



## Press Release

### **Economic confidence diminishing at Europe's largest businesses, with competitiveness a major concern**

**BRUSSELS, 29 NOVEMBER 2019** - Economic confidence among Europe's largest industrial firms is falling amid geopolitical uncertainty and concern over the implications of international trade tensions - underlining the need for the new European Commission to take urgent action on competitiveness.

The fifth edition of the ERT Economic Confidence Survey, which polled 52 CEOs and Chairs of the European Round Table for Industry (ERT), still shows a positive outlook for business overall, but confidence among large industrial firms is lower than at any point since the six-monthly survey began in 2017.

The outlooks for both employment growth and business investment inside Europe are also more sluggish than they have been in previous editions of the survey, with only around 25 per cent of respondents expecting to increase investment inside Europe in the next six months and less than half expecting to create more jobs.

Reacting to the findings of the survey, **Dr Martin Brudermüller, Chairman of ERT's Competitiveness & Innovation Working Group and Chairman of the Board of Executive Directors of BASF** said:

*"These results show that, while European industry's current outlook is broadly positive, there are real structural challenges inhibiting companies from investing, creating jobs and competing with the rest of the world.*

*"With a new European Commission about to take office, the time is right for a new focus on improving our competitiveness by deepening the Single Market and prioritising innovation. These are key for Europe to succeed and lead in the digital and "green" transformation of our society. ERT and its Member companies will be doing their part to promote these ideas in the weeks and months ahead."*

Key findings in the ERT Economic Confidence Survey include:

- The general business outlook is on average slightly positive, with the lowest score since the survey began. Around a quarter of respondents are negative about their company's prospects
- Across all three broad indicators – sales, investment and employment – respondents are more negative than at any time since the Economic Confidence Survey began in 2017. The skills shortage was mentioned as an explanation for the negative employment prospect in Europe.

The survey results come as ERT prepares to make further detailed recommendations on policy priorities for the new European Commission, in order to stimulate jobs and investment in Europe. Last month, ERT published *Competing at Scale<sup>1</sup>*, with a range of recommendations aimed at delivering a smarter EU competition policy.

In December, ERT will publish its latest report benchmarking European performance against global competitors across a range of indicators. The report will be launched at the *Scaling Up Europe* event<sup>2</sup>, organised with POLITICO on 9 December in Brussels.

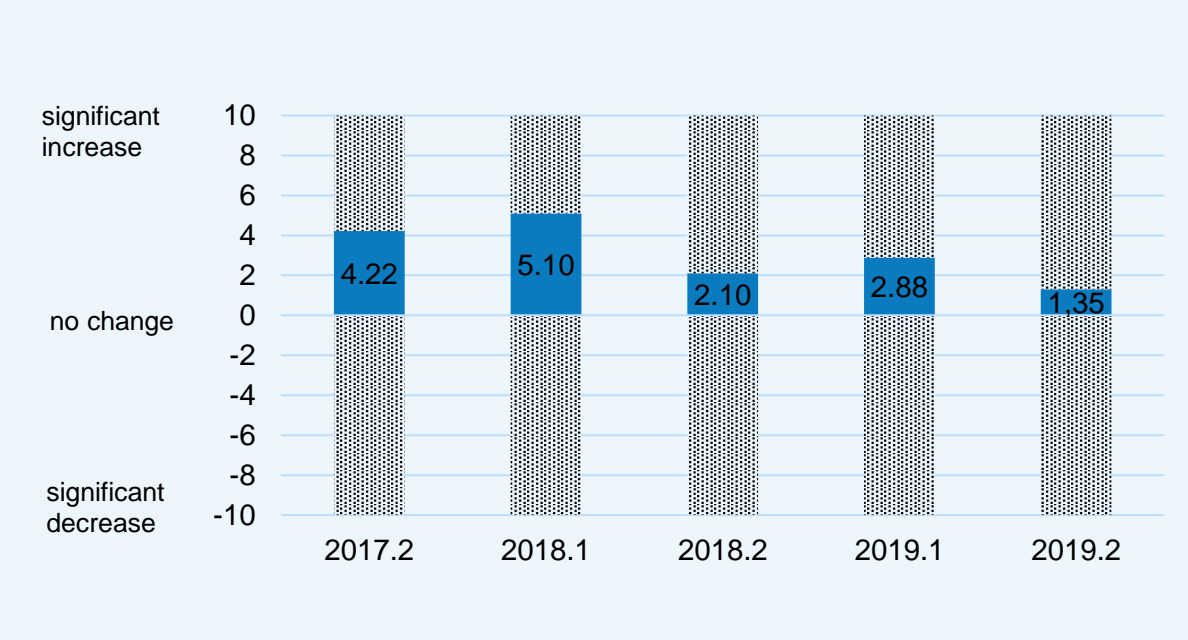
In total 50 CEOs and Chairmen of Europe’s leading industrial companies replied to the latest ERT Economic Confidence Survey.

