.

#### **Cross border transportation**

Currently there is a ban on movement of people in and out of Kenya. However, cargo transportation is allowed subject to testing of the drivers of the cargo vehicles at border points. Drivers who test positive for COVID-19 are not allowed entry into Kenya.

#### Latin America: Chile, Brazil, Peru, Argentina

#### Chile

(Claro & Cia)

Last updated: 9 June 2020

Since March 19, Chile is under "State of Constitutional Exception for Catastrophe".

This means that the government may take exceptional measures in connection with private property, right of assembly and movement, among others.

As of this date, mandatory quarantine has been enacted in some cities and in the whole city of Santiago (including Las Condes and Lo Barnechea).

#### Brazil

(Pinheiro Neto)

Last updated: 11 June 2020

Federal and local regulations aiming at reducing the impacts of COVID-19 are enacted on a daily basis.

#### Federal Level

Ports, roads and airports remain open for cargo, but non-Brazilians (unless residents) are not allowed to enter the country until 20 June 2020.

Mining was listed by the federal government as an essential activity, as well as beneficiation, production, sale, transportation and supply of mineral substances.

Transportation of cargo in general (including inputs for operations) and the production of chemical substances are also essential activities.

Restriction measures to curb the pandemic shall not affect the continuity of essential activities.

#### State Level

Each State passed its own legislation in order to prevent and control the pandemic. Nonetheless, the following measures may be summarised as a general trend:

- Gatherings, public or private, usually with 30 or more people, have been restricted.
- Suspension of commercial activities. Lately some States started to allow re-opening of certain businesses as part of a staged lifting of restriction measures. In those cases, social distancing requirements still apply
- Where still in place, suspension does not apply to mining activities and some other industrial activities, and cargo transportation, but sanitary and control measures do apply (e.g. use of masks and hygiene materials, minimum distancing).
- Facilities that remain open should adapt work schedules and adopt rotating shifts in order to avoid crowding.
- Restrictions do not apply to passenger transportation between municipalities when passengers are essential workers.
- Municipalities must ensure continuity of activities in sectors deemed as essential, such as industries and cargo transportation.

#### Peru

(Rodrigo, Elias & Medrano)
Last updated: 12 June 2020

The government has declared a national state of emergency from March 16<sup>th</sup> to June 30<sup>th</sup> 2020.

This involves:

- mandatory social isolation, in which people may only leave their residence to acquire essential goods and medicine; and
- the cessation of productive activities, except for those whose restart has been approved by the government.

All borders have been closed until June 30<sup>th</sup> 2020.

Particular vehicles are only allowed to circulate within the district of residence for the acquisition of essential goods and medicine. Additionally, people who carry out economic activities whose restart has been approved by the government are allowed to use their private vehicles for their transportation to work.

On the other hand, a curfew (21:00-4:00 hours) has been decreed until June 30<sup>th</sup> 2020. For some regions, where the impacts of COVID-19 have been greater, the referred curfew lasts from 18:00 to 4:00 hours. In both cases it includes Sundays.

#### **Argentina**

(Bomchil)

Last updated: 23 April 2020

#### Federal level

Lockdown, mandatory social isolation and prohibition to circulate

On March 12, 2020, the President of Argentina issued Necessity and Urgency Decree No. 260/2020 which due to the pandemic extended until March 12, 2021 the health emergency established by Law No. 27,241.

On March 20, 2020 the President issued Necessity and Urgency Decree No. 297/2020 which established a nation—wide lockdown (called "mandatory preventive social isolation") and the prohibition to circulate, which have been subsequently extended until April 26, 2020.

- All gatherings are forbidden;
- People are only allowed to circulate through the country provided they are involved in an essential activity.

Certain activities have been declared essential, and workers involved in their performance, have been exempted from the lockdown. For these activities special permits have been issued through different regulations.

#### Closure of borders

On March 16, 2020, Argentina closed its borders to non-residents allowing only the entry of people transporting goods related to international commerce inasmuch as they had no symptoms of Sars-Cov-2. On March 27 the measure was extended to include residents. Both measures were <a href="subsequently">subsequently</a> extended until April 26.

#### Labour measures

Since March 31, 2020, all employee terminations without just cause, and the terminations or suspensions for lack or diminished work activity or force majeure were forbidden for 60-days.

Through <u>Decree No. 367/2020</u> COVID-19 was included as a presume occupational disease with respect to all employees that have been excluded from the lockdown in order to work for activities classified as essential. Labour risk insurance companies are required to cover any employee affected by the disease providing him or her with the benefits of the Law No. 24,557 on Labour risks.

#### Local measures:

San Juan:

General Emergency Measures

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(Claro & Cia)
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Brazil
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(Rodrigo, Elias & Medrano) Last updated: 12 June 2020

Peru

Argentina

(Bomchil)

Last updated: 23 April 2020

San Juan has adhered to the national lockdown until April 26, 2020 <u>Law No. 2044-P</u>.

#### Santa Cruz:

The Governor issued Decree No. 273/2020 on March 13, 2020 declaring the health emergency in the province which was ratified by <u>Law No.</u> 3693.

On March 17, 2020 the governor issued <u>Decree</u>
<u>No. 287/2020</u> declaring a suspension on all administrative deadlines until March 31.

On March 20, 2020 the governor issued <u>Decree No. 301/2020</u> which adhered to the national lockdown and has been further extended in accordance with the national law through provincial <u>Decrees No. 338/2020</u>, and <u>No. 373/2020</u> until April 26.

On March 27, 2020 the governor issued <u>Decree</u>
No. 314/2020 declaring the economic and commercial emergency in the province.

On April 16, 2020 the Ministry of Health and Environment approved through Resolution No. 645/2020 a protocol with recommendations and sanitary and safety instructions for the gradual lift of the mandatory preventive social isolation. Differentiating the different regions of the province by risk of contagion and allowing some return to activities.

On that same date, the Ministry of Health and Environment issued Resolution No. 637/2020 implementing a mandatory process to circulate within the province.

