



NEWSLETTER

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A Presidential Decree extended for sixty (60) days the period of time established in Decree No. 4.090 of 01/05/2020, published in Official Gazette No. 6.501 Extraordinary of 01/05/2020 through which the State of Emergency (including Economic Emergency) was declared in all of the national territory. (Official Gazette No. 6.515 Extraordinary of 03/05/2020. Decree No. 4.145. Entry into force: Upon publication in the Official Gazette).

COVID-19

Presidential Decree No. 4.160 declared the State of Alarm in all of the national territory, in order for the National Executive to take the urgent measures for protection of Venezuelan population's health, with the purpose of mitigating and eradicating the risks of epidemic related to the coronavirus (COVID-19) and its possible strains. A period of effectiveness of thirty (30) days was established for the Decree, extendible for an equal period. Upon the end of said period of effectiveness, a Presidential Decree extended for thirty days the aforesaid period of time established in said Decree No. 4.160. (Official Gazette No. 6.519 Extraordinary of 03/13/2020 and No. 6.528 Extraordinary of 04/12/2020. Decrees No. 4.160 and No. 4.186. Entry into force: Upon publication in the Official Gazette).

The Presidency of the Republic issued Decree No. 2 in the frame of the state of alarm to attend to the coronavirus (COVID-19) sanitary emergency. Through said Decree the economic protective measures indicated in the Decree were adopted. (Official Gazette No. 6.521 Extraordinary of 03/23/2020. Decree No. 4.168. Entry into force: Upon publication in the Official Gazette).



BANKING AND FINANCE

The Venezuelan Central Bank (VCB) resolved that the credits granted in the frame of the Sole National Productive Portfolio in national currency, to be granted by the bank entities governed by the Law of Institutions of the Banking Sector and other special laws, must be expressed only by using the Productive Credit Value Unit (Unidad de Valor de Crédito Productivo - UVCP). Commercial credits and microcredits in national currency, to be granted by the bank institutions governed by the Law of Institutions of the Banking Sector and other special laws, must be expressed only by using the Commercial Credit Value Unit (Unidad de Valor de Crédito Comercial - UVCC).



Credit operations related to credit cards, commercial installment loans on account of payroll credits, and those intended for employees and directors of bank entities are excluded. (Official Gazette of 03/06/2020. Resolution No. 20-02-01. It repeals Resolution No. 19-09-01 published in Official Gazette of 10/21/2019. Entry into force: on the second business day following its publication in the Official Gazette).



Through an Official Notice, the VCB informed that as from the second business day following the publication of said Official Notice in the Official Gazette, the maximum limit of the flat commission that the bank institutions may charge for the credits granted in the frame of Resolution No. 20-02-01 will be of up to zero point fifty percent (0.50%) of the amount of the credit. (Official Gazette of 03/06/2020. Official Notice).

The VCB issued the rules that will govern the formation of the legal reserve. (Official Gazette of 03/30/2020. Resolution No. 20-03-01. It repeals Resolution No. 19-09-02 published in Official Gazette of 10/21/2019. Entry into force: As from the business day following that of its publication in the Official Gazette).

A notice published in the web site of the VCB states that the VCB took new actions in the area of monetary policy, in accordance with the economic measures adopted by the National Executive by reason of the presence of the Covid-19 in the national territory. The notice also indicates that these monetary policy actions consist in the determination of a single legal reserve coefficient of 93% and that as from 04/01/2020, the banking system will have 7% of the new deposits entering the system, which will be available for making the payment system viable and attending to credit priorities.

The VCB established the interest rates applicable to the obligations derived from employment relationships (54.64% and 39.32%) and to the operations with credit cards (40.00% and 17.00%). (Official Gazette of 04/13/2020. Official Notice Entry into force: Upon publication in the Official Gazette).

TAX

The National Integrated Service of Customs and Tax Administration (Servicio Nacional Integrado de Administración Aduanera y Tributaria - SENIAT) issued an Administrative Ruling that readjusted the Tax Unit from fifty bolivars (Bs.50.00) to one thousand and five hundred bolivars (Bs. 1,500.00). (Official Gazette of 03/13/2020. Administrative Ruling SNAT/2020/00006. Entry into force: Upon publication in the Official Gazette).

The SENIAT established the rate applicable to the calculation of late payment interest accrued during January 2020. It was established that the weighted average interest rate for loans of the six (6) principal commercial and universal banks of the country with the highest volume of deposits, excluding portfolios with prime rates, set by the VCB for January 2020 is 36.40% which rate is to be increased 1.2 times for the calculation of late payment interest accrued during January 2020. (Official Gazette of 03/26/2020. Administrative Ruling No. SNAT/2020/00020).



