

## Joint Declaration July 9, 2020

1. Confindustria, the Italian confederation of industries, and VNO-NCW, the Netherlands' confederation of industries, recognise that business has an essential role to play in the recovery of our economies and societies from the Covid-19 crisis, and simultaneously in equipping our societies for fundamental transitions related to climate, digitalisation and strategic autonomy. At the same time, business has been affected heavily but asymmetrically by Covid-19. An effective response to the crisis, enabling business to assume its role, demands a European dimension. We co-ordinate our European policies within BusinessEurope, our common European home.
2. The European Union and its Member States will only be able to master the unprecedented challenge of Covid-19, if they display genuine cohesion and unity. This means both helping generously the regions and sectors in greatest difficulty and consolidating and reinforcing the industrial and technological base of Europe, by investing and increasing the earning capacity and competitiveness. This is the twin goal of the extraordinary initiative "Next Generation EU" of the European Commission, which we strongly support in its two dimensions. We support solidarity in the form of subsidies and loans that will help the regions and sectors that need it most, provided there is full commitment to budgetary responsibility. We equally support that the Recovery Plan and the Recovery and Resilience Facility should help countries in realising reform priorities and relaunching investments, to achieve upward cohesion, as indicated by the Commission. The EU recovery resources, a vast sum of money, shall not be used by Member States to increase inefficient public spending or raising national public debt at the expenses of future generations. The only way to proceed is to promote economic growth and the creation of jobs.
3. Macroeconomic policies are key for the economic performance and social development of Euro Area countries, especially in the context of increased global competition. Today, all entrepreneurs in our countries are mobilized to ensure employment and purchasing power and to offer the high level of protection that Europeans are entitled to expect, in accordance with the values and model of the EU. We are determined to build inclusive and sustainable growth across Europe. To support our efforts, we need a strong and clear commitment from European political leaders to strengthen the Single Market that underpins our activity. At the beginning of the crisis, a number of Member States limited the functioning of the Single Market without having regard for the consequences elsewhere in the EU. This should not be repeated. The Single Market must be a rock-solid foundation on which business can count. All the more so with a view to efforts to increase the strategic production autonomy of the EU.
4. As for the idea of financing the MFF through the introduction of new own resources to avoid an increase of national contributions, we strongly believe that this must not create the paradox of new charges – especially in the form of general taxes - for European enterprises. Furthermore, it is now essential that the Council agrees on the new EU's Multiannual Financial Framework and Recovery Instrument before the summer break to ensure their entry into force not later than 1 January 2021.

Carlo Bonomi  
President of Confindustria

Hans de Boer  
President of VNO-NCW