

## COVID-19 update 67 – 05-21/06/2021

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

⇒ Please note that this update is published on a 2-week basis.

### 1. EU MEASURES

On 15 June the European Commission has, in its first NextGenerationEU transaction, [raised a €20 billion](#) via a ten-year bond due on 4 July 2031 to finance Europe's recovery from the coronavirus crisis and its consequences. This is the largest-ever institutional bond issuance in Europe, the largest-ever institutional single tranche transaction and the largest amount the EU has raised in a single transaction. The bond has attracted a very strong interest by investors across Europe and the world.

**The funds will now be used for the first payments under NextGenerationEU, under the Recovery and Resilience Facility and various EU budget programmes.**

By the end of 2021, the Commission expects to raise some €80 billion in bonds, to be complemented by short-term EU-Bills, as per the [funding plan](#) published in June 2021. The exact amount of both EU-Bonds and EU-Bills will depend on the precise funding needs, and the Commission will revise its initial assessment in the autumn. In this way, it will be able to fund, over the second half of the year, all planned grants and loans to Member States under the Recovery and Resilience Facility, as well as cover the needs of the EU policies that receive NextGenerationEU funding.

At the time of writing of this newsletter, **the Commission has approved the plans of Denmark, Greece, Luxembourg, Portugal and Spain.** The Council then has to approve the funding proposals by qualified majority within a month before the cash can start flowing.

Regular updates on the approval of plans can be found on the EU's [dedicated website](#).

**Pleading to be green:** Environmental organizations are urging the Commission to take a close look at countries' spending plans to ensure they meet the 37 percent green spending target, do not include investments which would harm the environment, and generally contribute to the bloc's goals of more than halving emissions by 2030 and reaching net-zero greenhouse gases by mid-century. In an analysis of 14 publicly available plans, NGOs including Climate Action Network Europe found "*cases of greenwashing to achieve the 37 percent climate action target, problematic measures breaching the 'do no significant harm' principle and misalignments with EU law and policies.*" (Source: POLITICO)

- [Fact sheet on Denmark's recovery plan](#)
- [Factsheet on Greece's Recovery Plan](#)
- [Fact sheet on Luxembourg's recovery plan](#)
- [Factsheet on Portugal's recovery plan](#)
- [Fact sheet on Spain's recovery plan](#)

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

- a €95 million [Austrian wage subsidy scheme](#) to support companies in the context of the coronavirus outbreak;
- a €170 million [Finnish scheme](#) to support uncovered fixed costs of companies affected by the coronavirus outbreak;
- a €800 million [Italian scheme](#) to support companies in the context of the coronavirus outbreak, as well as development and production of coronavirus-relevant products;
- a [Polish scheme](#) to compensate large companies for damages suffered due to the coronavirus outbreak and provide liquidity support;
- a €824 million amendment to [Swedish scheme](#) to support uncovered fixed costs of companies in the context of the coronavirus outbreak.

## 2. NATIONAL MEASURES

For information on the current **provisions regarding the crossing of Single Market borders**, please consult the Commission's [Re-open EU](#) web portal.

For an update on the current restrictions in the Member States in French consult the [Toute l'Europe website](#). A general overview of the current status: Only two EU countries are still affected by the **curfew** on all or most of their territory: Italy (in 12 out of 20 regions) and Greece. The number of States applying it has dropped significantly in recent weeks. As with the other restrictions, the governments that maintain it are gradually reducing it.

While national lockdowns have been lifted across the continent, some countries, like Germany, maintain "**health brakes**" and allow themselves local lockdowns. Across the Rhine, in districts or cities where the incidence rate of COVID-19 is greater than 150 cases per 100.000 inhabitants for three days in a row, a curfew applies from 10 p.m. to 5 a.m. and shops are closed. Throughout the country, catering establishments can only offer take-out. It should be noted that people vaccinated or cured of the disease are not subject to the curfew or restrictive measures relating to private meetings.

In States that do not apply containment or curfew, measures to fight the pandemic are still being gradually abolished. **Bars and restaurants** have thus been able to reopen in most of Europe, as have **non-essential businesses**, but at the cost of strict sanitary protocols, often involving reduced gauges.

**Wearing a mask** continues to be the norm in Member States, although the obligation to wear it outdoors is starting to be abandoned, as in the Czech Republic or in Romania. As far as **schools** are concerned, face-to-face teaching has gained the upper hand against distance learning, which remains very present in universities.

Finally, several States have decided to set up a **national health pass** or **conditional access** to certain places on proof of vaccination or recovery from COVID-19. This is the case, for example, with the "corona passport" in Denmark and the "SafePass" in Cyprus, which facilitate access to bars and restaurants and cultural establishments, or even with the "health pass" in France, which notably allows travel to sporting events or festivals.

