

## Client Alert

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# State of emergency in Japan now applies nation-wide

#### Geographical scope

On 16 April 2020, the Japanese government expanded the geographical scope of the state of emergency declared on 7 April under the Act on Special Measures to Respond to Novel Influenza (the "Act"). The state of emergency now applies throughout Japan until 6 May. This expansion in scope is intended to discourage residents of the seven prefectures to which the state of emergency originally applied from travelling to other prefectures where it did not. The powers of the governor of a prefecture under the Act are summarized in our client alert of 15 April.

In announcing the expansion of the scope, the government designated the following 13 (out of 47) prefectures as "special vigilance prefectures": Tokyo, Kanagawa, Saitama, Chiba, Osaka, Hyogo, Fukuoka, Hokkaido, Ibaraki, Ishikawa, Gifu, Aichi and Kyoto. Although the powers of the governors of special vigilance prefectures are no different than those of other governors under the Act, the latter are expected to exercise their powers in a less restrictive manner than the former.

#### Cash payments to every citizen

The government also announced its intention to grant a lump sum of 100,000 yen to each Japanese citizen. The government had originally planned to grant 300,000 yen to families experiencing financial difficulties due to the COVID-19 outbreak. However, this was criticized for being too complicated to implement quickly and for the potential unfairness and delay that might result from the application of its criteria. The new 100,000 yen grant is seen as fairer but may be amended further if it proves difficult to implement.

#### Support for businesses

The Governor of Tokyo has announced that the prefectural government will provide financial support to small-to-medium-sized businesses that fully comply with its requests to restrict or cease business operations. A few other prefectures have announced similar support but other prefectures do not currently intend to do so. The national government passed a series of financial measures in March to help small and medium-sized businesses, particularly with regard to cash flow issues.