



Association of Dutch Flower Auctions



To the attention of the European Commission
Directorate General AGRICULTURE

Brussels, 24 March 2020

COVID-19 Crisis: Situation of the ornamental sector

The ornamental sector (cut flowers and ornamental plants, trees and bulbs) is undoubtedly the agriculture sector impacted the most by the exceptional crisis derived from COVID-19, suffering since mid-March a dramatic and direct collapse of demand and consumption in most EU Member States and at international level with the large-range closure of all shops drop out of sales channels and distribution disruption. The 'domino' effect that has ensued in the past 2 weeks on the overall supply-chain is bringing the whole sector to the brink of a total collapse across the EU and beyond, with immense ramifications in terms of bankruptcy of businesses and related employment across the supply-chain (production, wholesale, trade, distribution channels and retail shops). This crisis could not have come at a worst time of the year as Spring (March to May) is the period when most of the turnover is being realised within the sector. These highly perishable and seasonal products rely on a natural plant cycle that cannot be interrupted during the ongoing crisis; this is now triggering the inevitable destruction of production and stocks to a massive scale across the EU and beyond.

We herewith call on the European Commission and all EU Member States to give a special attention to this sector and help identify and activate support mechanisms to:

- (1) Help growers and all companies from the ornamental sector to face the immediate consequences of the ongoing COVID-19 crisis in the form of emergency financial crisis support (financial mechanisms to support and compensate growers and supply-chain for the dramatic loss in income, stocks and economic activity and face the pressure on liquidity);**
- (2) Help find ways to support the overall supply-chain and existing market structures (wholesale, trade and distribution) in the mid to longer-term to secure a (minimum) viability and re-start of the ornamental sector across the EU and beyond after the COVID-19 crisis.**

The viability and survival of the complete ornamental sector in the EU, and all related jobs and businesses, is now at stake. This sector has never benefited from any kind of support from the CAP and has always functioned as a purely market-driven sector under the most competitive terms. Its socio-economic contribution in the EU and at international level is immense. Ornamental products also positively contribute to the quality of life and a healthy lifestyle for EU citizens, including mental

Union Fleurs – International Flower Trade Association is the international umbrella organisation for national associations and companies active in the floricultural trade.

health, and to the social coherence across generations. Their immense potential in being part of the solution for the overall EU Green Deal ambitions by greening cities and offsetting the effects of climate change at various levels are outstanding and should not be ignored by the European Commission and all EU Member States.

Key figures about the ornamental sector:

- The EU is traditionally a large producer, trader and consumer of flowers and ornamental plants: total production value across the EU amounts to 20 billion EUR (approximately 44% of the total world flower and pot plant production with the highest density per hectare) and the sector generate 335 000 FTE jobs in production and 427 000 FTE in wholesale and retail trade (762 000 FTE in total).
- Consumption value in the EU amounts up to 48 billion EUR (which is more than for example the total EU organic agricultural sector)
- The sector has always operated without any support from the CAP and is therefore purely market-driven and extremely competitive.
- The supply-chain is very globalised, interdependent and integrated and markets function along very dynamic flows on a worldwide scale, where the EU plays a major role. Well-managed and efficient just-on-time logistics are also key elements for the growth and competitiveness of the sector.
- The EU trade balance has been consistently positive since 2002 both in volume and value terms. Developing countries in Africa (Kenya, Ethiopia) and South America (Colombia, Ecuador) have become essential key players in the cut flower supply-chain in direct interdependence with the EU supply-chain and with immense ramifications in terms of socio-economic benefits and employment in these countries.
- Consumption of ornamental products produced within the EU is for 85% within the EU internal market.
- The most important EU production countries are:
 1. Netherlands
 2. Italy
 3. Germany
 4. France
 5. Spain

	Production	Trade & Wholesale	Retail	TOTAL
Turnover	18 bn €	30 bn €	48 bn €	48 bn €
Area	210.000 ha			
Employment (FTE)	335.000	95.000	332.000	762.000

In Annex: Inputs collected across Europe in close operation with VBN (the Association of Dutch Flower Auctions) and the Working party Flowers & Plants of COPA-COGECA

Thanks in advance for taking these inputs and contribution into due consideration. We remain available for any further inputs and details as needed.

Contact persons :

Sylvie Mamias

Eveline Herben LL.M.

Union Fleurs Secretary General

Association of Dutch Flower Auctions – VBN

10.2.e [@unionfleurs.org](mailto:10.2.e@unionfleurs.org)

10.2.e [@vbn.nl](mailto:10.2.e@vbn.nl)

Mobile: +32 498 59 59 38

Mobile : 10.2.e

Union Fleurs – International Flower Trade Association is the international umbrella organisation for national associations and companies active in the floricultural trade. The general mission of Union Fleurs is to represent, promote and defend the worldwide interests of the traders and wholesalers in cut flowers, cut foliage and potted plants.

Union Fleurs was founded in 1959 in Brussels and has nowadays members in 20 countries worldwide (in Europe, Africa, Middle-East, South and North America, and Asia). Within its membership, Union Fleurs gathers over 3.000 companies worldwide, of which more than 1,500 floricultural traders and wholesalers in the EU. Members account for more than 80% of the total value of the worldwide trade of cut flowers and pot plants.