#### Catamarca:

On March 25, 2020 through <u>Decree No. 576/2020</u> the province adhered to national Decrees No. 260/2020; 287/2020 and 297/2020 on the pandemic and declared the state of the emergency in public utilities.

On March 17, 2020 through <u>Decree G.J and D.H.</u>
<u>No. 551/2020</u> the province suspended all administrative activity, and has <u>further extended</u> this period for the remaining of the lockdown.

On March 27, 2020 through <u>Decree IyOC No.</u> <u>591/2020</u> the province approved the protocol for the transport of goods outside of provincial lines.

On April 1, 2020 through <u>Joint Resolution MS</u> and MYyM No. 24/2020 the Ministries of Health and of Planning and modernization approved the "Recommendations and Measures for Prevention" document which is mandatory in the province to prevent the extension of the pandemic in the Province.

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<u>Jujuy:</u>

The province adhered to the extension of the lockdown established by the national government through <u>Decrees No. 750-G/2020 of March 31 and No. 762-G/2020 of April 13, 2020.</u>

On March 12, 2020 through <u>Decree No. 739-G/2020</u> the province declared a suspension of administrative processes and deadlines.

On March, 17, 2020 an emergency committee issued Resolution No. 2-COE/2020 which restricted the entrance to the province of any person who could not prove their residence there; general transport of merchandises was allowed to enter and leave the province. This resolution is of importance to the mining sector as many workers may live in a neighbouring province.

On that same date, through <u>resolution No. 3-COE/2020</u> the emergency committee recommended the establishment of 14 days of isolation for any person coming from another province into Jujuy.

On March 17, the Ministry of Work and Employment issued Resolution No. 036-MTYE/2020 which urged companies to adopt a series of measures to protect workers from the pandemic.

On March 23, 2020 the emergency committee issued Resolution No. 17-COE/2020 (i) authorizing workers that are included in the exceptions of Necessity and Urgency Decree No. 297/2020 are allowed to travel to their workplace needing just a sworn statement by their employee and (ii) requiring for companies to identify any vehicles used for their work. The templates for the sworn statements were approved by Resolution No. 132-DEyP/2020.

On April 3, 2020 the Governor issued <u>Decree No. 753-6/2020</u> establishing that all people that enter the province must remain isolated for 14 days in places determined by the emergency committee.

#### Salta:

On March 16, 2020 through Necessity and Urgency Decree No. 250/2020 the Governor declared the state of sanitary emergency in the province.

On that same date an Emergency Committee through Resolution No. 4/2020 established the suspension of all administrative processes.

On March 23, 2020 the emergency committee issued Resolution No. 8/2020 establishing

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measures for residents of the province to fulfil the lockdown.

On that same date through <u>Resolution No.</u> <u>12/2020</u> the emergency committee approved a protocol for the entry of people into the province.

On April 2, 2020 through Regulatory Order No. 07/2020 the Metropolitan Authority of Transport established the guidelines for the transport of workers involved in essential activities as determined by the federal government.

#### These general measures may generally apply to mining operations.

In addition, mining and prospecting right holders must comply with their undertakings in the approved mining work programs, social and labor plans and environmental authorizations.

If due to COVID-19 or the effects thereof the mine is required to significantly reduce its operations or temporarily close (i.e. to go into care and maintenance or obligatory quarantine) the Mining Authority (Sernageomin) and the Environmental authorities should be immediately notified. Environmental and safety measures shall continue to be applied.

The above measures may apply to mining operations.

The National Mining Agency (ANM) issued regulations regarding the suspension of terms and deadlines until 30 June 2020 for:

- submission of defences and appeals in proceedings regarding royalty, annual charges and penalties collection,
- submission of defences and appeals in mining procedures;
- compliance with requirements from ANM;
- all acts provided for in the Mining Code which set a deadline;
- submission of interim and final exploration reports, and of applications for renewal within the validity period of a given licence;
- terms for the review of acts by ANM subject to tacit approval.

The suspension does not apply to deadlines and obligations related to the safety and stability of tailings dams, as well as other obligations that may lead to risks to safety, health, life and property of workers, consumers and the society in general.

The Secretary of Geology of the Ministry of Mines and Energy has issued prevention recommendations for mining companies, which include:

(i) For all workers:

- wash hands, clothes and objects of personal use frequently;
- wash work instruments and equipment frequently;
- avoid touching face, eyes, mouth and nose;
- avoid crowds, commuting and participation in events;
- wear masks in public places;

A number of general and specific exemptions are provided in relation to mining operations in respect of the measures referred above.

In addition, mining holders must:

- adequately prepare and keep updated their Emergency Preparation and Response Plans;
- approve and implement supervision and security guidelines in their mining units during the social isolation period, in order to guarantee a proper health protection during the state of emergency; and
- identify groups at risk in order to follow the measures ordered by the Ministry of Health.

Mining holders must comply with the protocols approved by the Peruvian Health Ministry ("MINSA") and the Ministry of Energy and Mines to prevent, contain and mitigate the spread of COVID-19.

Mining companies must every day inform the Ministry of Energy and Mines, when applicable, regarding:

- the demobilization activities in their mining units;
- any critical matter regarding their mining units:
- all activities conducted in order to comply with the state of emergency;
- · number of confirmed cases of COVID-19.

#### Federal level

Since March 20, 2020 through <u>Administrative</u> <u>Decision No. 429/2020</u> activities related to the environmental protection of mines were declared as essential activities and thus, exempted from the lockdown measures.

Since April 3, 2020 through <u>Administrative</u> <u>Decision No. 450/2020</u> activities related to mining production distribution and commercialization were expressly declared essential activities and therefore exempted from the lockdown measures.

Before then, mining activities were subject to the general restrictions explained above.

Additionally, on March 18, 2020, through Resolution No. 14/2020 the Secretariat of Mining of the Ministry of Productive Development suspended the operations to the public of the National Department of Mining Operations in charge of the application of Law No. 24,196 on mining investment, and related administrative which has been extended until April 26.

#### Local laws

Salta:

On April 1, 2020, The Secretariat of Environment and Sustainable Development issued Resolution No. 159/2020 which extended the validity of the inscription in the Registries of dangerous residues for generators, transporters and operators.

