



Communique

We, the combined representatives of socialist and social-democratic entrepreneurs in 6 EU member states associated in SE4DS : Self-Employed, Entrepreneurs, Enterprise among European Democrats and Socialists, state:

The present coronavirus crisis has been declared a pandemic by the World Health Organisation and is a terrible shock for our economic systems and disrupting our lives as citizens at national, European and international level. The IMF just predicted that we will experience the worst recession since the Great Depression surpassing the financial crisis 2008/09.

For the Member States of the European Union and its institutions it is paramount to act jointly and in solidarity in order to help people and business. It is more than ever time to reinforce European solidarity and European strength. Some decisions have been taken already but too few and far away from what it could be.

At the beginning of the crisis when Member States imposed border closures and export bans on medical goods even within the single market leading to divide the EU. We have seen too little solidarity, understanding or mutual help even.

Presently, the situation is very hard. Businesses including SMEs and self-employed are closed to a large part, activities are mainly stopped, and all countries are looking for the way out from a healthy, economic and social point of view.

On the other hand, EU and Member States have already put SME support schemes in place recognising the important function of SMEs for jobs and serving the societies.

We welcome as well:

- the launch of the Pandemic Emergency Purchase Programme (PEPP) which includes 750 billion €,
- the new framework for State aids,
- to use the general escape clause under the Stability and Growth Pact,
- the deployment of loans and liquidity lines to banks in support of SMEs by the EIB,
- the Commission's proposal to provide financial support to protect employees and self-employed (SURE) from the risk of unemployment and loss of income (up to 100 billion €);
- The EU must implement a European civil defence to protect the Europeans in case of flood risk, fires, industrial accidents, terrorism and so on. This mission must become a European competence in order to increase the European solidarity.

We are convinced that after the crisis we need a massive recovery and reconstruction package for investment and other financial support for our European economy and for our citizens. This comprehensive programme should be called „European Recovery Plan“. The “European Recovery Plan” should be linked with the European Green Deal making the EU's economy more sustainable. We should take the opportunity now to make the recovery and transition just and inclusive for all. As we learned painful recently the austerity policy is the wrong approach.



However, we think there is as well time for further urgent actions. Therefore, we demand also:

- Self-employed and very small firms are highly vulnerable in the time of post-crisis. They need urgently liquidity aid by the Commission and Member States to survive,
- furthermore, tax burden on self-employed and very small firms must be reduced by appropriate means. One effective measure are solutions at Member States level that losses driven by the anti-pandemical-actions will be accepted to recalculate the tax-bases within three years,
- we urge the Commission to propose adequate social protection which is part of the European Pillar of Social Rights for the self-employed as soon as possible,
- in the interest of the functioning of the Internal Market and to support employment we propose that esp. trans-border workers, truck drivers and seasonal workers and people in similar working conditions will get during the Coronavirus crisis a „laissez passer certificate“ indicating their health,
- to avoid slowing down of logistic and supply flow across the continent we support the proposal of the Commission that Member States have to unblock EU main arteries and create fast lanes for trucks carrying all types of goods,
- the restrictions at EU airports should be reduced step by step in accordance with the public health situation,
- we demand an action plan to help small local shops against the growing of big internet traders during the crisis to avoid unfair conditions,
- re-establishing tourism industry in the EU needs efforts on European and national level.

Some general propositions:

The coronavirus pandemic showed clearly that we in Europe must improve our crisis management. The European Commission should take the lead with its European Centre for Disease Prevention and Control (ECDC) to coordinate all necessary actions with Member States. The Emergency Response Coordination Centre (ERCC) with its around-the-clock presence and immediate reaction day and night should be expanded and strengthened in order to reinforce quickly the European solidarity. In this context we should undertake common research and development efforts in the framework of the Research program of the Commission in order to concentrate on major questions (vaccine and detection products as well as clinical treatments from one side). From an industrial point of view and in order to protect our citizens we must make sure that we are able to produce in the EU vital medical devices and equipment as well as pharmaceuticals. Relevant production lines which have been delocalized should now come back to Europe, on a level that in a crisis situation demand can be fulfilled here.

As already stated, we are convinced that we need a deep reconstruction of our European economy in the aftermath of the coronavirus crisis. Important parts of the “European Recovery Plan” are

- o Tax harmonisation: Base erosion and profit shifting (BEPS) has reduced taxation rates of many multinational corporates since decades. Recovering Economy within the EU and debt-reductions after the pandemic crisis needs substantial tax payments by this big companies in the near future. We propose to introduce a Common Consolidated Corporate Tax Base (CCCTB) combined with a certain percentage for the self-financing of the EU and “lifting rates” for the corporate tax of the member states. This “lifting rates” has to be fixed within a defined corridor between minimum (floor) and maximum rate;
- o Amplification of the own financial resources for the EU by inter alia rapid application of the Financial Transaction Tax;
- o Reorientation of the EU budget and the Multiannual Financial frame towards the new challenges;



- o Better harmonisation and coordination of the economic, fiscal and social policy including how to deal with basic income for our citizens and public debts of Member States in the future;
- o The international business and governmental cooperation must not be condemned because of this crisis. Otherwise it's a withdrawal into oneself and that could be very, very dangerous for our lives and our enterprises. But this international business must be much better regulated. Hostile takeovers of EU companies in the crisis should be strictly prohibited;
- o It is also imperative to secure access to strategic goods and services. From that angle it may be necessary to ensure a better democratic control of services like energy, telecommunications, transport, water supply, health services, education and so on.

As a matter of broader international solidarity, the EU should continue to support in its own interest other countries and regions. Especially African countries need medical and pharmaceutical support on a large scale. The EU should as well consider financial support for the informal workers who live from day to day and have no savings. Giving one Euro a day to 100 million people for three months will cost 100 billion €, much better than millions of dead and devastated countries with ensuing revolutions, upheavals and international insecurity plus more refugees. Therefore, we recognise that 3,25 billion € is foreseen for Africa a part of the EU's global response to the coronavirus outbreak.

If these propositions are handled, the EU will be stronger and we will be all together on a good way.

Signed 17.04.2020 by:

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