

# COVID-19

|Remaining competitive in time of crisis|

## CECIMO Recommendations to national and European decision-makers



### **Remaining competitive in time of crisis: CECIMO Recommendations to national and European decision-makers**

European businesses are facing an extraordinary challenge caused by the outbreak of COVID-19.

We have been witnessing the devastating impact of the crisis on our society and our way of living. The public health emergency we are facing will also disrupt the industry's economic performances, as we are only in the early stages of the crisis.

CECIMO member companies are nevertheless showing great resilience in these difficult times. Our companies, as part of global value chains operate, produce or have business relationships in China and other impacted countries. At the same time, our industries are of strategic importance for Europe, with a total turnover of around 27 billion euros only in 2019, and we represent one of the most innovative sectors, contributing to research and innovation in fields such as additive manufacturing, robotics and artificial intelligence.

For these reasons, CECIMO welcomes the Corona Response Investment Initiative, which is part of the European measures presented by the European Commission on 13 March 2020 and the European Central Bank's comprehensive package of monetary policy measures, presented on 12 March 2020. However, at the present time, it is impossible to foresee how long the crisis will last. Therefore, CECIMO stresses the need for joint actions when supporting the European industry and implementing measures to help the real economy and guaranteeing the well-being of the employees of our national associations' member companies.

CECIMO calls upon national and European decision-makers to put into place immediate and effective measures that would protect the European machine tool builders and our supply chains, and overall, ensure that Europe remains competitive.

## CECIMO therefore recommends the following additional measures:

- Tax relief schemes for companies or temporary tax breaks, especially on charges that affect businesses directly.
- Specific lines of credit for manufacturing companies or special, emergency loans for Small and Medium-sized enterprises (SMEs) that are or will be experiencing financial difficulties due to the COVID-19 outbreak.
- Eligibility for extraordinary financial aids, supported by the ECB and the EIB, to avoid potential bankruptcies and suspension of payment deadlines.
- A payment facilitation framework for businesses during this exceptional period.
- Safeguard critical public infrastructures, such as transportation networks, across Europe.
- A quick and clear reprogramming of the European structural funds.
- Support the short-term adjustment in SMEs logistics and supply channels (e.g. established screening protocols, uptake of new technologies, etc.).