

New Temporary Emergency Bridging Measure for Sustained Employment

The Netherlands Ministry of Social Affairs has just announced the details of the new [Temporary Emergency Bridging Measure for Sustained Employment](#) (*NOW, Noodfonds Overbrugging Werkgelegenheid*). This NOW-arrangement will provide financial help for employers to help pay their employees' wages in regard to the Corona crisis. Businesses can apply for the NOW-arrangement from Monday 6 April through 31 May 2020.

Details of the NOW-arrangement:

- Starting next week, businesses that suffering from a loss of turnover due to the corona crisis will be able to contact special desks to apply for a contribution towards labor costs. UWV aims to open these desks from Monday 6 April onwards;
- Businesses that meet the conditions can expect an advance credit within two to four weeks;
- Companies can claim when they expect to lose at least 20% turnover. Businesses claim compensation for 3 months, with the possibility to extend it once, for a further 3 months (extra conditions may apply to an extension application);
- Applications for the old 'werktijdverkortingsregeling' are automatically included in the new system;
- Applications for NOW can be made until 31 May;
- The compensation for wages you can claim depends on the turnover loss. You can claim a maximum of 90% of the wages. For example:
 - o If the turnover loss is 100%, the compensation will amount to 90% of wages
 - o If the turnover loss is 50%, the compensation will amount to 45% of wages
 - o If the turnover loss is 25%, the compensation will amount to 22.5% of wages
- Based on your application, the Employee Insurance Agency (UWV) will pay you an advance of 80% of the expected compensation. The actual turnover loss will be determined afterwards. When determining the definitive compensation, a correction can be made, if there has been a decrease in wages;
- In addition to the compensation, there will be a surcharge of 30 percent for employer costs such as the accrual of holiday pay, pension and employer contributions;
- The government compensates a maximum of EUR 9538 per month in gross salary. This includes nearly 99 percent of employees;
- Employers must continue to pay the full wages of their employees with the compensation. The compensation is also for flex workers and people with a zero-hour contract;
- If you claim NOW, you will not be allowed to request permission to dismiss employees on economic grounds during the period for which you receive compensation.

In addition, the conditions for the [Temporary Bridging Scheme for Independent Entrepreneurs \(Tozo\)](#) were published recently. This scheme supports self-employed entrepreneurs, including self-employed persons, with income support and business credit, so that they have a better chance of continuing their business. The scheme is implemented by municipalities and will continue until 1 June.