**EXEMPTIONS AVAILABLE FOR MINING OPERATIONS** 

## Chile (Claro & Cia) Last updated: 9 June 2020

#### Brazil

(Pinheiro Neto)
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- not share objects, instruments, tools and materials;
- inform the employer about COVID-19 symptoms;
- use public transportation only when there are minimum hygiene and social distancing conditions:
- quarantine of 14 days in case of contact with anyone diagnosed with COVID-19.
- (ii) For administrative workers:
- · work from home when possible;
- (iii) For field workers:
- avoid being less than 2 meters close to other workers;
- use public transportation or company shared vehicles only when there are minimum hygiene and social distancing conditions;
- inform the employer of any suspicious cases in the family or at work.

#### Peru

(Rodrigo, Elias & Medrano) Last updated: 12 June 2020

#### Argentina

(Bomchil)
Last updated: 23 April 2020

The Environmental Assessment Authority has suspended, until June 16, 2020, all environmental assessment processes that are now in phases that involve citizen participation.

#### **Federal Level**

Decree No. 10282/2020 provides for essential activities that cannot be suspended during the pandemic, such as:

- cargo transportation;
- · environmental inspection;
- · monitoring of dams;
- mining, beneficiation, production, sale, transportation and supply of mineral substances; and
- all activities and services that provide inputs for the production chain related to those services and activities deemed as essential.

Measures on mandatory social isolation are not applicable for those mining activities whose restart has been approved by the government as detailed below.

The prohibition on crossing borders does not apply to the transportation of cargo and goods in and out of Peru.

Since their declaration as an essential mining companies may continue to operate with the following restrictions:

- All protocols issued by the Ministry of Health and the Labour Risks Superintendent Office must be followed such as <u>Disposition No.</u> <u>5/2020</u> which establishes standards to be followed in the work environment and for workers in transport to and from work.
- Pursuant to <u>Administrative Decision No.</u>
   429/2020 as modified by <u>Resolution No.</u>
   48/2020 of the <u>Ministry of Interior</u> and <u>Administrative Decision No.</u> 450/2020 workers related to mining activities or environmental protection must obtain the <u>"Single enabling certificate for circulation"</u>. As noticed provincial governments may require additional permits within their provinces.
- The National Secretariat of Mines issued recommendations for the prevention of the spread of COVID-19 in the mining sector, which includes specific recommendation for companies and mining authorities to coordinate and plan (i) the level of activities in the mines in accordance to what seems appropriate in each scenario (return to activities, suspension or temporal closing); (ii) the appropriate response to environmental contingency and sanitary urgencies; (iv) the maintenance of channels of communication open to share information on the pandemic.

substances; and
all activities and services that provide inputs

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- (v) Companies should also: acquire the permit for circulation for all employees; reinforce all measures in place for the protection of workers; collaborate with the chain of supply so that in every step the workers and companies can appropriately evaluate their own risks; diminish the risk of spreading COVID-19 to the local communities.
- The Chamber of Mining Businesses (CAEM) issued on April 1, 2020 a biosecurity protocol. Though not mandatory, it is useful for companies to use as a template in the jurisdictions where a protocol is specifically required. The protocol deals with: medical personnel, contractors' actions both inside and outside of the mines; measures on prevention; including a protocol for allowing the entry of workers into the mines; a protocol for the personnel of transporting companies when their access to the mine is needed; protocol of behaviour if a suspicious case appears in the entry point or inside the mine; measures involving appropriate disinfection; recommendations on the proper use of protection equipment against COVID-19.
- For companies focused on mines exploitations, the Chamber of Exploration Mining Companies (GEMERA) also issued a biosecurity protocol aimed at epidemiological prevention, reflecting the agreements between the unions, the supply chain, and the regulatory authority.

### **Chile** (Claro & Cia)

Last updated: 9 June 2020

#### Brazil

(Pinheiro Neto)

Last updated: 11 June 2020

Mining was considered an essential activity by Federal Decree No. 10.282/2020 and operations may proceed.

Sanitary measures may be put in place by state or local authorities and those would apply even to essential activities.

#### Peru

(Rodrigo, Elias & Medrano) Last updated: 12 June 2020

By means of Ministerial Resolution N° 129-2020-MINEM/DM, the Peruvian government approved the restart of the following mining activities, as of May 6<sup>th</sup> 2020:

- exploitation, beneficitation, storage, transportation and mining closure activities related to big mining operations; and
- activities related to construction projects declared of national interest.

Subsequently, by means of Supreme Decree N<sup>o</sup> 101-2020-PCM, the Peruvian government approved the restart of the following mining activities, as of June 5<sup>th</sup> 2020:

- exploration activities related to big and medium scale mining operations; and
- exploitation, beneficiation, storage, transportation and mining closure activities in the following cases:
  - Medium scale mining operations and their related activities, which have mining camps and/or exclusive external accommodation for their workers and/or have adapted auxiliary components for these purposes.
  - b) Small scale mining operations and their related activities, and formalized artisanal mining operations, which have been previously accredited by the competent regional authority.

In order to restart their activities, mining titleholders must comply with certain dispositions, such as the preparation of a plan for the prevention and control of COVID-19. This plan will be registered in a special system implemented by the MINSA (SICOVID-19). Competent authorities will use this plan for future actions of supervision and control.

#### Argentina

(Bomchil)

Last updated: 23 April 2020

Federal Level: see above

Local measures:

#### Salta:

On April 7, 2020, through Resolution 67/2020 the Secretariat of Mines and Energy established that (i) companies, licensees and concessionaires that perform essential activities related to mining must adopt measures related to security, hygiene, health and biosecurity to prevent the spread of COVID-19; (ii) protocols on biosecurity and a Plan for minimum operation in the Emergency, establishing the personnel needed to carry out the operations in conformity with the indications of the emergency committee, must be submitted to the Secretariat of Mines and Energy.

#### San Juan:

On March 20, 2020 through Resolution No. 278/2020 the Ministry of Mines established that the mining sector involved in the development of exploration and exploitation of mines should observe a protocol for the transfer of their workers and their contractors' workers including approved thereat.