## AUSTRIA

By 1<sup>st</sup> July almost all coronavirus restrictions will be lifted in Austria, other than having to present a COVID-19 pass. A number of restrictions have been relaxed on 10 June, including rules on masks, for groups, an extension on closing times for restaurants to midnight and more people allowed in retail. (Source: DeHavilland)

## BELGIUM

As of 27 June, the number of people you can shop with is no longer limited. Wearing a face mask remains mandatory. The compulsory closing time will be extended to 1 a.m. for the hospitality sector. This closing time also applies to food deliveries and night shops. (Source: [Info coronavirus](#))

## BULGARIA

Bulgaria will shortly lift the compulsory wearing of face masks in gyms, hairdressing salons, small shops and offices where all workers are vaccinated as coronavirus infections decrease. Bartenders in small restaurants and cafes will also be allowed to work without masks if fully vaccinated. The wearing of face masks will remain obligatory in big shops, large administrative buildings and public transport. (Source: [RTÉ](#))

## DENMARK

From 13 June, with the exception of public transport there is no requirement to wear a mask. (Source: DeHavilland)

## FRANCE

As of 17 June 2021 there is no obligation to wear masks outdoors apart from places where many people gather, such as stadiums and markets. The wearing of masks will remain obligatory in closed places such as at the workplace, in shops and on transport and in all meeting places. As of 21<sup>st</sup> June the curfew is ended. (Source: [LSA](#))

## GERMANY

The German Retail Federation ([HDE](#)) [consumption barometer](#) is rising for the fourth month in a row. This can be attributed solely to improved economic expectations among consumers. On the other hand, consumption dynamics are slacking off before they are likely to gain momentum in the summer, especially in the leisure and tourism sectors. The optimism of consumers is increasing significantly and is reaching the highest level since the pandemic began in March 2020. The assessments of the consumers coincided with the forecasts of the companies and the macroeconomic indicators. However, a sharp increase in consumption is not to be expected.

According to the Barometer, consumers place increasing importance on the sustainability of the products. The sustainability drive is particularly noticeable in the meat and fashion sectors. The sustainability monitor shows that the topic is highly relevant when buying food for just under half of the people and especially when buying meat for almost 60 percent. Just

over half of those surveyed are willing to dig deeper into their pockets for organic meat. Also in the fashion market the proportion of consumers for whom sustainability is important or very important when making purchases is almost 50 percent, however only 19 percent say that they can easily do without a piece of clothing if it is not sustainable. (Source: [Lebensmittel Zeitung](#))

The prices for **corona self-tests in retail continue to slide down**. Non-food discounter Kodi is now offering the test kits for home use for 1 euro. A new price low has been reached.

With the low prices, dealers are trying to counteract the slump in demand caused by the enormous increase in the number of test centers in which citizens can be tested free of charge, the increasing vaccination rate as well as the decrease in incidences and the resulting discontinuation of test obligations have all contributed to this development (Source: [Lebensmittel Zeitung](#))

According to the German Chamber of Commerce and Industry (DIHK – *Deutscher Industrie- und Handelskammertag*), **German companies are only slowly recovering from the consequences of the corona pandemic**. In the catering, hotel and leisure industries, almost one in five companies is facing financial failure. In the catering industry, two out of three companies complain about falling equity, in the leisure industry it is every second. Overall, this affects 24 percent of the 27.000 companies surveyed by the DIHK.

Many company-related service providers from the rental, trade fair and convention sectors rated their financial situation better than they did at the beginning of the year. A quarter of the retailers still complain of liquidity bottlenecks and a third of a decline in equity.

According to the information, the financial worries decrease with the size of the company. Smaller companies have more difficult access to outside capital and experience bad debt losses more often than larger ones.

Industry is more optimistic about the future and is investing again. However, a quarter of manufacturing companies that have raised their investment plans are still facing a problematic financial situation, according to the survey. (Source: [Lebensmittel Zeitung](#))

According to a new analysis, despite the online boom, **the death of local trade is still a long way off**. A good 1.000 consumers aged 18 and over took part in an online survey conducted by Uberall, an online marketing service provider. The result: Although online retail has experienced a significant growth spurt in the wake of the corona pandemic, the popularity of local retail continues unabated.

The figures: Almost nine out of ten consumers say that local shopping plays an important role for them. And 40 percent of those surveyed prefer to shop locally – even if it is more expensive or less practical. In addition, around 20 percent of those surveyed only switch to buying online if a product is not available locally. Only 11 percent prefer to shop online because it is easier. The rest are ready to shop online and offline alike. Only 21 percent of those surveyed say that in future they will mainly shop online – and they justify this with the large selection of products, lower prices and faster delivery. In contrast, 38 percent of German consumers state that they want to make the majority of their purchases mainly in stationary retail even after the pandemic. What happens more often, however, is that consumers combine online and offline shopping. A third are considering switching between online and offline purchases in the future – depending on price, availability and convenience. In addition, **the majority of the German population regularly uses their smartphone when shopping offline**, for example to find out about products or branches. According to Uberall, the data

researched via smartphone is highly relevant for the purchase decision: Above all, the price (70 percent), the distance between the company and its own location (49 percent), the opening times (41 percent) and ratings and reviews submitted (27 percent) therefore have a significant effect on the purchase decision. In addition, around 85 percent of those surveyed say that it is important to them to be able to contact a company to find out more about products, services and opening times. 43 percent of the surveyed would be more likely to buy something online if they can exchange or return the product free of charge offline. (Source: [Lebensmittel Zeitung](#))

## ROMANIA

The state of alert has been extended by another 30 days starting on 12 June, Prime Minister Florin Cîțu announced. (Source: DeHavilland)

## UNITED KINGDOM

The U.K.'s final lifting of lockdown restrictions were pushed back by one month until 19 July by Prime Minister Boris Johnson at a press conference on 14 June. (Source: [POLITICO](#))

ACS, the Association of Convenience Stores, has published two interesting set of slides:

- data on vacancy rates, footfall, and buying online – available [here](#)
- data on job losses – available [here](#)