The survey was conducted by the ZEW – Leibniz Centre for European Economic Research (ZEW).

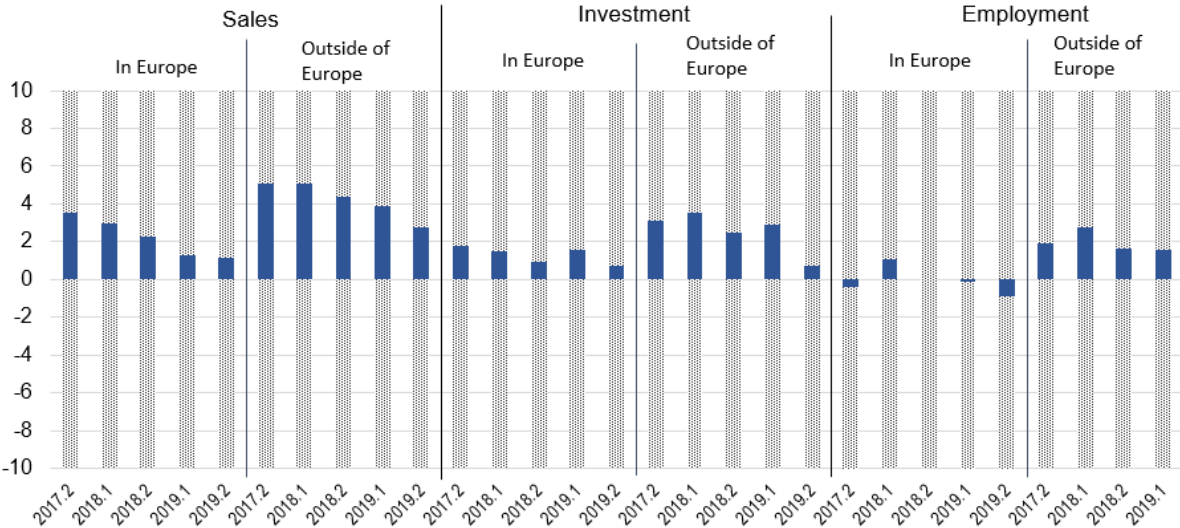
The full results of the autumn 2019 survey are available [here](#).

A detailed analytical report prepared by ZEW is available [here](#).

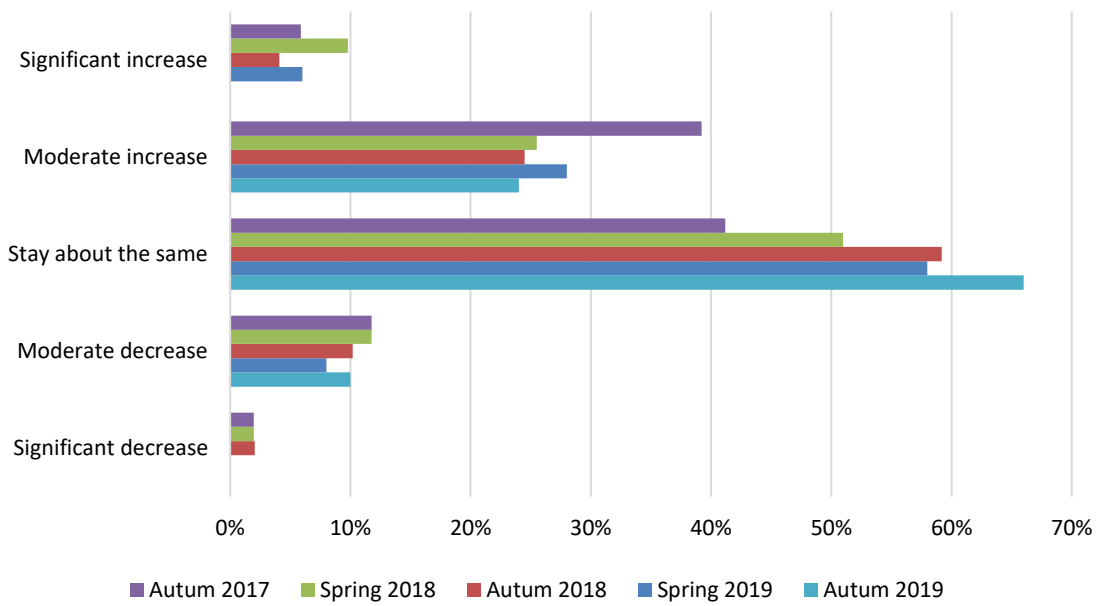
**ERT Economic Confidence Index – General business outlook over time**