LABOR

A Presidential Decree ratified the fire freeze in favor of the workers of the public and private sectors up to 12/31/2020. Therefore, the workers protected by the fire freeze may not be dismissed or transferred, nor may their employment conditions be worsened, without a Justified cause previously approved by the Labor Inspector of their jurisdiction. (Official Gazette No. 6.520 Extraordinary of 03/23/2020. Decree No. 4.167. Entry into force: Upon publication in the Official Gazette).



A Presidential Decree increased, in all of the national territory, the minimum monthly income, which, according to the Decree, is composed of the minimum mandatory monthly salary and the Socialist Cestaticket. The minimum monthly salary of the workers of the public and private sectors was established as follows: a) Bs. 400,000.00 per month. b) Bs. 300,000.00 per month for adolescents and apprentices.

A Presidential Decree established that the annual income of territorial source obtained by natural persons residing in the country during fiscal year 2019 and with a normal salary or an income from the performance of their activities that by the end of said period does not exceed an amount equivalent to 3 minimum salaries, as in effect as of December 31, 2019, is exempt from payment of income tax (IT). The natural persons who as of the date of the entry into force of the Decree have fully or partially paid the rate of income tax for the annual income of territorial source obtained in 2019 fiscal year will be holders of fiscal credits, up to the amount paid, which credits may be applied to subsequent fiscal years. (Official Gazette No. 6.523 Extraordinary of 04/02/2020. Decree No. 4.171. Entry into force: As from 04/02/2020).



The monthly amount of the Socialist Cestaticket for the workers of the public and private sectors was fixed at Bs. 400,000.00. Said adjustment will become effective as from 05/01/2020. (Official Gazette No. 6.532 Extraordinary of 04/27/2020. Decree No. 4.193. Entry into force: As from 05/01/2020).

MISCELLANEOUS

A Presidential Decree suspended the payment of the rentals of real property of commercial use and of real property used as principal dwelling houses, as from the entry into force of the Decree up to 09/01/2020. Afterwards, the Ministry of the Popular Power for Habitat and Housing issued a Resolution that suspended on a special and exceptional basis the payment of the rentals of real property used as principal dwelling houses up to 09/01/2020 and that provides that the National Superintendence of Housing Lease (Superintendencia Nacional de Arrendamiento de Viviendas – SUNAVI) will establish the specific conditions for the implementation of the payment of rentals as per the payment methods established in the aforesaid Decree and indicated in the Resolution (Official Gazette No. 6.522 Extraordinary of 03/23/2020 and No. 41.852 of 04/01/2020. Decree No. 4.169 and Resolution No. 023. Entry into force: Upon publication in the Official Gazette).



The Ministry of the Popular Power for Ecological Mining Development issued the rules for the issue of the favorable report for use of explosive substances and their accessories in the mining activity performed by public and private companies that have strategic alliances with Corporación Venezolana de Minería (CVM). (Official Gazette of 03/17/2020. Resolution No. 0008. Entry into force: Upon publication in the Official Gazette).



A Presidential Decree assigned the character of deconcentrated service without legal personality to the National Office of Mining Auditing and Inspection (Oficina Nacional de Fiscalización e Inspección Minera - ONAFIM). Its name will be National Service of Mining Auditing and Inspection (Servicio Nacional de Fiscalización e Inspección Minera – SENAFIM), with financial management capacity, assigned to the Ministry of the Popular Power for Mining Ecological Development. (Official Gazette of 04/07/2020. Decree No. 4.182. It repeals Decree No. 2.445 published in Official Gazette of 08/26/2016. Entry into force: Upon publication in the Official Gazette).



The Ministry of the Popular Power for Health resolved that the Board of Review of Pharmaceutical Products may issue the rules relating to control of registration, promotion and advertising, prescription, substitution, sale, pharmacovigilance, clinical trials of medicines, and others within the ambit of its jurisdiction.

The Rules on Promotion and Advertising of Medicines published in Official Gazette of 06/23/2004 are repealed. They will be substituted by the rules to be issued by the Board of Review of Pharmaceutical Products. (Official Gazette of 04/14/2020. Resolution No. 213. Entry into force: Upon publication in the Official Gazette). The Autonomous Service of Sanitary Comptrollership issued the Rule that regulates the public and private laboratories and representative offices that are protected by the benefit of suppression of secondary package and package insert in the commercialization of medicines in the national territory. (Official Gazette of 04/17/2020. Administrative Ruling No. 065-2020. Entry into force: Upon publication in the Official Gazette).



The Ministries of the Popular Power for Health and for Science and technology established the general guidelines for the development of the researches related to COVID-19 in the Bolivarian Republic of Venezuela (Official Gazette of 04/22/2020. Joint Resolution No. 083 and No. 093. Entry into force: Upon publication in the Official Gazette).



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