

Business prospects for 2010 lowest in a decade

Businesses in Europe expect to invest and employ less in 2010 than at any time in the last decade. Also turnover and export forecasts are at their lowest level since 2000, while businesses do not anticipate any changes in domestic sales for the coming year.

The findings of the latest EUROCHAMBRES Economic Survey, which polled over 69,000 businesses of all sizes and sectors in 27 countries*, show that companies are still suffering from the consequences of the crisis and that the recovery is not yet in sight.

The only indicator which has improved compared to last year is business confidence, maybe because of a “things can only get better” attitude. Yet, this optimism is unlikely to be backed up by actions.

Arnaldo Abruzzini, Secretary General of EUROCHAMBRES, explained: *“Businesses are afraid to invest a single cent. They don't see domestic sales growing, they suffer from unfavourable exchange rates which hamper their exports and, as a result, they are unwilling to invest and to employ. It is premature to say, in light of these facts, that the worse is already behind us.”*

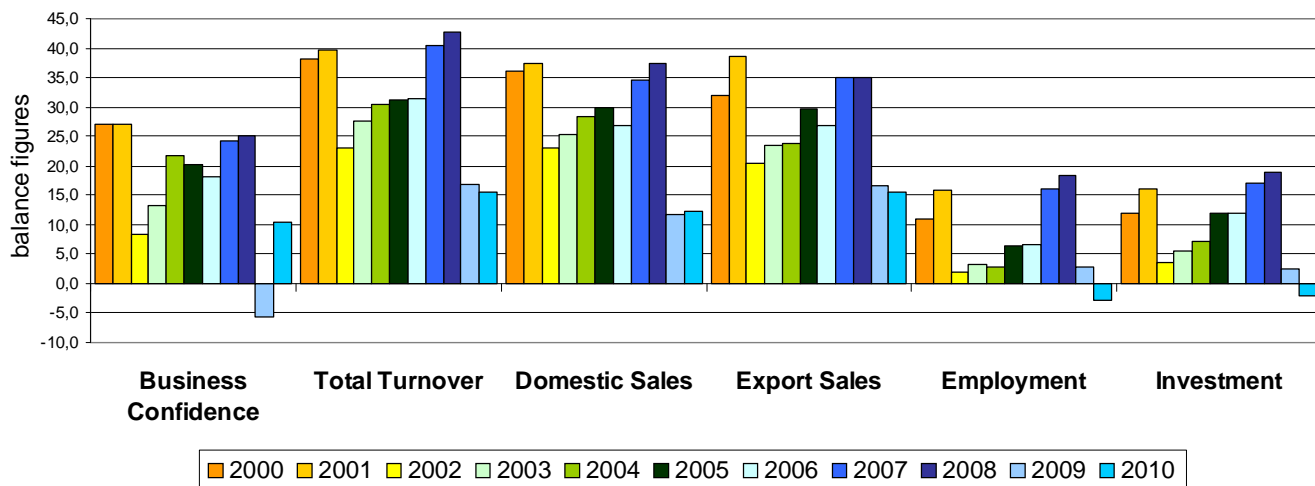
Against this background, Mr Abruzzini urged ECOFIN Ministers meeting on Wednesday to stop worrying about the banks, which were bailed-out without any guarantee that they would pump this money back into the business cycle, and start worrying about their customers, in particular small companies.

“Small businesses are being squeezed by their clients demanding longer payment terms and the banks who do not want to lend. Banks have to go back to their main mission, which is to lend money to businesses. Unless this happens, many small enterprises in Europe will be forced to close down, with dramatic consequences for the European economy,” Mr Abruzzini said.

* All EU Member States (except Ireland and Lithuania) + Croatia and Turkey

**[EUROCHAMBRES Economic Survey 2010 can be downloaded from
www.eurochambres.eu/content/default.asp?PageID=1&DocID=2103](http://www.eurochambres.eu/content/default.asp?PageID=1&DocID=2103)**

ECONOMIC INDICATORS FOR 2000 - 2010



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EUROCHAMBRES – The Association of European Chambers of Commerce and Industry represents over 19 million enterprises in Europe – 96% of which are SMEs – through members in 45 countries and a European network of 2000 regional and local Chambers.