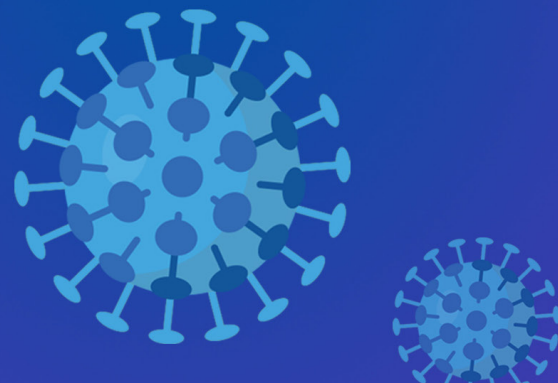


# JRC RESPONSE TO THE COVID-19 CRISIS

22 PROJECTS ON SOCIO-ECONOMIC IMPACTS  
OF THE CORONACRISIS



27 April 2020  
#Coronavirus

In close collaboration with other Commission services, the Joint Research Centre (JRC) is assessing the economic and social impacts of the COVID-19 crisis and related containment measures. This document provides an overview of the currently ongoing activities in five big areas.

## 1 Assessing macroeconomic impacts

### Forecasting

JRC is contributing to the Commission's Spring Economic Forecast assessing the macroeconomic impacts of the COVID-19 crisis and the possible counteracting effects of policy interventions.

### Trade slowdown

JRC is simulating a reduction in exports by Member States and China to understand the impacts on GDP as well as employment by industry and skill levels.

### Global demand industry shocks

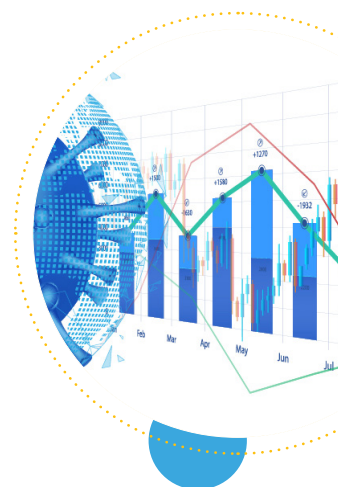
JRC is estimating the effects of global demand shocks on GDP and employment (e.g., private consumption, investment and travel and tourism activities) by industry and country.

### Exit scenarios

JRC is contributing to the European comprehensive strategy to overcome the COVID-19 pandemic, including through the definition of common exit scenarios (comprising health, economic, agriculture, security and social).

### Labour market

JRC is assessing the short-term effects of COVID-19-related confinement measures on employment by sectors and occupations. The JRC is also inferring medium-term distributional implications (e.g., for most vulnerable groups) and analysing how telework measures affect different profiles of workers in terms of work organisation, job quality and work-life balance.



## 2 Investigating regional & sectoral impacts



### Regional level

JRC is assessing the regional impacts of different possible scenarios and policy options, including the territorial economic impact of changing patterns in trade.

### Banking sector

JRC is collaborating in evaluating the effects of increased deficit on the banking sector, in order to face the health emergency and subsequent recovery.

### Companies financing conditions

JRC is analysing companies' financing conditions for selected industries, e.g. airlines, which might suffer disrupting effects due to the current crisis.

### Travel ban and travel expenditures

JRC is also analysing the regional GDP impacts on tourism, travel expenditures (including health service expenditures abroad) and the implication of the travel ban.

### Socio-economics of health

Using available regional and industry-level information, JRC is investigating how socio-economic conditions (age, poverty, economic activity) impact disease dynamics, and how different segments of the society (the poor, low-skilled, women versus men) are affected in the short and medium run.

### Agri-food sector

JRC is providing agrometeorological assessments and crop yield forecasts for the EU, informing on COVID-19 impacts on yields and production. The impacts of exit scenarios on the agri-food sector are also analysed.

### Households

JRC is also assessing the financial buffers of households (i.e., how many months of income savings are available across households).

### Industrial performance & investments in intangibles

JRC is analysing the role of intangibles (e.g., R&D, software, design, brand, organisational capital, training) during global crises for short-term (GDP and employment) and long-term performance (productivity) of different industries.

### Impacts on primary & secondary education

JRC is evaluating how the obligatory shift from offline to online learning has impacted primary and secondary education. The analyses aim at identifying existing challenges and resulting inequalities in accessing digital education, assessing different solutions used for online teaching and learning, and helping to provide useful policy recommendations.



## 3 Evaluating selected policy responses

### Tax and social security reforms

JRC is assessing impacts of existing or potential policy measures to alleviate social impacts and support restarting the economy (e.g., transfers to most directly affected, reduction/deferral of taxes and social security contributions, complements to reduced wages, EU guaranteed minimum income, EU unemployment scheme). Specific attention is devoted to the impact of temporary lay-off schemes and part-time work in place and/or reformed/introduced on public finances households' income and inequalities.

## 4 Assessing and monitoring key domains

### High growth enterprises

High growth enterprises are responsible for most net employment creation across the EU. JRC is assessing the evolution of high growth enterprises over more than a decade, in order to draw lessons from previous crises on how the strong employment creation by these firms can be maintained and support the recovery phase from the COVID-19 crisis.

### Foreign direct investments

JRC is monitoring both the foreign (non-EU) investments in the EU as well the intra-EU foreign direct investments (FDIs).

### Venture capital investment

JRC is monitoring and assessing trends in the venture capital and equity finance domain by country and sector to detect impacts on start-up/scale-up financing.

### Social economy

JRC is analysing whether a convergence between innovative enterprises (including high growth enterprises) and social economy actors, especially social enterprises, is detectable to support identifying best practices and key success factors.

## 5 Evaluating future scenarios - Strengthening resilience

### Next normal

JRC is conducting a scenario exercise of possible consequences of an increased use of public debt on restructuring the economic and social order, aiming at identify the potential future scenarios along with the main policy trajectories that will provide the move towards the next normal.

### Global value chains of medical equipment

JRC is evaluating the global value chains of medical equipment, so as to provide a better understanding of how the production of these products is set up in the EU and at global level.

### Proximity of health facilities

JRC is currently assessing whether an analysis of the proximity to health services in EU cross-border regions could provide useful information on the optimum locations for health facilities to serve cross-border patients from multiple Member States.

One in ten firms across the EU is a High Growth Enterprise

High growth enterprises create jobs. Even during crises

