



Shaping Europe – our future!

IHK survey on the European elections 2019

 **Gemeinsam Europa Gestalten**

DIHK

Deutscher
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 **IHK**

Unternehmens-
barometer

Under the title "**Shaping Europe – our future!**", the DIHK (Association of German Chambers of Commerce and Industry, DIHK e.V.) presents the evaluation of the results of an online survey in which the honorary office of the IHK Organisation (German Chambers of Commerce and Industry) took part.

Basis of the evaluation are answers of nearly 1,800 enterprises nationwide from the general assemblies of the IHKs and the expert committees of the DIHK. These are distributed among the economic sectors of industry (29 percent), construction (five percent), trade (18 percent), transport (six percent), hospitality (five percent), information/communication (six percent), finance (nine percent) and other services (22 percent). 60 percent of the responding companies are active in the EU, 37 percent in non-member countries.

In regional terms, 21 percent of the answers come from northern Germany, 36 percent from the west, 16 percent from the east and 28 percent from the south. The federal states of Bremen, Hamburg, Lower Saxony and Schleswig-Holstein are counted to the north, the federal states of Hesse, North Rhine-Westphalia, Rhineland-Palatinate and Saarland to the west, the federal states of Berlin, Brandenburg, Mecklenburg-Western Pomerania, Saxony, Saxony-Anhalt and Thuringia to the east and the federal states of Baden-Wuerttemberg and Bavaria to the south.

The survey took place from 1 to 10 March 2019.

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The main results of the IHK company barometer for the European elections 2019

German companies see clear added value in the European Union (EU). The Single Market, the common currency and the EU trade policy provide concrete benefits for large majorities among companies. This fundamental support is received from all companies, regardless of whether they are internationally active – in the EU or also beyond. For the time after the EU elections, companies see the priority need for design measures in increasing the crisis-resilience of the Monetary Union.

The benefits of European integration:

- Companies in Germany see the greatest integration success of the EU in the stability of the political system and by this in the framework conditions relevant to companies. 82 percent of the companies associate a great benefit with this aspect. Particularly in an increasingly difficult foreign trade environment, the EU is an important anchor for reliability and predictability.
- The Euro (omission of exchange rate risks: 73 percent) and the Single Market (access to European markets: 69 percent) are also high up on the list of integration successes. The common trade policy carries great significance for internationally operating companies as well. More than two-thirds of companies with business operations in non-member countries associate a high benefit with this point.
- The lowest advantages of European integration are seen in improved financing possibilities. Despite the major change processes in this context initiated at EU level, only about a quarter of the companies sees tangible benefits. Here, the EU's integration capacity can still be improved.

Priorities after the EU election:

- The primary requirement for EU policy after the European elections is to increase the crisis-resilience of the Monetary Union. 62 percent of the companies consider this a priority. Past crises have deeply affected the economic area. In this regard, the existing measures are not sufficient yet.
- Additionally, around every second company wishes for measures that focus on the competitiveness of the economy: ensuring the availability of skilled workforce by strengthening vocational training in the EU and creating level playing fields through, for example, strong multilateral trade rules or the harmonisation of the tax base.
- The companies' top 5 priorities also include the desire for the EU to bindingly take into account the impact on small and medium-sized enterprises (SMEs) when creating new regulations. The so-called SME test introduced so far – which reflects the SME dimension in impact assessments for new laws – is apparently not yet sufficient to avoid unnecessary bureaucracy for smaller companies.

Preferences regarding important economic policy issues:

- 67 percent of the companies contend that "the EU is better than its reputation", only about 1 in 10 companies firmly disagree. This clearly shows that enterprises greatly appreciate the economic advantages and facilitations that the EU generates also for the business sector, despite all current adversities.
- The survey reveals a number of factors that Brussels should urgently readjust from a business point of view. For example, this applies to the subject of data protection: half of the companies report inconsistent implementation in the EU. 41 percent see their competitive position weakened by the GDPR.
- The majority of companies currently takes a critical view of the ECB's low-interest-rate policy. Every second company is concerned about the long-term consequences of the ECB's low-interest-rate policy.
- Clear priorities regarding Brexit: In order to protect the integrity of the Single Market and the EU's four freedoms, 85 percent of the companies would be prepared to accept a decrease of trade with the UK if necessary.