

COVID-19 update 31 – 03-10/07/2020

A compilation of press releases/articles on policies and best practices from various EU and national information sources, and information provided by our members

1. EU MEASURES

The European Commission has [released](#) its [Summer 2020 Economic Forecast](#) which foresees **an even deeper recession for this year than previous estimates**. The analysis projects that the euro area economy will contract by 8,7% in 2020 and grow by 6,1% in 2021. **The EU economy is forecast to contract by 8,3% in 2020 and grow by 5,8% in 2021**. The contraction in 2020 is, therefore, projected to be significantly greater than the 7,7% projected for the euro area and 7,4% for the EU as a whole in the Spring Forecast. Growth in 2021 will also be slightly less robust than projected in the spring.

The European Commission has [prolonged the validity of several State Aid rules](#) which would otherwise expire at the end of 2020 “to take the **effects of the current crisis into due consideration**.” Several of these measures are already under review as part of a “fitness check”. In its [legislative proposal](#) for the prolongation, the Commission argues that the extension is necessary because more time is needed to fully evaluate the rules, and to ensure legal certainty and stability for stakeholders.

Extended by one year (until the end of 2021):

- guidelines on **regional State Aid**;
- guidelines on **State Aid to promote risk finance investments**;
- guidelines on **State Aid for environmental protection and energy**;
- communication on the execution of important projects of common European interest (IPCEI);
- communication on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to **short-term export-credit insurance** (STEC).

Extended by three years (until the end of 2023):

- guidelines on **State Aid for rescuing and restructuring non-financial undertakings in difficulty**;
- **General Block Exemption Regulation**;
- **Regulation on *de minimis* aid**.

Under the [State Aid Temporary Framework](#), the Commission has most recently approved:

- a €550 million [Czech](#) scheme to support self-employed affected by the coronavirus outbreak, and a €370 million [scheme](#) to support enterprises in the primary agricultural sector and in food and feed production affected by coronavirus outbreak;
- a [German](#) fund to enable up to €500 billions of liquidity and capital support to enterprises affected by the coronavirus outbreak;
- a €110 million “umbrella” scheme to support the economy of [Gibraltar](#) in coronavirus outbreak;

- a €6,2 billion [Italian](#) grants scheme to support small businesses and self-employed affected by coronavirus outbreak;
- a [Latvian](#) fund to enable €100 millions of liquidity and capital support to large enterprises affected by the coronavirus outbreak, and an additional [guarantee scheme](#) to support mid-sized and large exporting undertakings affected by coronavirus outbreak.

The European Commission will **launch an in-depth reflection with Member States and the European Parliament on how to improve the Schengen area** and better prepare it for crises such as the current one, which saw Member States unilaterally re-establishing measures at their borders. However, it has **“not yet decided” what form this reflection will take** and whether it should lead to a legislative amendment or an enhancement of what already exists in the Schengen Code (Source: [Agence Europe](#)).

2. NATIONAL MEASURES

AUSTRIA

As Austria recorded its **first three-figure-rise in weeks with more than 100 coronavirus cases on 1st July mostly due to new clusters in Upper Austria and Salzburg**, Health Minister Rudolf Anschober (Greens) announced a **new screening programme** to contain the spread. It will entail up to 30.000 voluntary tests per week, which will also be available to persons without symptoms who work in potential high-risk areas (Source: DeHavilland).

In this context, the local government of Upper Austria **decided to make wearing masks in public spaces like shops and restaurants mandatory again**, after the measure was abolished throughout the country in mid-June (Source: DeHavilland).

BELGIUM

The Belgian Prime Minister Wilmès has announced that, from 11 July, **face masks will be mandatory in all shops and several other indoor venues to combat the spread of coronavirus**. Masks are already obligatory on public transport and in close-contact environments such as hairdressers. This will now be extended to shops as well as cinemas, theatres, museums and libraries (Source: [POLITICO](#)).

Belgium is **set to launch its first contact-tracing app** in September. The application's architecture resembles that of the German and other “decentralized” applications, which aims to minimize risks of privacy violations. According to a poll, **37% of Belgians say they would be willing to install the app** (Source: [POLITICO](#)).

BULGARIA

Bulgaria is tightening its coronavirus-related restrictions again after a surge in new cases in the last week. **Of the country's total of 5.740 cases, 1.049 were registered last week**. In response, Health Minister Kiril Ananiev announced that the **state of epidemic emergency in the country would be extended** until the end of July. The minister reserves the right to issue additional special orders if necessary, and **finances for noncompliance** will be more strictly imposed (Source: [Reuters](#)).

FRANCE

Newly appointed **French Prime Minister Jean Castex** has stated in an interview that he will **“prepare France for a second wave of the coronavirus”** while respecting the need to preserve economic and social life. He confirmed that plans exist to re-instate restrictions if necessary but underlined that **measures would be targeted and that a “total confinement” like in March would not be brought back**, given the massive economic consequences (Source: [BFM.tv](#)).

