



EOS Statement on the COVID-19 crisis

8 April 2020

EOS is the voice of the European security industry and research community active in critical domains such as borders, cyber, transport and crisis management. EOS Members, from across 16 European countries, provide security research, solutions, and services to a global market valued over 400B€, responding to threats that are increasingly cross-border and cross-sectoral, requiring a coordinated European approach across the entire security and safety cycle, from prevention to recovery.

The COVID-19 pandemic has spread with surprising rapidity across the entire world, affecting the lives of millions of European citizens. EOS and its Members would like to express their sincere sorrow for the lives lost to the epidemic and their gratitude and support toward those who are fighting this battle daily, from medical personnel to first responders.

The European security industry is by its very nature used to respond to emergencies. In fact, it has joined the fight by cooperating with national governments in providing products, systems and services to stem the spreading of the epidemic and to ensure the resiliency of Europe's security fabric against threats of sporadic or hybrid nature. Our Members are supporting National and Regional Crisis Centres, performing tests on medical supplies from overseas, providing satellite earth imaging to monitor transport congestion, converting or adapting production to provide critical equipment such as ThermoScans, and developing solutions to monitor the pandemic propagation by harmonising different data sources. The crisis has also seen a spike in cyber-attacks and disinformation and EOS Members are at the frontline in providing products and services to defend against these threats. Finally, EOS itself is part to a number of EU research projects ranging from the cyber and physical protection of health facilities to the improvement of European disaster management capabilities.

The COVID-19 pandemic has not only a devastating social impact but also considerable economic consequences. The outbreak has resulted in restrictions on the movement of goods and people around Europe and the entire world, with countries experiencing severe demand and supply side shocks that will surely determine significant economic impacts on European industry. Such impacts are affecting also the security industrial sector, putting at risk jobs, technological know-how and important parts of the supply chain, thus increasing risks on the security and safety of our European citizens and infrastructure.

EOS welcomes the EU SURE proposal to set up a €100 billion solidarity instrument covering part of the costs related to the creation or extension of national short-time work schemes, the proposal to redirect all available structural funds to respond to the pandemic and the proposal to allow State aid for struggling businesses.



However, EOS and its Members would like to stress the importance of making these proposals operational without delay, focusing in particular on the needs of SMEs.

EOS and its Members welcome also the Communication from the Commission on the protection of strategic assets recognising the potential risk the economic shock poses to strategic industries and the importance of ensuring the capacity of these industries to continue to respond to the needs of EU citizens. We fully share the Commission consideration that *Strategic assets are crucial to Europe's security, and are part of the backbone of its economy and, as a result, of its capability for a fast recovery.* In fact, the security industrial and research base is a strategic asset for Europe that is not only allowing the protection of European citizens from security threats but is also ensuring a more effective response to the COVID-19 pandemic.

Data seem to indicate that the pandemic will not be over soon and its adverse economic effects will still be felt for several months to come. The risk of the economic crisis to permanently undermine the European security industrial ecosystem should not be underestimated. A weakened security and research industrial base will not only render it more difficult for actors to respond to current and future challenges but will also make it impossible to attain the objective of a strategic technological autonomy.

Therefore, EOS calls the EU and Members States to:

- Step-up financial commitments to ensure that the security industrial sector can take the necessary measures to maintain production at pre-crisis level. Ensuring that business activities requiring a physical presence can be carried out with the highest level of protection for workers is of critical importance.
- Take the necessary measures to protect the security industrial base from hostile takeovers.
- Consider EU legislation to enforce European preference for sensitive security applications.
- Launch an ambitious European Recovery Plan with a focus on security and safety, to be agreed by all relevant stakeholders, based on lessons learned and careful assessment of present and future challenges and threats. Protection from Hybrid Threats should be one of the priorities, including resiliency to future pandemics and protection of IT networks against cyber-attacks.
- Consider in the short-term the possibility of accelerating payments and increasing pre-financing thresholds in EU programs, particularly for R&I projects.
- Consider the possibility to extend calls to ensure good quality proposals, if the need arises, following consultations with the stakeholders community, without jeopardizing programs, funding and deadlines.
- Consider the possibility to suspend until the end of the emergency second-level audits on research projects.