On March 27, 2020 through Resolution 280/2020 the Ministry of Mines ordered that the mining companies should comply with National Decree No. 297/2020, Administrative Decisions No. 429 and 450/2020 and related provincial measures. It also declared that the extension of Mining Producer certificates in force until April 30,.

On April 6, 2020 through Resolution 294/2020 it was determined that all concessionaires of mining rights in the province must submit a protocol for biosecurity to the Ministry of Mining.

#### Santa Cruz:

On April 3, 2020 the Secretariat of State of Energy established through Disposition No. 69/2020 that (i) as of April 1 and until the end of the sanitary emergency the transfer of mining companies' personnel and contractors will be the responsibility of the Mining Operator; (ii) companies will have to take the necessary measures to guarantee indispensable staff to secure the operation of the mine under a 14x14 day regime; (iii) among the minimum operations the following are permitted: tasks related to district explorations, open pit and underground operations; mining processing plants and heap leach; short and medium term planning; expansion of process infrastructure; electrical, mechanical, communications and maintenance facilities; camp, dining, warehouse and office

Specific ex

# INSIGHTS INTO FUTURE POLICY DECISIONS INSIGHTS INTO FUTURE POLICY DECISIONS

## Chile (Claro & Cia) Last updated: 9 June 2020

#### Brazil

(Pinheiro Neto)
Last updated: 11 June 2020

#### Peru

(Rodrigo, Elias & Medrano) Last updated: 12 June 2020

#### Argentina

(Bomchil)

Last updated: 23 April 2020

services; medical service and rescue brigades; mine closure; protection, monitoring and environmental remediation (iv) the companies will have to require ex ante authorization by the Secretariat

As reported above two chamber that organize mining businesses: CAEM and GEMERA have issued biosecurity protocols.

The Brazilian Mining Association (IBRAM) has been monitoring the measures taken by mining companies regarding the control of COVID-19.

IBRAM did not issue specific protocols, but its representatives are in frequent contact with authorities at the Ministry of Mines and Energy, in order to raise awareness to the challenges faced by mining companies during the pandemic and to contribute with the government in the making of public policy.

Federal government issued employment protection plan, giving employers the possibility to:

- suspend employment contracts for up to 60 days;
- reduce the work time and salaries proportionately (up to 70%) for 90 days;
- · advance individual vacations;
- · grant collective vacations;
- · advance non-religious holidays; and
- use hours worked in excess to compensate the absence periods.

Economic measures issued by the federal government also include deferral of Employees' Severance Indemnity Fund (FGTS) payments and discount on contributions to the autonomous social services (Sistema S) made by employers.

Quarantine measures began to be lifted in the beginning of June, subject to monitoring of infection data. They may be reconsidered if number of infections continues to raise quickly.

We can expect the federal and provincial governments to extend the suspension on administrative processes both at the national and provincial levels while the lockdown continues.

In several provinces the emergency of the mining sector is being discussed with the possibility of establishing emergency economic measures to sustain the industry.

As of April 23, 2020 it has been reported that the Federal Government may significantly lift quarantine measures in place.

The Government has implemented an Emergency Economic Plan that will allocate US\$17.105million to address the economic crisis. The plan considers measures such as:

- the abolition of the PPMs for the second quarter of the year, and a diversity of measures applicable to the Small and Medium Enterprises ("SME's");
- stamp tax reduction to 0% rate for a six-month period;
- relief measures for tax debt including more flexible repayment facilities or temporary suspension of collections;
- all costs incurred by companies due to COVID-19 can be deducted;
- Creation of a US\$ 100 million Municipal Solidarity Fund;
- New capital contribution of US \$500 million for Banco Estado, approved by the Congress.

IMPACT ON ASSOCIATED ACTIVITIES

Activities required to support mining operations

IMPACT ON ASSOCIATED ACTIVITIES

## Chile (Claro & Cia) Last updated: 9 June 2020

#### Brazil

(Pinheiro Neto)

Last updated: 11 June 2020

Transportation of cargo and monitoring of tailings dams are considered essential activities, so those activities shall not be affected and shall continue.

Moreover, Federal Decree No. 10.282/2020 provides that all services that support essential activities – which is the case of mining and monitoring of dams – are also deemed essential.

## On 1 April 2020, the Employment Protection Act was introduced which prevents an employment agreement from being terminated on the grounds of force majeure due to COVID-19. The Act allows employees to draw from unemployment insurance in the event of suspension or a reduction of working hours.

On the other hand, the employers must continue to pay social security and health contributions, for the total of the original income during the period that the contract is suspended. With this benefit 4.3 million employees will be protected.

For the independent workers the tax refund was advanced benefiting 1.6 million workers. Also, the plan considers the implementation of an Income Protection Insurance for Self-Employed.

The government implemented a special fund that will benefit the most vulnerable families and nonformal workers. Approximately, US\$ 2.000 million will be destined to support 4.5 million people that are not subject to a formal employment relationship.

Additionally, the plan considers the support of 60% of the most vulnerable population in the country through the delivery of an emergency income for 3 months, and its amount will depend on the size of the household and its socioeconomic status.

Employment protection plan issued by the federal government provides for governmental allowance for employees who had their work agreements suspended or have their work hours and salaries reduced.

Many mining companies located in less developed areas have voluntarily engaged in social programs for local communities, which may include:

- donation of tests to the federal government;
- purchase and donation of ventilators;
- donation of personal protective equipment for medical teams;
- donation of food to vulnerable communities near mining sites; and
- financial support to hospitals in mining cities.

#### Peru

(Rodrigo, Elias & Medrano) Last updated: 12 June 2020

#### Argentina

Last updated: 23 April 2020

(Bomchil)

No specific or particular exemptions required to support mining operations have been issued. However, certain exempted activities support in fact mining activities, as follows: surveillance services, cleaning services, supply of telecommunications and public utility services (water, energy and communications) (Decree No 297/2020), maintenance, repair and supply of spare parts of vehicles (Administrative Decision No 490/2020).

The recommendations issued by the Secretariat of Mining especially focus on preventing transmission to local communities (See above).

