



**Brussels, 26 February 2020
(OR. en)**

6333/20

**COMPET 62
IND 24**

NOTE

From: European Commission
To: Council

Subject: The impact of COVID-19 on EU industry
- *Information from the Commission*

Delegations will find attached an information note from the Commission on "The impact of COVID-19 on EU industry" with a view to the meeting of the Competitiveness Council on 27 February 2020.

The impact of COVID-19 on EU industry

Since the Coronavirus ‘COVID-19’ was identified in China at the end of 2019, the European Commission has been closely coordinating with EU Member States to ensure a coherent EU-wide response and minimal impact on EU citizens.

Under the leadership of Commissioner Stella Kyriakides and Commissioner Janez Lenarčič, the European Commission is working on all fronts to support efforts to tackle the COVID-19 outbreak. As part of the ongoing assessment of the situation, the European Commission has started to examine the impact on EU industries, assessing the likelihood and the magnitude of possible disruptions in the supply chains and overall decreases in global demand.

The economic impact of the COVID-19 will obviously depend on the duration and extent of the contagion. However, the international spread of the virus is a key downside risk for the growth of the EU economy. The related uncertainty can have significant consequences for EU industry and services as more and more companies are reporting that their supply chains and/or earnings are going to be impacted.

Given this first assessment of the situation for EU industries, the Commission believes that the sharing of information, common assessment of the situation and coordination of urgent measures at EU and national levels are critical.