

ASCAME CALLS EU LEADERS TO REACH AN AGREEMENT ON EU RECOVERY STIMULUS

The Association of Mediterranean Chambers of Commerce and Industry, ASCAME, calls on the leaders of European countries to reach an agreement at the Council meeting scheduled in Brussels this weekend. All European countries have been affected by the dire economic and social consequences of the pandemic. However, the crisis has taken its toll especially in southern countries. This is why a solidarity response in Europe is more necessary today than ever.

At a time when some Euro-Mediterranean countries have been the epicenter of the pandemic, the European Union, built on the principle of solidarity, cannot stand aside at such crucial juncture. A solidarity response from all European member states that rises to the occasion, is needed more than ever. In fact, the continuity of the pro-European sentiment, widely spread until now across the European Mediterranean region, is at stake.

The request for urgent help from Italy, Spain, Greece and other affected countries in an unprecedented crisis situation, must be answered immediately in order to alleviate as soon as possible the human and economic tragedy. A challenge of such magnitude clearly calls for more than today's existing insufficient measures. For this reason, a new European policy is needed, a new "Development Model " that offers a realistic solution to health and economic problems, while boosting trade and investment, like the one included in the 'Recovery plan and a new economic development model for the Mediterranean', we have recently launched at ASCAME.

The recovery strategy must aim towards stronger growth, which cannot be achieved without good governance, or without strong social and territorial cohesion in Europe. All these aspects must constitute the key pillars of the new development model.

It is urgent to reactivate the economy to avoid economic and financial suffocation, but the foundations for a new and different model of economic development must be laid as soon as possible, based on promoting the digital and innovation economy, a green revolution through renewable energy, and a commitment to the economy of the Sea.

The global and EU economy is trying to battle its way out of the coronavirus movement restrictions, but the process is far from easy. The European Central Bank has been at the forefront of the euro zone's economic response to the COVID-19 crisis. As political leaders scramble to conjure up a joint fiscal response, the ECB has given the euro zone all the help it needs to mitigate a catastrophic downturn and maintain financial stability. However, the recovery is still in its infancy.

Relaxing budgetary orthodoxy and country deficits is essential for European economies to survive. Finally, it is time to provide direct help to both companies and workers, while preserving jobs and offering a wide range of social benefits. The European institutions

must give a joint and urgent response to the demands of the Mediterranean countries in order to guarantee the future of the entire European Union.