



The Coronavirus outbreak – what shall enterprises need to pay attention to?

The Coronavirus (2019-nCoV) outbreak has been spreading across Asia and has been declared as a global health emergency by the World Health Organisation (WHO). The Virus causes severe respiratory problems and has swept across China after emerging from the city of Wuhan in the district of Hubei. Cases have increased to roughly 28,000 individuals across China with 18 other countries reporting cases. The infection has impacted upon businesses, some of which have had to halt operation, either in part or in full, and thus has had ramifications for management and employees alike.

Taiwan

The Taiwanese Government have not yet increased domestic policy to the extent that China has. Therefore, there are no policies directed at halting businesses or extending Lunar New Year festivities; however, there are still some restrictions that have been put in place to prevent an outbreak in Taiwan.

Quarantine and Travel Bans

The Taiwanese Government has issued a “red” travel advisory which emphasises not to travel to mainland China, with “yellow” warnings in effect for Hong Kong and Macao. Furthermore, certain transport links such as all international cruise liner ships have been suspended under Article 60 of the Communicable Disease Control Act (CDCA) which gives the authorities the ability to take necessary control measures with losses for those companies not being compensated.

As of the 6th of February, the Government has designated all areas of the PRC, including Hong Kong and Macao, as being severely affected. Therefore, the Government has issued a ban on foreign nationals, including Chinese resident in China, who have resided or visited anywhere in the PRC in the previous 14 days from entering Taiwan. By denying entry visa applications by such foreign nationals, this temporary measure will ensure that travellers will be stopped from entering.

However, foreign nationals who possess a valid Taiwan Resident Certificate, who have resided or visited anywhere in the PRC including Hong Kong and Macao, in the previous 14 days, shall self-isolate themselves and be under home quarantine for a period of 14 days.

Quarantine can be mandated under Article 58 of the CDCA which allows authorities to impose quarantine measures. Violating such quarantine is subject to Article 69 of the same code which provides for a fine between NT\$10,000 to NT\$150,000, depending on the case.

As an example, a 39-year-old man in Taoyuan has been reported to the police for breaking quarantine, the first such offence in the city. Whilst not yet charged, it is believed that he will probably be facing the above-mentioned fine after violating the act.

Potential Liabilities

Article 12 of the CDCA states that enterprises or individuals shall not deny patients/ suspected patients who have communicable diseases their right to employment, housing, or any other unfair treatment – excepting individuals who are required to be restricted by the authorities. This is a generalised piece of legislation that will most likely cover most interferences of businesses in the Government tackling the virus whilst ensuring that business as usual can continue. This measure is supported by Article 69 paragraph 1 of the same code which enforces a fine for wrongful acts.

Furthermore, Article 42 highlights that when certain individuals suspect persons to have been affected by communicable disease and are not yet diagnosed or examined those individuals shall notify the competent authorities. This list of individuals includes; persons in charge of hotels or stores; owners, managers or drivers of transportation; and persons in charge or managers of organisations, schools, institutions, enterprises, factories, mines, or other public places.

In addition, Article 43 highlights that if patients/ suspected patients with communicable diseases shall not refuse, evade or obstruct the laboratory testing, diagnosis, investigation and management of the competent authorities. This links with Article 62 which highlights the penalties of imprisonment and/ or a fine of NT\$500,000 for those who know that they are infected yet fail to comply with instructions by the authorities and thus have infected others.

Economic policies

A major fear of the outbreak is the economic damage that may occur to businesses and enterprises across nations, a fear that has been backed by stock prices declining. Due to the difficulties in business organisation and adaptability towards the virus, the government have initiated various policies to aid with stabilising growth. These measures include, among other things, stabilising the exchange markets, overseeing the disease control efforts of companies to ensure production remains consistent with necessary changes to supply lines being delivered, initiating government bailout measures for transportation (and tourism or leisure industries), providing subsidies for losses of tour groups and accelerating public investment and prevent private investment from slowing.

In general, it is advisable for businesses to reorganise their immediate operations by considering:

- The difficulty of international transportation of goods and services,
- The near impossibility of connected travel in Taiwan to and from the mainland,
- The time periods that can be organised for the fulfilment of contractual obligations,
- The invocation of any force majeure or unforeseen clauses,
- The benefits of insurance clauses, in particular measures that may come forward from the National Health Insurance Administration,
- The management of administrative or judicial proceedings in progress.

Should you need to have more details of the rules in your city, please feel free to contact us at asiallians@asiallians.com.

Please be informed that ASIALLIANS is fully operational in Taiwan, Beijing, Shenzhen, Guangzhou, and Hong Kong, while our teams based in other Chinese cities having organized themselves to provide service to our clients through telework or team rotation.

Sources

1. Ministry of Foreign Affairs implementation of a prohibition of those who have previously travelled to China
https://www.mofa.gov.tw/en/News_Content.aspx?_1EADDCFD4C6EC567&s=FFB88BFC5CC92
2. Man Arrested for breaching quarantine
<http://www.taipeitimes.com/News/taiwan/archives/2020/02/06/2003730463>
3. Violation of the regulations of Article 11, Article 12. Article 31, Paragraph 3 of Article 58, Paragraph 1 of Article 59, or the regulations decided the central competent authority under the authorization of Paragraph 3 of Article 34 regarding possession, use of infectious biological materials, bio-safety management of laboratories, and reporting to competent authorities.
4. Articles included in the Communicable Disease Control Act
 - Article 12
 - Article 42
 - Article 43
 - Article 58
 - Article 62
 - Article 69

Feel free to contact taibei@asiallians.com for more information.

An Integrated Network of European and Asian Lawyers

www.asiallians.com

ASIALLIANS

In cooperation with



Wang Jing & Co.



WTW Taipei Commercial Law Firm

ASIALLIANS LLP

In association with



K.Y. Woo & Co.

Paris • Beijing • Tianjin • Qingdao • Shanghai • Fuzhou • Xiamen • Guangzhou • Shenzhen • Hong Kong • Taipei

[Unsubscribe](#)