Some mines have made donation to surrounding communities.

Chile

(Claro & Cia)

Last updated: 9 June 2020

Special measures are being implemented to support the most vulnerable sectors of the sectors.

Brazil

(Pinheiro Neto) Last updated: 11 June 2020 Peru

(Rodrigo, Elias & Medrano) Last updated: 12 June 2020 Argentina

(Bomchil) Last updated: 23 April 2020

country. Among these measures, the government has implemented the payment of a "Covid Bonus" to be paid to 2.8 million families; the subsidy that supplements the minimum income of some workers, leaving it at \$300,000 Chilean pesos; suspension of collection of electricity bills and deferment of payment of water bills; and the exemption and reduction of property tax for older adults from vulnerable

#### Russia and Asia (Indonesia and India)

#### Russia

(Herbert Smith Freehills)
Last updated: 11 June 2019

Emergency measures have been implemented across Russia in an effort to contain the spread of COVID-19.

#### **Federal**

The main measures mandating a temporary shut down of businesses in various industries were put in place by the federal government at the end of March. Certain types of entities (listed below) are exempt from these restrictions and may continue to operate, subject to enhanced screening and sanitary requirements:

- "companies operating continuously" (as defined in applicable regulations);
- · medical institutions and pharmacies;
- · businesses that sell food and essential goods;
- businesses that carry out emergency works and repairs or loading/unloading operations;
- financial institutions for purposes of providing designated financial services.

The Russian border is currently closed to anyone who is not a Russian citizen (subject to certain limited exemptions), with all charter and regular international passenger flights from and to any country (with the exception of flights arranged to evacuate Russian citizens) presently suspended.

#### Regions of Russia

The federal restrictions have been further developed and supplemented by Russia's constituencies (regions). Regional restrictions may vary. Regional authorities have been authorized by the federal government to impose and lift the relevant restrictions in accordance with the federal guidelines.

Each region has implemented various measures which generally include the following:

- quarantine measures for individuals who have been diagnosed with COVID-19 or have returned to Russia from overseas;
- · mandatory self-isolation;
- prohibition of mass gatherings;
- suspension of certain types of businesses;
- bans or restrictions on travel outside or within the region (subject to certain exemptions);

#### Indonesia

(Hiswara Bunjamin & Tandjung)
Last updated: 3 June 2020

On 28 January 2020, before the national state of emergency had been formally declared by the Government of Indonesia, the Head of National Disaster Prevention Board ("BNPB") announced that the coronavirus pandemic was an emergency situation from 28 January 2020.

Following earlier country-specific foreigner arrival restrictions, on 31 March 2020, the Government of Indonesia declared a public health emergency and applied a requirement for large-scale social distancing by limiting people from doing certain activities in any region which is suspected to have been affected by COVID-19. The term "lockdown" has never been used in Indonesia. Each regional government in Indonesia that wishes to implement such large-scale social distancing in its area needed to obtain approval from the Minister of Health.

Social distancing regulations require at least:
(a) closing of schools and workplace; (b) limitation on religion activities; (c) limitation on activities in public places or facilities; (d) limitation on social and cultural activities; (e) limitation on transportation; and (f) limitation of other activities related to defence and security.

Individual regions then started applying the large-scale social distancing requirements. Jakarta, the nation's capital, which has had the highest number of COVID-19 cases obtained approval of the Minister of Health for implementation of large-scale social distancing (including restrictions on access to premises of non-essential business) from 7 April 2020 (which was extended) until 4 June 2020.

Later on 13 April 2020, the Government of Indonesia declared a state of national disaster. Although cases continued to rise across the country in May, the Government is proposing a gradual relaxation of restrictions (starting with B to B activity) during June and July, but with continuing social distancing requirements.

As announced by BNPB in the beginning of the COVID-19 pandemic, the national emergency situation was declared until 29 May 2020. However, based on a circular letter of the COVID-19 Prevention Task Force on 27 May 2020, the state of emergency will only end upon later announcement by the President of Indonesia.

#### India

(Cyril Amarchand Mangaldas)
Last updated: 3 May 2020

#### **Federal**

The National Disaster Management Authority of India in exercise of its power under the Disaster Management Act, 2005 (Disaster Management Act) issued an order on March 24, 2020, directing the ministries, departments of central, state and union territories to take effective measures to prevent the spread of COVID-19.

Pursuant to the said directions, the Ministry of Home Affairs, Government of India (MHA), issued certain guidelines on March 24, 2020, declaring a national wide lockdown for a period of 21 days, effective from March 25, 2020 (i.e., effectively till, April 14, 2020). On April 14, 2020, the Government of India extended the said lockdown till May 3, 2020 and the MHA issued revised consolidated guidelines on the lockdown (Original MHA Guidelines). The Original MHA Guidelines applied to the entire country uniformly and prohibited all activities except for certain few identified essential activities. On May 1, 2020 (i.e. 2 days prior to the expiry of the lockdown), the Government of India again extended the ongoing lockdown till May 18, 2020 and the MHA issued further revised guidelines on the lockdown (New MHA Guidelines).

The New MHA Guidelines demarcates the districts of India into red, orange, and green zones depending on the risk profile of the districts and the imposes different restrictions to each category of zones. Further, unlike the Original MHA Guidelines, the New MHA Guidelines permit undertaking of all the activities unless expressly prohibited or permitted with restrictions. No activities, except essential services, are permitted in containment zones forming part of the identified red and orange zones.

The Ministry of Health and Family Welfare, Government of India (MoHFW) is tasked with the duty of sharing the list of districts with the demarcation (i.e. red, orange and green) on a weekly basis or earlier as required. The governments of States and Union Territories may include additional districts as red and orange zones, however the states are not allowed to lower the classification of any district.

#### **States**

While the New MHA Guidelines are binding on the state governments and union territories, the

#### Russia

(Herbert Smith Freehills)
Last updated: 11 June 2019

- suspension of issuance of new work permits to foreign workers; and
- · mandatory wearing of medical masks.