GERMANY

The **health ministers of Germany’s 16 Federal States** agreed to **uphold the obligation to wear face masks for the time being, including in retail trade**. Trade union Verdi also came out in favour of the precautionary measure. In the days before the decision, the Federal States of Mecklenburg-Vorpommern and Saxony had publicly considered lifting the measure, prompting Federal Health Minister Jens Spahn to react, who warned that “the virus is still among us” (Sources: [Lebensmittel Zeitung](#), [Business Insider](#)).

A fifth of German companies see their continued survival at risk from the coronavirus crisis. This is the result of a new survey conducted by the Ifo Institute. Particularly affected are service providers, of which 27% classified themselves as at risk. **Among retailers, the figure is 21%**. Wholesale (15%) is slightly less affected. The complete survey can be found [here](#) (Source: [ifo](#)).

According to a survey by commerce marketing research firm Citio, **almost one in three German consumers discovered a new online shop for themselves during the coronavirus crisis and made their first purchases there**. The researchers note that it was primarily the smaller retailers who profited. 35 % of shoppers stated that they had recently ordered for the first time from a shop they had not even known before (Source: [E-commerce Magazin](#)).

GREECE

Greek Prime Minister Mitsotakis is reported to **refuse “additional strict conditionality” when receiving aid from the coronavirus recovery fund**. He further called aid that can only be spent to improve countries’ competitiveness “politically unacceptable” (Source: [POLITICO](#)).

IRELAND

Ireland **launched its COVID Tracker App on 7 July, after months of delay**. Upon presenting the app, Health Minister Stephen Donnelly stressed its vital contribution “to the continued momentum of the reopening of Irish society and business” (Source: [gov.ie](#)).

ROMANIA

On 8 July, the **number of confirmed coronavirus infections in the past 24 hours rose to 555**, the highest daily figure since the start of the pandemic. However, the Romanian

government announced that it does **not intend to introduce new restrictions** (Source: DeHavilland).

SPAIN

Spain has **re-imposed several regional lockdowns after new outbreaks of the coronavirus emerged. In Galicia, a population of 70.000 people has been put under lockdown** after 258 new cases were reported on 5 July. One day earlier, similar measures were taken in response to an outbreak in **Lleida in Catalonia**. Authorities called on locals to limit their movements and social activities. People are only allowed to enter or leave the area for work or emergencies. Those found in **breach of the new rules will face fines** (Sources: DeHavilland, [BBC](#)).

Spain's labour minister, Yolanda Díaz, has suggested that the country's **furlough scheme is likely to extend until the end of 2020 and perhaps into 2021**. She said: “The government is going to be there for the sectors that most need it — without any room for doubt” (Sources: DeHavilland, [Financial Times](#)).

On 3 July, the Spanish government [adopted](#) a **new economic package including a €40 billion credit line for state-backed loans, and a €10 billion solvency fund for strategic industries**. The loans will be primarily aimed at “the areas where the greatest added value is generated, around two main axes: environmental sustainability and digitization.”

SWEDEN

A study conducted by ICA tracks the **changes in consumer behaviour of Swedes during the past three months of crisis**. The study looked at the most frequently searches on ica.se, Sweden's most popular recipe directory. Among other things, Swedes seem to have **baked considerably more** than usual and cooked more at home, especially traditional dishes with plenty of meat and potatoes. As in other countries, there was a **brief period of hoarding at the beginning of the crisis**. More sophisticated dishes that would usually be “weekend meals” also became more prevalent. Similarly, more extensive breakfasts with “weekend items” such as pancakes enjoyed rising popularity (Source: [cision](#)).

UNITED KINGDOM

The **UK's list of countries from which arriving passengers have to undergo a mandatory two week quarantine, is facing criticism from abroad**. The Portuguese Foreign Affairs Minister is quoted saying: “It is quite absurd the UK has **seven times more cases of COVID-19 than Portugal** so we think this is not the way in which allies and friends are treated” (Source: [BBC](#)).

First Minister in Scotland, Nicola Sturgeon, has announced that from **10 July the use of face masks will become mandatory for retail in Scotland**. Face coverings will be mandatory for settings in which maintaining a physical distance of two metres is difficult, such as public transport, outdoor hospitality, indoor hospitality, and retail (Source: [IGD](#)).

UNITED STATES

A team from the **MIT Computer Science and Artificial Intelligence Laboratory** has **constructed a disinfection robot that will help in the fight against COVID-19**. The futuristic device uses UV-C light and could disinfect warehouses and supermarkets, but also churches, schools, fitness studios, restaurants, airplanes or even concert arenas (Source: [Syfy](#)).