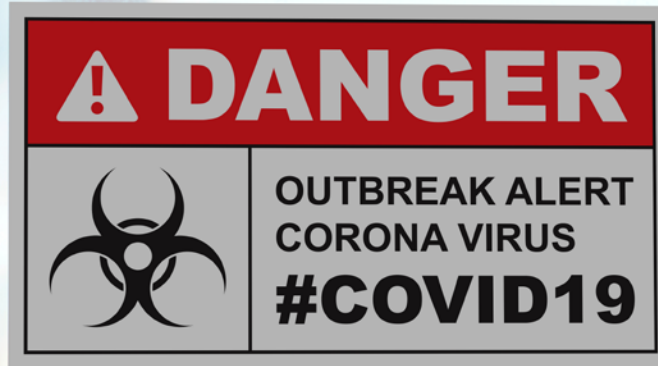


May 19, 2020

News Flash



Operations Reopening under the COVID-19 emergency

The Ministry of Health (SS) has announced the gradual startup of activities as of June 1, 2020, and has established new extraordinary measures.

Activities related to construction, mining and manufacturing of goods and equipment for the transportation industries may also be considered essential, and may reinitiate activities before June 1, provided certain requirements are met.

Through the March 31 official notice (Acuerdo), and its amendments of April 21, ([read here](#)), the authorities ordered the immediate suspension of non-essential activities until May 30 following the state of emergency declaration arising from the COVID-19 epidemic.

In the official notice published in the Federal Official Gazette on May 14 ([read here](#)), and its amendments dated May 15, ([read here](#)) the strategy for re-initiating economic activities is established. Likewise, additional extraordinary measures are established.

The above entered into force on May 15 and will be in force until the health emergency is officially ended.

The strategy establishes a gradual reopening based on a regional "color" code for weekly evaluation of the risks associated with the re-opening of activities in each state, in three different stages:

- » STAGE 1.- Starting May 18, reopening of activities in municipalities with no presence of COVID-19, and with other neighboring municipalities with no COVID-19 presence, as published by SS.
- » STAGE 2.- From May 18 to 31, consists in activities related with the preparation for re-initiation of activities focused on health protocols, personnel training and premises preparation, among others established by the SS.
- » STAGE 3.- Starting June 1, reopening of economic activities based on the "color" code by region. The color code will be applicable to safety measures in work, education and public space use through the description of permitted activities.

Construction, mining and transportation equipment industries are considered essential activities and may reinitiate operations as of June 1, provided that:

- » Health safety protocols are followed in accordance with the guidelines established by SS, Ministry of Economy, Ministry of Labor, Social Security Institute and other federal authorities on the website: www.gob.mx/nuevanormalidad.
- » The filing and authorization of such protocols may be done simultaneously with the implementation of measures for the reopening of activities.
- » If companies finalize the filing and approval

processes prior to June 1, they may effectively initiate operations on that date.

- » As of May 18, companies may initiate the response to the document "Self-Assessment and Protocols for Health Safety" based on the applicable provisions and protocols, and file a written formal commitment submission through which each independent work premise is individually registered.
- » The IMSS shall receive and resolve the request in a period not more than 72 hours following its filing, with the understanding that unless such resolutions have been issued, legal entities may not initiate operations.
- » Those entities that do not meet the above provisions, and risk workers' health, will be temporarily closed.

Activities considered essential under the March 31 communication (Acuerdo) may continue, provided they meet the applicable preventive measures in the work premises.

It is of utmost importance for companies to determine if their operations may be considered essential and to have the necessary supporting documents, as well as to

develop and implement the necessary health protocols in accordance with the guidelines established by the SS, as well as other preventive or control measures that may be established by other federal or state authorities in order to avoid possible legal issues arising from related audits or inspections.

We can gladly help your Company to develop, file and prepare the necessary evidence of due compliance with the applicable legal provisions necessary to reinstate operations and to help you with addressing any related audit or review.

This news flash was jointly prepared by Alberto Campos Vargas (jacampos@sanchezdevanny.com), Alfonso López Lajud (alopez@sanchezdevanny.com), Alfredo Kupfer Domínguez (akupfer@sanchezdevanny.com), Diego Gómez-Haro Katznelson (dgomezharo@sanchezdevanny.com), Guillermo Villaseñor Tadeo (gvillasenor@sanchezdevanny.com), José Antonio Postigo Uribe (japostigo@sanchezdevanny.com), and Juan Carlos Jiménez Labora (jclabora@sanchezdevanny.com).

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Contact

Alberto Campos Vargas
jacampos@sanchezdevanny.com

Alfonso López Lajud
alopez@sanchezdevanny.com

Alfredo Kupfer Domínguez
akupfer@sanchezdevanny.com

Diego Gómez-Haro Katznelson
dgomezharo@sanchezdevanny.com

Guillermo Villaseñor Tadeo
gvillasenor@sanchezdevanny.com

José Antonio Postigo Uribe
japostigo@sanchezdevanny.com

Mexico City:

Av. Paseo de las Palmas #525 Piso 6
Col. Lomas de Chapultepec, 11000
Ciudad de México
T. +52 (55) 5029 8500

Monterrey:

José Clemente Orozco #335 Piso 4
Despacho 401 Col. Valle Oriente, 66269
San Pedro Garza García N.L.
T. +52 (81) 8153 3900

Querétaro:

Bldv. Bernardo Quintana #7001
Torre 1 Oficina 1109 Col. Centro Sur, 76090
Querétaro, Qro.
T. +52 (442) 296 6400



Sánchez Devanny Eseverri S.C.



@SanchezDevanny



/sanchezdevannymx

www.sanchezdevanny.com

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