

To Mrs. Ursula von der Leyen - President of the European Commission
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Impact of COVID 19 pandemic for the producers of appliances for foodservice and hospitality sectors

We have noted and we appreciate that the NextGenerationEU initiative has stabilised financial markets at an early stage and is therefore already a success story.

However, the close link between the Green Deal and the recovery raises concerns that current and future problems in the most affected economic sectors, like e.g. the one EFCEM (European Federation of Catering Equipment Manufacturers) represents, could be overlooked. The pandemic is proving to be more persistent and difficult to fight and defeat than thought and, as widely known, will dramatically change our society.

An available research¹ performed by “Fraunhofer Institute for Labour Economics and Organisation” and the “German Society for Personnel Management” has shown that 89% of companies still envision the home office activity of their employees as significant option in the future.

The changes in the society, now and when Corona virus will finally be defeated, will cause a strong impact on the market, in particular on the food service and hospitality sector, which is the primary source of destination of products manufactured by our Member Companies.

Connections between a new normality and the effects on food service and hospitality sector should be considered beyond the Solvency Support Instrument and take into consideration the results of the mentioned analyses. If necessary, REACT-EU, the renovation wave or new instruments should be adjusted to changes in society and to the new approach from users to the food preparation and delivery that will move towards an increased use of home-based service and significant decrease of the public offer. It would be inappropriate if the aid were not duly geared to these effects. However, damage in our sector which is largely covered by SMEs, which have limited financial reserves and which data are not easily retrievable, may be difficult to be detected and measured.

There are winners and losers of the Corona crisis. They should not be equated from a political perspective, so that we can continue to be inspired by good food in gastronomy in the future. Now that the climate crisis has triggered the Circular Economy and sustainable product policy, the Corona

¹ Fraunhofer IAO: Arbeiten in der Corona-Pandemie - Auf dem Weg zum New Normal, Stuttgart 2020
(http://publica.fraunhofer.de/eprints/urn_nbn_de_0011-n-5934454.pdf)



European Federation of
Catering Equipment Manufacturers

crisis could also trigger a revolution in the way food is processed, cooked, and delivered, if appropriate supporting instruments are defined and put in place, continuing the good approach taken up to date by the EU policymakers.

In any case, our business will not continue as usual; the resale of cooking appliances will probably increase, while the replacement of new appliances will risk decreasing. On the other hand, this trend will probably be compensated by the demand of intelligent connected appliances, with optimized technology ensuring lower environmental impact and increase of efficiency.

All of this has to be brought together with the increased desire for healthy food, which will be a mega-trend for all European citizens.

In our opinion, an economic study is needed, which should identify the medium and long-term economic impacts caused by the change in society as consequence of the trend from in-office activity to smart working/home office activity and the fact that the significant reduction or use of restaurants, hotels and catering services may have on impacted sectors.

Yours sincerely,

A handwritten signature in black ink that reads 'Phil Williams'.

Phil Williams

EFCEM President

The European Federation of Catering Equipment Manufacturers (EFCEM) was founded in 1969 and includes the key European National Associations and their national members. EFCEM represents manufacturers and distributors of equipment for the storage, preparation, cooking, distribution of food and ware-washing and laundry equipment for the catering, hospitality, foodservice sectors, whether they are profit or not for profit operations.

EFCEM members represent over 800 companies who supply commercial catering equipment to the European and International Foodservice industry.

The total turnover of the companies represented by EFCEM National Associations accounts for more than € 14.000 m and their products range from utensils to full professional kitchen equipment.