

EU Summit: agreement lays foundations for much needed support to European business community

EUROCHAMBRES welcomes that EU leaders have reached an agreement on a deal for a recovery package and long-term budget. This is a positive sign that Europe is ready to respond to an economic downturn on a scale not seen since the Great Depression.

In recent months, EUROCHAMBRES has underlined the gravity of the situation for many companies struggling to survive as the economic impact of COVID-19 continues and the need for an ambitious recovery plan to overcome the crisis, preserve businesses and jobs, and boost the European economy.

EUROCHAMBRES President, Christoph Leitl expressed satisfaction that a decision had been reached at the EU Summit earlier today. *“The fact that EU leaders reached an agreement will encourage the business community. It is time to make a fresh start to overcome this dramatic crisis. Now it is in the hands of national parliaments and the European Parliament to approve the recovery plan and long-term EU budget as soon as possible”*.

EUROCHAMBRES nonetheless expresses concern at the removal of the Solvency Support Instrument for companies and the drastic reduction of the EU budget on key programmes and areas related to investment, research and innovation. Providing adequate liquidity to viable companies dealing with the legacy of the pandemic and strengthening Europe’s innovation capacity are key factors in a sustainable recovery, which risk being undermined by these cuts. *“It is concerning to see significant cuts to programmes like Horizon Europe and InvestEU. This is out of sync with the economic recovery effort and risks weakening our global competitiveness”*, said Leitl.

EUROCHAMBRES also reiterates the importance of ensuring a favourable business environment. *“Additional funding and new programmes will be of little consequence if the fundamentals like a well-functioning single market and a business friendly digital and environmental transition are overlooked. We will work closely with the EU institutions to ensure that these basic building blocks for the recovery are in place”*, added President Leitl.

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