

Covid-19: Singapore

Singapore implemented a multipronged surveillance, contact tracing and containment strategy that contributed to enhanced case ascertainment and initial slowing of the outbreak in January/February 2020. The government and the Monetary Authority of Singapore (“MAS”) have adapted fiscal, monetary and macroprudential measures to grant deferment brakes in the servicing of insurance premiums, mortgage loan repayments, and giving contractual reliefs to mitigate some of the worst economic effects of the crisis. The government has issued three different budgets to pour in monies to support the economy, with the total budget amounting to S\$60 billion or roughly US\$43 billion.

From early April 2020, the government has implemented “circuit-breaker measures” bringing the country close to a complete lock down. The long arm of the law has been brought to bear to ensure adequate bite in enforcing the measures.

1) Restrictions in the field of Public Law

Under the Covid-19 (Temporary Measures) Act (“the Act”), people must remain at their homes from April 6 until May 4. Movement is restricted except under twelve very limited exceptions set out in the Act (eg. buying food or essential items, receiving medical treatment either for Covid-19 or “of a pressing nature”, or working in essential services). If people head out, they must keep a distance of one meter from others. People heading out to the market or mall are required to wear a mask. All private social gatherings of any size, whether in homes or public spaces, have also been banned. If a person is found in breach of these measures, an enforcement officer will take down his particulars and issue a S\$300 fine. Subsequent offences will result in a composition fine or prosecution.

The government passed the Infectious Diseases (Workplace Measures to Prevent Spread of COVID-19) Regulations 2020 (“Regulations”) on 1 April 2020. During the control period of 2 April 2020 to 30 April 2020, most physical workplaces have been closed (except for essential services). Employers are required to implement telecommuting for employees to work from home. Schools/other learning institutions have been shut, with learning being done online instead.

2) Suspension/electronic transmission of legal proceedings

All matters scheduled for hearing in the Supreme Court of Singapore from April 7, 2020 to May 4, 2020 have been adjourned unless the matter is assessed by the court to be essential and urgent. These include certain criminal matters, applications for urgent injunctions, applications for the arrest or release of a vessel, applications under the Building and Construction Security of Payment Act and requests for urgent hearings in urgent matters. Hearings conducted from April 7, 2020 to May 4, 2020 will be conducted through electronic means unless otherwise directed by Court. In

relation to witness testimony, the Court may order that the witness give evidence via the use of video communication technology.

3) Provisions in the field of Contract and Property Law

The Act also has considerable impact on the enforcement of certain contracts and commercial disputes in Singapore for the next 6 to 12 months. The key provisions of the Act relating to contracts are as follows:

- a) Temporary relief from the inability to perform contractual obligations under certain contracts if that inability is materially caused by a COVID -19 event. The Act puts a freeze on taking legal action for breach of certain contracts while the Act remains in force;
- b) Temporary changes to bankruptcy and insolvency laws to increase the debt thresholds for winding up and bankruptcy. These changes will give a safety net allowing businesses to continue to trade while technically insolvent; and
- c) Allowing the conduct of certain corporate meetings, such as AGMs, to continue using alternative arrangements other than personal attendance.

MAS has allowed property owners to apply to lenders to defer both their principal and interest payments up until December 31. Interest will accrue only on the deferred principal amount, not the deferred interest payments. Property owners are not required to show any impact from Covid-19 to secure the deferment. The request for deferment will be approved by lenders if the applicant is not in arrears for more than 90 days as of April 6.

4) Insurance Contract Law

MAS has allowed holders of life and health insurance policies with a policy renewal or premium due date between April 1 and September 30 to apply for a deferral of premium payments for up to six months, while still maintaining insurance coverage. This move is meant to assist individuals facing cash flow pressures during this crisis. MAS has also allowed general insurance policy holders to apply for installment payment plans while maintaining insurance protection. These measures are not automatic – individuals will have to make an application to their insurers to obtain a deferral/installment plan.

Some travel insurance companies are also allowing individuals who have cancelled their upcoming travel plans (with travel dates before 30 June 2020) to cancel their single trip travel insurance policy and receive a full premium refund without any penalty charges.

Some insurance companies are providing a complimentary one month (with the option to extend) complimentary Covid-19 cover for persons who are hospitalized.