



European Furniture Industries Confederation

## **European Furniture industry calls on the EU institutions and the Member States to save the European economy and the Single Market**

***Brussels, 8 April 2020*** - In the context of the COVID-19 public health crisis which will have dramatic economic and social consequences, the European Furniture Industries call on the European Union institutions and the Member States to take the necessary measures to overcome the crisis and to preserve the European economy and our much cherished EU Single Market. Unity and solidarity at all levels are key to overcome this challenge, to rebuild the economy and to protect SMEs and workers.

In the fight against the COVID-19 outbreak, safeguarding the health and well-being of citizens is the number one priority. Coordination at EU level to ensure the supply of protective and medical equipment across Europe is a must. However, it is now clear that the European economy will enter a serious downturn. As such, EU institutions and the Member States must take all the necessary measures to mitigate its effects and to ensure that as many businesses survive the crisis.

The EU Furniture industries are an important employer, providing jobs to around 1 million workers in 120.000 enterprises across the EU, mainly SMEs and microenterprises. With a turnover of 96 billion Euros, the EU furniture industries contribute greatly to the EU economy. The industry is highly dynamic and benefits greatly from intra-EU and international trade. Because of the high interdependency on other European countries and China, many companies have experienced shortages of imports of components and semi-finished products, are facing delays in deliveries and often penalties. Since many European countries have introduced partial or total lockdowns or have closed their borders, furniture orders are decreasing and companies face difficulties with transport, logistics and the supply of raw materials. In some countries, furniture factories have closed to follow government decisions, while in others production and the labour force has been disrupted due to lockdowns and quarantines.

In this context, it is crucial that the European institutions and the Member States do the necessary to:

- **Secure the transportation of goods within the Single Market**, to keep the industry going. Measures put in place by the European Commission such as the Green Lanes to ensure the free flow of goods and services and to avoid long border checks are very welcome. We now call on the Member States to implement these in a coordinated way, as the collapse of the supply chain should be avoided by all means.
- **Facilitate border crossings of workers & commuters.** Measures put in place by the European Commission such as the guidelines to ensure border crossings of essential workers are welcome, however these should be extended to professionals of other sectors, such as furniture, to ensure that companies that are able to operate with the necessary safety measures can resume or continue production. This is necessary to avoid unwanted layoffs.
- **Ensure that companies have access to the necessary equipment for workers' protection.** Our companies have put in place the necessary safety measures to protect workers' health. Some have even altered their manufacturing lines to produce protective equipment. However, the



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general unavailability of safety equipment such as masks often results in partial or total company shutdown.

- **Ensure that companies have access to liquidity support schemes to overcome the economic downturn** and to minimise job losses, by stepping up fiscal measures. Adequate support measures should be put in place to compensate the lack of economic activity and to protect workers and businesses, with the collaboration of social partners.
- **Ensure that apprenticeships are supported via European funds.** In some Member States apprenticeships have been suspended, putting at risk the availability of qualified workers for our sector.
- **Ensure that concrete recommendations are provided to the industry to resume its activities after the crisis.** It is imperative for business operators to have clear indications on the 'new' applicable safety conditions to operate under.
- **Ensure a safe restart of furniture trade in those countries where trading activities are locked down for safety reasons at the moment.** Certainly, the protection of staff and customers comes first, however good examples from the food and non-food sectors show that business operations are possible under strict hygienic rules and with limitations of customers per sales area.

The European Commission has taken many actions to coordinate Member States efforts in tackling the outbreak. National authorities and their emergency task forces are also responding with quick actions. However, these days businesses are confronted with a lot of uncertainty. While many companies have the means to survive for some time under the current conditions, the outlook changes if the situation is prolonged for a longer period. Therefore, we see the need for continued solidarity at European level and for a coordinated response, both to overcome the ongoing public health crisis and to prepare the ground for economic recovery, including resuming production and allowing companies to focus again on exports and other priorities of the sector, such as the green and digital transitions.

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