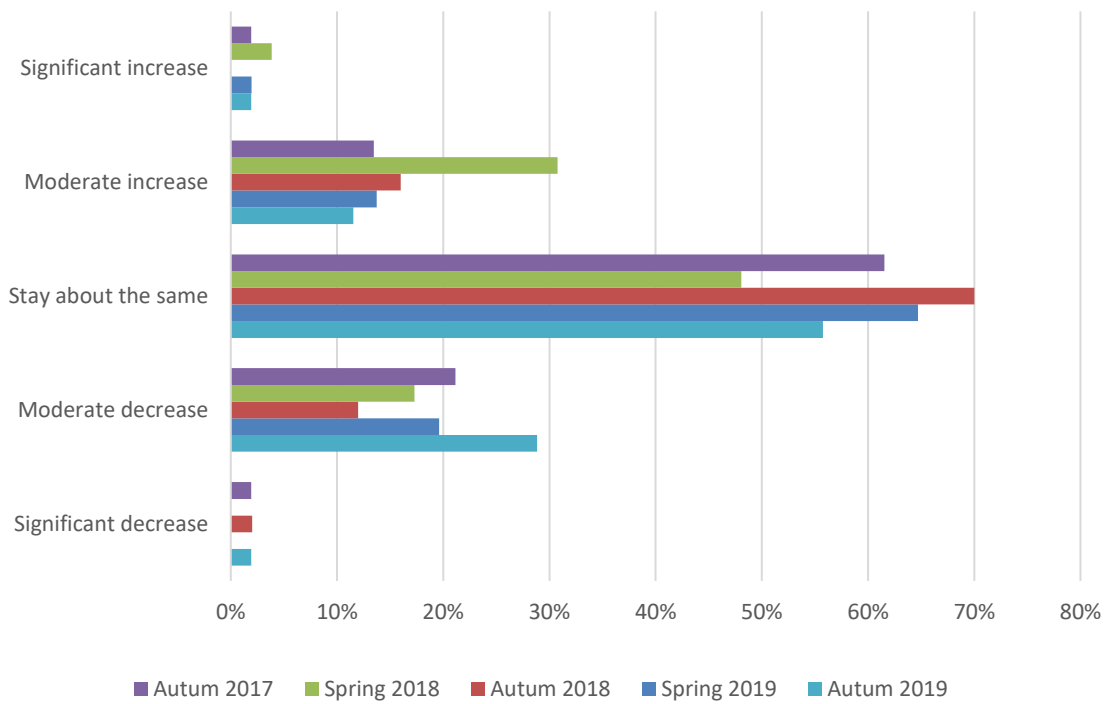
**ERT Economic Confidence Survey – Development across all categories over time**



**ERT Economic Confidence Survey – Investment expectations in Europe over time**



**ERT Economic Confidence Survey - Employment expectations in Europe over time**



### **Note to Editors:**

<sup>1</sup> To download a copy of the ERT publication *Competing at Scale - EU competition policy fit for the global stage* <https://ert.eu/documents/competing-at-scale-eu-competition-policy-fit-for-the-global-stage/>

<sup>2</sup> For all the latest information on the event *Scaling Up Europe: creating Global Champions?* click here: <https://www.politico.eu/event/scaling-up-europe-creating-global-champions/>

### **About ERT**

The European Round Table for Industry (ERT) is a forum that brings together around 55 Chief Executives and Chairs of major multinational companies of European parentage, covering a wide range of industrial and technological sectors. ERT strives for a strong, open and competitive Europe, with the EU, including its Single Market, as a driver for inclusive growth and sustainable prosperity. Companies of ERT Members are situated throughout Europe, with combined revenues exceeding €2 trillion, providing direct jobs to around 5 million jobs people worldwide - of which half are in Europe - and sustaining millions of indirect jobs. They invest more than €60 billion annually in R&D, largely in Europe. [www.ert.eu](http://www.ert.eu)

### **About the ERT Economic Confidence Survey**

The Economic Confidence Survey is an initiative launched by ERT in October 2017. It is done in autumn and spring each year and covers current business plans and policy issues of interest to European industry. In each survey, the same four questions are asked to ERT Members to capture their sentiments regarding the general business outlook, sales, investment, and employment plans, for both Europe and the rest of the world in the next six months. An economic research institute (ZEW) is in charge of conducting the survey and ensuring confidentiality.

### **About ZEW**

The ZEW – Leibniz Centre for European Economic Research (ZEW) in Mannheim is a non-profit and independent institute with the legal form of a limited liability company (GmbH). Founded in 1990 on the basis of a public-private initiative in the Federal State of Baden-Württemberg in co-operation with the University of Mannheim, ZEW is one of Germany's leading economic research institutes, and enjoys a strong reputation throughout Europe. For more information visit: <http://www.zew.de/en/>

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