#### Indonesia

(Hiswara Bunjamin & Tandjung)
Last updated: 3 June 2020

#### Federal

Businesses which are considered "companies operating continuously" are permitted to operate, subject to strict screening and sanitary requirements. The list of such companies is non-exhaustive and includes companies operating hazardous facilities, a broad category which captures most mining companies.

#### **Regions of Russia**

Regional authorities have issued guidance which designate enterprises engaged in mining operations as continuously operating companies. Therefore, such enterprises are exempt from the general requirement to suspend their activities. In addition, certain specific exemptions from travel related restrictions may apply to the employees of these entities.

We list below examples of the relevant regulations introduced in some mining regions of Russia.

#### Kemerovo Oblast – Kuzbass

In the Kemerovo Oblast, the list of enterprises that are allowed to continue their operations includes, among others, companies operating in the mining and processing industries. These companies are required to conduct daily workplace medical examinations and temperature screening, as well as to disinfect office and work premises.

#### Republic of Sakha (Yakutia)

In the Republic of Sakha (Yakutia), employees of enterprises whose operations have not been suspended (which include mining companies) are allowed to travel within the region if such travel is necessary for their work, provided that the employees wear masks in public places. These employees are also not subject to restrictions on travel by water (despite the general suspension of passenger transportation on a number of routes on the Lena River). A decree of the head of the region requires that companies operating continuously arrange for a mandatory 14 day self-quarantine for employees who have arrived from other regions. In addition, these companies are subject to mandatory workplace medical screening and disinfection requirements.

Mining operations are included as services and functions deemed strategic to Indonesia's national infrastructure. The above measures, however, generally apply to mining operations as general guidance, and local regencies and cities may individually apply appropriate restrictions in their own areas.

#### India

(Cyril Amarchand Mangaldas)
Last updated: 3 May 2020

state government also have the power to issue regulations in relation to COVID-19 under the Epidemic Diseases Act, 1897. Pursuant to this statute, various state governments have issued more stringent guidelines complementing the national lockdown measures.

As per the Original MHA Guidelines, MHA had specifically permitted the operation of industries in relation to coal production, mines and mineral production, their transportation, supply of explosives and activities incidental to mining operations. These activities were to be undertaken in areas which do not form part of containment zones. The permissibility of mining operations and incidental activities had been uniformly accepted by all the states in India, except for the state of West Bengal. The state of West Bengal (which is rich in coal reserves) has issued more stringent guidelines and has disallowed mining operations to be performed during the lockdown.

However, under the New MHA Guidelines (which operates to restrict industrial activities by exception) have not imposed any restrictions on or prohibited the industries in relation to coal production, mines and mineral production, and activities incidental to mining operations. Therefore, as a natural corollary, all such mining related activities shall be deemed to be permitted, except in containment zones forming part of the identified red and orange zones.

#### Russia

(Herbert Smith Freehills)
Last updated: 11 June 2019

#### Primorsky Krai

In the Primorsky Krai, the general requirement for residents not to leave their place of residence does not apply to (i) employees of enterprises whose activities are not suspended, and (ii) employees of other enterprises if the presence of such employees at their workplace is critical to the operation of such enterprises (provided that they have a certificate confirming the place and nature of their work). The governor has recommended that employees of companies operating continuously refrain from business trips and ordered that such companies must ensure ongoing medical screening of their employees. Despite these rigorous measures, a COVID-19 outbreak has occurred at a gold mine operated by Russia's largest gold producer located in the region, with the number of infected workers reported at 866.

The above emergency measures generally apply to mining operations, however, a number of general exemptions have been provided (as outlined above).

#### Indonesia

(Hiswara Bunjamin & Tandjung)
Last updated: 3 June 2020

#### India

(Cyril Amarchand Mangaldas)
Last updated: 3 May 2020

Mining operations are deemed to be strategic functions and are permitted to remain open. However, the national strategic classification can be subject to specific local restrictions.

In any event, most mining companies in Indonesia have applied their own health protocols for preventing COVID-19 transmission generally requiring mining operations to apply minimum manpower and prioritize the prevention of COVID-19 transmission in the workplace. This includes quarantining of external visitors and returning workers.

Since 2 April 2020, foreigners are generally prohibited from entering into or transiting through Indonesian territory. However, foreigners with residency/work permits or diplomatic visas, medical workers and foreigners working on national strategic projects are conditionally exempted from such restrictions. In May, the Minister of Health issued a circular instructing any ministries/regional authorities to apply health protocols at all Indonesian gateways for returning Indonesian nationals and foreign visitors by applying certain quarantining procedures (including socialisation on physical distancing and clean and health lifestyle, health certificate validation and rapid test).

In addition, travel limitations are also applied to person entering and exiting administrative borders in Indonesia (by private or public transportation (land, train, sea and air)).

Under the New MHA Guidelines, all the activities are permitted (outside containment zones) unless expressly prohibited or permitted with restrictions. Considering the New MHA Guidelines operates based on risk profile of zones, for each zone, the guidelines provide a list of activities which are prohibited or permitted with restrictions. All other activities (which are not expressly prohibited or permitted with restrictions) are deemed to be allowed. Additionally, in containment zones, strict perimeter control is being implemented wherein influx and outflux of transport and movement of people will be monitored.

Under the New MHA Guidelines, the governments of States and Union Territories are also permitted to further tighten the restrictions by allowing only select activities from out of the permitted activities mentioned under said guidelines, with such additional restrictions as they may feel necessary. Further, all States and Union Territories have been directed to allow inter-state movement of goods and cargo, including cargo for cross land border trade under treaties with the neighbouring countries.

#### Russia

(Herbert Smith Freehills)
Last updated: 11 June 2019

We are not currently aware of any specific exemptions relating to the mining sector.

#### Indonesia

(Hiswara Bunjamin & Tandjung)
Last updated: 3 June 2020

A circular letter was issued by the Director General of Minerals and Coal ("DGMC") on 23 March 2020 in relation to the COVID-19 pandemic in the mining workplace. This should be considered guidance for mining companies.

