

Open Letter

Calling on all actors, from EU level to the Member States, to reflect the 2019 Council recommendations on access to social protection which encourage Member States to give financial access to all workers

To: President of the European Parliament, David-Maria Sassoli
President of the European Council, Charles Michel
President of the European Commission, Ursula von der Leyen

Cc: Executive Vice-President of the European Commission, Valdis Dombrovskis
European Commissioner for Jobs and Social rights, Nicolas Schmit

Honorable President of the European Parliament,
Dear Mr. Sassoli MEP,

Honorable President of the European Council,
Dear Mr. Michel,

Honorable President of the European Commission,
Dear Dr. von der Leyen,

The unprecedented spread of COVID-19 has had a devastating effect on all sectors of society and the economy. It has put our most vulnerable at the greatest of risk and stretched healthcare systems to a breaking point. There is no easy way out and the social safety measures implemented across Europe are challenging but absolutely necessary. The mitigation of social and economic damage from the crisis will play an essential part in ensuring that people can stay safe, healthy and financially secure, and businesses remain afloat.

Everyone must play their part in this extraordinary time and the role of the European Union in enabling coordinated responses - where possible across the Member States - is more vital than ever. As national governments implement economic support measures and critical EU funds - such as the European Globalisation Fund - are released, **we are writing to you to ask you to ensure that these support measures are made available to all workers and businesses, including the self-employed and SMEs.**

Many SMEs and companies that work with self-employed people are offering support in any way they can. Protective measures are taken such as the provision of cleaning supplies or personal protective equipment. Physical distancing measures are introduced such as partitions in retail stores or contactless food delivery. Compensation is provided for couriers or drivers who have contracted Coronavirus or are forced to self-isolate. Where mobilisation flexibility was allowed by regulations, the businesses also swiftly redirected services to meet societal needs, for example by giving staff left out of work the option to help and earn where extra hands are needed.

We know that more is needed but government support is critical. We therefore welcome the steps taken by the EU and some Member States to offer financial assistance and access deferrals also for SMEs and self-employed. However, in many Member States, self-employed people are unable to access any national support funds. This puts them at high financial risk at a time when there is no certainty of when work opportunities may arise again. Only a well-coordinated EU response can deliver access to economic support measures for all.

The self-employed make up 30.6 million of the EU workforce which is 14% of total employment. They make a critical contribution to Europe's economy and need to be protected through income support, just as regular employees are. SMEs are also at great risk as they struggle to cope with the loss of business. We therefore welcome and fully support the statement of Executive Vice-President Dombrovskis that "spending should also be directed towards providing support to workers and the self-

employed, and to companies that are most affected, especially SMEs". The €1 billion, redirected from the EU budget to the European Investment Fund to incentivize banks, as well as the financing from Cohesion Policy funding and the EU Solidarity Fund, will provide the much-needed liquidity to SMEs.

In this context, we are calling on all actors, from EU level to the Member States, to reflect the 2019 Council recommendations on access to social protection which encourage Member States to give financial access to all workers and ensure that:

- National economic support measures are extended to all people in the labor market, employed and self-employed;
- EU funding instruments are made available to support self-employed and small to medium-sized businesses;
- Labour laws are reformed or updated to ensure access to social protection for all workers.

The COVID-19 crisis has also highlighted the urgent need for reforms as diverse forms of work often lead to protection gaps. **We firmly believe that the protections and benefits afforded to independent or freelance workers must be strengthened.** We are eager to support the EU's work in establishing a new standard for flexible work.

We thank you in advance for considering our call and stand ready to help tackling the Coronavirus pandemic.

In Brussels on 14 April 2020

At the initiative of:

SME Connect, a network and communication platform initiative for SME associations, projects and initiatives all over Europe, founded in 2017. SME Connect speaks for over 4 million enterprises via its member networks and acts as a non-partisan and economic representation for SMEs and their supporters in Europe.

Supporters:

