



## **Covid-19 outbreak in Europe**

### **The European response & what impact on the real estate market?**

#### **Questionnaire and information for CEPI members**

Europe, and indeed the rest of the world, is faced by an unprecedented crisis caused by the rapid spread of the coronavirus. It is impacting on all aspects of life, personal and economic. ***Our aim is to share information about what is being done to address the crisis at national and European level. Whilst we understand that CEPI members are confronted on a daily basis by the consequences of the crisis, we hope to provide useful information to guide them and even start to find a way forward.***

For this reason, we ask you to answer the following questions so that we can start to put together a package of useful information:

1. Please tell us what information you can share about the restrictions placed on real estate activities in your country. Are there specific rules?
2. What support has been put in place by your national authorities? This could be support for businesses in general, and if there are specific measures relating to the real estate sector, they are of course particularly interesting.
3. We know that many associations are helping their own members through this crisis by supporting them in different ways and giving practical advice and support. Can you tell us more about what your own association is doing?
4. It may still be difficult to say, but what do you think the impact of the crisis will be on the real estate market?

#### **What help is there at European level?**

It must be said that much of the initial response was at national level as individual countries responded to their own situations as the crisis spread. However, the EU has now recognised that efforts need to be coordinated and that the needs created go beyond the ability of individual nations to deal with them. More is being done each day but in summary so far:

The European Commission has established a coronavirus response team coordinating a common European response to the outbreak. You can find out more here [https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response\\_en](https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response_en).

The economic response includes:

- **EUR 1 billion** to be made available from the EU budget as a guarantee to the **European Investment Fund (EIF)** in the coming weeks to support approximately **EUR 8 billions** of working capital financing **to help SMEs**. Credit holidays (allowing for delayed repayments of loans) will be implemented for affected companies
- The European Commission is proposing a “**Coronavirus Response Investment Initiative**” directed at promoting investments by mobilising available cash reserves in the European Structural and Investments Funds, to fight the crisis immediately. This is intended to release more than **€37 billions of public investment to increase liquidity**. The Regional Development Committee of the European Parliament has agreed to use urgent parliamentary procedure which enables this to be sent straight to plenary for adoption.
- **The main fiscal response will have to come from national budgets and Member States** can already provide support to citizens and companies under the existing state aid rules. However, **the Commission can approve additional national support measures to remedy a serious disturbance to the economy**. It has already decided this to be the case in Italy and is monitoring the situation across the EU. Under the European Fiscal Framework targeted fiscal support measures will be made available to companies in specific sectors and areas.

## What next?

**There is much to be done daily to deal with the immediate impact of the crisis.** Thought needs to be given to the likely long-term effects and how to minimise the damage to the economy in general. There are many issues here that are likely to impact on the real estate sector and that is why we ask members to share information now to start to evaluate what the result might be.

**Please send your answers to [secretariat@cepi.eu](mailto:secretariat@cepi.eu) as soon as possible.**