Under the circular letter, the DGMC encourages all mining companies (including mining processing/refining and mining services companies) to take all necessary actions to prevent COVID-19 transmission in the workplace by applying protocols and conducting certain actions, including:

- a) limiting gatherings, applying social distancing and physical distancing in manpower transportation;
- b) providing facilities to support clean and healthy lifestyle for its manpower;
- periodic sterilization and cleaning of workplaces;
- d) applying early detection system;
- e) providing health service facilities, quarantine and isolation rooms for treating infected manpower or manpower under supervision;
- f) preparing and conducting management of COVID-19 emergency situations in accordance with the company's policy and situation; and
- g) conducting testing, if necessary.

Further, the DGMC also encourages mining companies to allocate additional resources such as budget, facilities, medical and non-medical teams for preventing and handling COVID-19 in the relevant workplace.

#### India

(Cyril Amarchand Mangaldas)
Last updated: 3 May 2020

The New MHA Guidelines (which operates to restrict industrial activities by exception) have not imposed any restrictions on or prohibited the industries in relation to coal production, mines and mineral production, and activities incidental to mining operations. Therefore, as a natural corollary, all such mining related activities shall be deemed to be permitted in areas outside the containment zones.

Further, various unverified news reports suggest that the Minister of Coal and Mines, Government of India, has announced, inter alia, the following various relief and special measures/instructions with respect to fuel supply agreements ("FSA") entered into by Coal India Limited (the Government of India enterprise involved in coal mining) (CIL) with various consumers. It is likely that CIL would have independently communicated some of these measures to its consumers:

- Allowing consumers to offtake quantities even beyond their contracted quantity under the FSA, subject to availability of coal with CIL.
- Dispensation from levy of performance incentive on power consumers if CIL supplies more quantity than the quantity contracted under the FSA.
- CIL has been directed to keep up the production targets at current levels of 710 million tonnes to support power production.
- Recognising pressure on working capital of power firms and for ensuring liquidity in the market, CIL has dispensed with the requirement of advance payment under FSA and has allowed payment through LCs.
- CIL has directed its subsidiaries to expedite refund of security deposits paid by consumers under an expired FSA if no claims are pending against consumers.

## INSIGHTS INTO FUTURE POLICY DECISIONS

## INSIGHTS INTO FUTURE POLICY DECISIONS

#### Russia

(Herbert Smith Freehills)
Last updated: 11 June 2019

We are not currently aware of any industry consultations relating to the mining sector.

#### Indonesia

(Hiswara Bunjamin & Tandjung)
Last updated: 3 June 2020

Apart from the above regulations and general interaction with mining companies we are not aware on any general mining industry consultations between industry and Government of Indonesia. However, the Ministry of Energy and Mineral Resources is in the process of gathering data on necessary imported goods and services that delay of completion of eleven coal-fired power plant projects due to the COVID-19 pandemic.

#### India

(Cyril Amarchand Mangaldas)
Last updated: 3 May 2020

We understand that the Government of India and the various ministries are engaging in various interactions and conferences with the industry to discuss issues and future recommendations.

We understand from various unverified news reports that:

- on April 27, the Coal and Mines Minister, during his virtual interaction with National Mining Committee of Confederation of Indian Industry (CII), deliberated on boosting the mining sector to make it a driver of growth, revenue and employment as part of post COVID-19 economic revival.
- various industry bodies and associations such as Federation of Indian Mineral Industries (Fimi), CII and Federation of Indian Chambers of Commerce and Industry (FICCI) have made representations before the Government of India.

The Federal Service for the Oversight of Consumer Protection and Welfare (Rospotrebnadzor) has adopted recommendations for regional governors in relation to gradual lifting of restrictions introduced during the COVID-19 outbreak. The recommendations contain certain criteria and other evaluation metrics that should be taken into account when withdrawing restrictive measures. These include:

- infection rate (calculated in accordance with the recommendations);
- hospital bed capacity available to COVID-19 patients; and
- minimum number of coronavirus tests performed daily (calculated in accordance with the recommendations).

Any decisions on lifting the restrictions must be taken by each region's governor based on recommendations of a regional chief sanitary officer.

Like many other countries, the Indonesian Government is generally looking to relax restrictions related to COVID-19. We expect current restrictions may be eased over coming months, subject to on-going social distancing obligations and application of health protocols in offices and factories. It is possible that travel restrictions may also be eased to promote resumption of business activities.

Despite the fact that the Government of Indonesia has imposed general large-scale social distancing requirements across the country (instead of lockdown) in response to COVID-19 pandemic, the upstream mining industry in Indonesia is largely operating at usual levels. The Mining industry is included on a list of services and functions that are deemed a part of Indonesia's strategic infrastructure and is permitted to remain operating under safety guidelines. However, large-social social distancing requirements are impacting the development of several smelter plants that are a key part of the Government's priority plan for developing Indonesia's downstream mining industries, in particular due to access restrictions (for, among others, contractors and supplies) to the project sites.

As an unexpected major development for the mining industry, in May the Indonesian House of Representatives approved sweeping revisions to the 2009 Mining Law. Initial criticism has been that the revisions were passed without

We understand from unverified news media reports that various industry bodies and associations have made the following representations before the Government of India. These representations are likely to act as drivers for future policy decisions of the government with respect to the mining sector:

- In order to ensure availability of liquidity and working capital with the mining companies, the associations have requested deferment of deposit of statutory dues with the government for at least 6 months to 12 months. These dues include mineral royalties, district mineral fund (DMF), transfer charges and other levies and cess imposed by state governments.
- All statutory levies to be subsumed into one levy, like goods and service tax, to reduce burden on the industry.
- Contribution to DMF to be considered as an eligible contribution towards corporate social responsibility (CSR) obligation as required under the Companies Act, 2013.
- Withdrawal of export duty on iron ore and rationalisation of taxes on mining.
- Waiver of minimum production requirement for financial year 2019-2020 and 2020-2021 in relation to the mine development and production agreements entered into by the Government of India with licensees of mines.

#### Russia

(Herbert Smith Freehills)
Last updated: 11 June 2019

#### Indonesia

(Hiswara Bunjamin & Tandjung)
Last updated: 3 June 2020

proper scrutiny (in the midst of the COVID-19 crisis) and has sidelined regional autonomy and local communities interests. However, based on our initial observations, the revisions to the 2009 Mining Law are largely positive for the mining industry and should promote investment and provide for further long-term legal certainty.

