

COVID-19 Case Study 2021



The European Business Registry Association (EBRA), together with our peer organizations International Association of Commercial Administrators (IACA), Corporate Registers Forum (CRF) and ASORLAC, sought member feedback on the impact of the COVID-19 Pandemic on business registries. The response period was open from 8 March to 16 April 2021. We hereby present the received responses from our member jurisdictions.

Country	Germany
Institution	Ministry of Justice of North Rhine-Westphalia / VPS RegisSTAR
Contact person	Celia Johnston
E-mail	Celia.JohnstonVPS@ag-essen.nrw.de

COVID-19 in your country

In mid-March 2020, the federal and provincial governments decided on far-reaching restrictions on public life. Social contacts were restricted. Restaurants and personal hygiene services were closed. All establishments, especially those open to the public, had to comply with hygiene regulations and implement effective protective measures for staff and visitors. Planned operations were postponed and a hospital emergency plan was drawn up. In addition, quarantine measures were taken for travelers from abroad and travel restrictions were imposed. Since the beginning of May some restrictions have been gradually lifted. Due to rising case numbers, contact restrictions and other pandemic control measures were increased again in October and November 2020. Citizens were urged to reduce social contacts to an absolute minimum and staying in public was restricted to small groups. Numerous facilities, such as cultural, gastronomic and service establishments, were closed again. Additional economic aid was granted for the businesses affected by the closures. The obligation to wear a mask in public places was further extended. Since mid-December considerable restrictions on public life in the form of a so-called "lock-down" have been in force again. This includes the closure of most shops and service providers. Day-care centres and schools have been closed or switched to distance education. Businesses were to switch to home office operations to the extent possible. Mobility restrictions were imposed in areas with high infection rates. At the same time, compensation rules for companies and additional sick leave for parents who have to care for their children as well as a lump-sum compensation per child for each family affected by the restrictions of child care were created. Travel from areas deemed as high risk was regulated more strictly. In addition, further infection control measures were laid down, such as the obligation to wear medical masks in public transport and in shops and increased testing in old people's and nursing homes.

The pandemic and the health protection measures associated with it have had and continue to have significant economic and social consequences. The second quarter of 2020 saw the sharpest quarter-on-quarter drop in GDP since calculations began in 1970. Families were burdened by school and childcare closures. Employees were confronted with changes in everyday working life, such as working from home.

Impact of COVID-19 on workload and operations

Surprisingly, the number of new businesses increased slightly (by 7%) during the pandemic (April 2020 to February 2021) compared to the same period before the pandemic (April 2019)



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to February 2020). However, the number of terminations has also increased slightly (by approximately 4%). As far as documents are concerned, it can be noted that more documents have been requested overall (increase of 16%) during the pandemic (April 2020 to February 2021) than before the pandemic (April 2019 to February 2020). From my point of view, it is not possible to find a correlation between the figures and the pandemic.

Service operations have been maintained to a limited extent. Personal service appointments for citizens have been reduced. Access to the building has been denied if a person showed COVID-19 symptoms, has had personal contact with a person infected with COVID-19 within the last two weeks or has been in a COVID-19 risk area within the last two weeks. More flexible working time models have been created for employees to avoid multiple occupancy of offices. To achieve the greatest possible flexibility, working hours are no longer restricted to day time.

Rules of conduct and social distance were introduced. As far as possible, working from home was highly encouraged. Apprenticeship training was suspended.

The following equipment was provided: medical masks, disinfectants, foil walls, Plexiglas panes, and CO₂ measuring devices.

Impact of COVID-19 on development projects and strategy

We did not have to reschedule (accelerate or delay) any planned projects due to the COVID-19 pandemic. We took benefit from the fact that all applications were received and processed electronically prior to the pandemic.

COVID-19 and companies

Measures taken by the German authorities to support companies during Covid-19 were mainly of financial nature. In order to ensure the survival of companies and self-employed persons who have lost their turnover, the government launched a federal bridging aid program. Furthermore, if an enterprise fails to place orders due to difficult economic development, the company may declare short-time work. In this case, the Employment Agency pays the wages lost as a cost of temporary absence from work. In addition, taxes were reduced over a period of several months. Moreover, insolvency application deadlines have been suspended for a couple of months in order to avoid a wave of insolvency applications due to the implemented lockdown.

The "New Normal"

Digitized working life appears to be the "New Normal" and the process of digital transformation is in progress. There are several IT projects in the registry and company section being developed which are bound to be implemented in a couple of months. For example, paperless working from home is due to be enabled in the registry section soon.