## **Coronavirus: suspension of debt enforcement proceedings**

## https://www.admin.ch/gov/fr/accueil/documentation/communiques.msg-id-78482.html

From March, 19<sup>th</sup>, 2020 to April 4<sup>th</sup>, 2020 inclusive, summary proceedings for debt recovery will be suspended throughout Switzerland. The Federal Council took this decision during its meeting on March, 18<sup>th</sup>, 2020. This should provide Swiss companies with some relief in this area.

In view of the extraordinary situation, the Federal Council has used its authority to order the suspension of debt enforcement proceedings. During this period, it will not be possible to notify debtors with any acts of debt enforcement.

This measure is intended to ensure uniform implementation of the debt collection law throughout Switzerland. The legal suspension will apply from 7 a.m. on March, 19<sup>th</sup>, 2020 until midnight on April, 4<sup>th</sup>, 2020. The statutory debt collection holidays will begin immediately afterwards. These have the same effects and last until April, 19<sup>th</sup>, 2020. This implies that during this period, summary proceedings against debtors cannot be initiated or continued.

## **Corporate liquidity problems require further measures**

With this decision, the Federal Council intends to address the financial difficulties caused to many companies by the extraordinary measures, in particular the closure of restaurants and shops. The suspension of proceedings will provide them with a certain relief, but is not an appropriate instrument for resolving their difficulties in the long term.

The Federal Council has therefore set a limit on the duration of the suspension of proceedings. It will soon decide what measures are to be taken to best protect the interests at stake. On March, 13<sup>rd</sup>, 2020, the Federal Council already decided to provide up to CHF 10 billion for immediate relief from the economic difficulties and to examine further measures in favour of companies.

## Federal Council analyses the consequences of the coronavirus crisis for the justice system

The current pandemic and ordered measures have other consequences for the judiciary: court hearings must be postponed in part and it is more difficult to meet deadlines. The Federal Council is aware of the challenges and has instructed the Federal department of justice and police to examine which measures could be taken. The relevant circles of interests, including the courts, prosecutors and lawyers, will be involved in this work.