Travel restrictions and local quarantining requirements within Indonesia have impacted mining operations to some extent. Most essential industries such as power and public utilities remain operational during the large-scale social distancing and therefore, support to mining operation remains available. This includes cargo shipping which continues to operate on limited basis and subject to compliance to the generally applicable health protocol for preventing COVID-19.

#### India

(Cyril Amarchand Mangaldas)
Last updated: 3 May 2020

- To address the challenge of low production levels, it has been suggested that the government may provide exports incentives to the industry (similar to China), through initiatives like target plus scheme, wherein major exporters with minimum export turnover will be rewarded through entitlement of duty credit scrips.
- Exports of mineral and metal sector should be made cost competitive by expediting formulation/implementation of scheme for remission of duties and taxes on exported products, export promotion and also to undertake protectionist measures to arrest surging imports of minerals and metals into the country after the market improves.
- Expediting the auction process of the already explored mineral blocks and easing the requirements with respect to environment and forest clearance for mines.

The New MHA Guidelines have not imposed any restrictions on or prohibited the industries in relation to coal production, mines and mineral production, and activities incidental to mining operations and, accordingly, the same are deemed to have been allowed. Further, all States and Union Territories have been directed to allow inter-state movement of goods and cargo, including cargo for cross land border trade under treaties with the neighbouring countries.

tivities required to support mining operati

IMPACT ON ASSOCIATED ACTIVITIES

IMPACT ON ASSOCIATED ACTIVITIES

#### Russia

(Herbert Smith Freehills)
Last updated: 11 June 2019

#### **Business**

The majority of support measures are available to companies operating in the most adversely affected economic sectors, which include air transportation, airport activities, transportation, culture and leisure, sports, tourism, catering, continuing education, organisation of conferences and exhibitions, and household services (repair, washing, dry cleaning, beauty salons). Certain support measures have been made available to private entrepreneurs and small and medium enterprises (SMEs) only. Support measures available to private entrepreneurs and SMEs operating in the affected sectors include, among others, grace periods and temporary reduction of payments under loans and facilities entered into with financial organisations.

#### Labour

The Ministry of Labour and the Russian Tripartite Commission for the Regulation of Social and Labour Relations issued recommendations to employees and employers aimed at preventing the spread of COVID-19, protecting employees' rights, ensuring stability on the labour market.

#### Community

The Russian Government has introduced a number of social support measures which include the following:

- financial support to families with children;
- deferred payments for outstanding facilities and loans, subject to certain criteria and maximum thresholds depending on the type of loan (e.g. RUB 4,500,000 (approximately USD 61,600) for a mortgage in Moscow);
- additional unemployment benefits.

#### Indonesia

(Hiswara Bunjamin & Tandjung)
Last updated: 3 June 2020

The Minister of Finance has issued a number of tax regulations in response to the COVID-19 pandemic. It applies certain tax incentives for eligible taxpayers over Article 21 Employee Income Tax, Article 22 Income Tax on Imports, Article 25 Income Tax and Value Added Tax (VAT).

Such tax incentives can be enjoyed by eligible taxpayers including, in relation to Article 21 Employee Income Tax, for those who work in the (among other) mining sector and who have annual gross revenue no more than Rp200 million (approx. US\$13,500) will be borne by the Government; and tax exemptions for eligible taxpayers in relation to Article 22 Income Tax on Imports.

In general the Indonesian government has not introduced any general salary protection support for employees whose work is impacted by the effect of COVID-19 on business. There is no furloughing programme or any similar scheme. The government views it as an obligation of employers to support their workers as far as possible. The Minister of Manpower has issued several circular letters to all Indonesian regional Governors requesting them to ensure wage protection for employees and payment of annual religious allowance. In addition, each Governor is required to ensure that employers continue to pay wages for, among others, employees under who are absent for 14 days due to a suspected case of COVID-19 and for employees who are under quarantine/isolation.

However, Governors still need to have regard to the position of employers who are financially affected by the COVID-19 pandemic and unable to pay the annual religious allowance – in which case, the employer and employees must have a discussion to agree on the payment method of annual religious allowance (such as stage payments, deferrals or penalties).

#### India

(Cyril Amarchand Mangaldas)
Last updated: 3 May 2020

In relation to workspaces and manufacturing establishments, MHA has issued certain guidelines, which inter alia include direction to the employers to make payments to their workers without any deduction, to ensure that no rent is demanded from migrant labours by landlords for a period of one month, mandatory abidance of guidelines in relation to sanitisation and social distancing at workspaces, directions to state governments to make suitable arrangements for transportation of stranded migrant labours etc.

The Ministry of Labour & Employment, Government of India (MLE), has issued several advisories in relation to COVID-19, including advising employers of public and private establishments to not terminate employment of their employees, in particular casual or contractual workers or to reduce their wages. Additionally MLE has issued an advisory to governments of States and Union Territories, to transfer the funds in the account of construction workers through direct benefit transfer from the cess fund collected by the Labour Welfare Boards under the Building and Other Construction Workers' Welfare Cess Act, 1996.

Additionally, for establishments which have 100 employees or more and 90% of whom earn under Rs. 15,000/- monthly wage, the Government of India will pay employees' provident fund (EPF) contribution of both employer and employee (12% each) for the next three months in order to ensure that nobody suffers due to loss of continuity in the deposit of funds in the Employees' Provident Fund Organisation (EPFO). Additionally, the commissioner of EPF or any officer authorised by it, shall allow withdrawal/advance of 75% of the credit standing in the EPF account or three months basic wages and dearness allowances, whichever is lower.

Further, the beneficiaries of Employees' State Insurance (ESI), can purchase medicines from private chemists during the lockdown period and its subsequent reimbursement by Employees' State Insurance Corporation (ESIC) has been permitted. The ESI beneficiaries have also been permitted to seek emergency/non-emergency medical treatment from tied-up hospital directly without referral letter.