More information on Union Fleurs is available at: www.unionfleurs.org

ANNEX: Overview impact COVID-19 on the ornamental sector (status up to 24 March 2020)

Netherlands

The iconic and world leading Dutch flower sector is about to collapse. Auction sales dropped dramatically: **over 85% less turnover on Friday 20 March** compared to last year, due to a lack of consumer demand as well as the lack of sales channels, prices are going down. Average loss in turnover for the past week was 54%. A lot of product was not sold at the auctions and destroyed (up to 46%). Drop in turnover on 23 March: 76% and on 24 March: 73%.

The problems are so acute for producers of these perishable non-food products because they have no turnover and all cost remains. Their capital is in plants and the production site/greenhouse and production can't be turned off or cut back instantly (different from traders/wholesalers who can cut back costs immediately by not purchasing or purchasing less if there is no turnover). The sector fears that growers can go bankrupt within weeks without emergency funding by the government. Following the growers, trade companies and flower shops will go down.

In the Netherlands shops are still open; however, demand has decreased enormously.

IKEA has now closed all shops in the Netherlands. Garden centres are still open and so are flower shops but there is hardly any demand. Distribution problems continue with supermarkets; due to hoarding behaviours, supply of flowers completely stopped to some supermarket chains (Albert Heijn) for a couple of days.

Also exports from the Netherlands have decreased dramatically.

For reference: overview of exports of flowers and plants from the Netherlands in 2019 in Euro's (export value and %.)

BLOEMEN & PLANTEN

EXPORTWAARDE NL (X €1MLN) 2019													2020		
rang	land	jan	feb	mrt	apr	mei	jun	jul	aug	sep	okt	nov	dec	totaal	jan
1	DUITSLAND	125	162	170	197	216	115	108	116	115	118	113	110	1.666	128
2	VERENIGD KONINKRIJK	55	73	117	82	86	63	58	63	66	64	59	68	855	59
3	FRANKRIJK	65	80	58	71	92	67	48	53	64	67	64	84	813	64
	OVERIG	47	90	87	81	79	46	42	45	51	51	49		719	51
4	ITALIE	17	26	26	27	31	20	17	19	30	37	28	25	301	19
5	POLEN	21	29	37	23	40	26	17	15	17	18	17	14	274	24
6	BELGIE	19	24	22	29	34	19	16	21	18	23	22	21	267	21
7	RUSLAND	17	57	14	15	18	12	11	19	15	16	17	15	227	17
8	ZWITSERLAND	17	19	19	20	23	13	10	13	15	15	16	13	193	18
9	ZWEDEN	12	16	12	15	22	14	10	14	13	13	15	15	171	14
10	OOSTEN RIJK	9	16	13	17	18	8	9	9	12	12	11	12	146	9
11	DENEMARKEN	12	9	13	12	16	9	6	10	9	12	12	10	130	13
12	TSJECHISCHE REP.	7	12	12	13	13	9	8	8	9	11	9	9	121	9
13	VERENIGDE STATEN	8	9	10	14	15	8	5	5	8	8	9	8	108	8
14	SPANJE	4	7	8	15	9	7	6	8	10	15	9	6	103	6
15	NOORWEGEN	7	7	5	6	8	5	3	6	5	6	7	8	72	7
16	FINLAND	4	5	5	8	11	4	5	6	5	5	6	6	69	4
	TOTAAL ALLE LANDEN	444	640	629	644	731	447	379	431	463	490	465	472	6.235	471

BLOEMEN & PLANTEN

EXPORTAANDEEL PER LAND		2019												2020	
rang	land	jan	feb	mrt	apr	mei	jun	jul	aug	sep	okt	nov	dec	totaal	jan
1	DUITSLAND	28%	25%	27%	31%	30%	26%	29%	27%	25%	24%	24%	23%	27%	27%
2	VERENIGD KONINKRIJK	12%	11%	19%	13%	12%	14%	15%	15%	14%	13%	13%	14%	14%	13%
3	FRANKRIJK	15%	13%	9%	11%	13%	15%	13%	12%	14%	14%	14%	18%	13%	14%
	OVERIG	11%	14%	14%	13%	11%	10%	11%	10%	11%	10%	11%	10%	12%	11%
4	ITALIE	4%	4%	4%	4%	4%	4%	4%	4%	6%	8%	6%	5%	5%	4%
5	POLEN	5%	4%	6%	4%	6%	6%	5%	4%	4%	4%	4%	3%	4%	5%
6	BELGIE	4%	4%	4%	4%	5%	4%	4%	5%	4%	5%	5%	4%	4%	4%
7	RUSLAND	4%	9%	2%	2%	2%	3%	3%	4%	3%	3%	4%	3%	4%	4%
8	ZWITSERLAND	4%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	4%
9	ZWEDEN	3%	2%	2%	2%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
10	OOSTENRIJK	2%	3%	2%	3%	2%	2%	2%	2%	3%	2%	2%	3%	2%	2%
11	DENEMARKE	3%	1%	2%	2%	2%	2%	2%	2%	2%	2%	3%	2%	2%	3%
12	TSJECHISCHE REP.	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
13	VERENIGDE STATEN	2%	1%	2%	2%	2%	2%	1%	1%	2%	2%	2%	2%	2%	2%
14	SPANJE	1%	1%	1%	2%	1%	2%	2%	2%	2%	3%	2%	1%	2%	1%
15	NOORWEGEN	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	2%	2%	1%	2%
16	FINLAND	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
TOTAAL ALLE LANDEN		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Germany

Sales in garden centres are allowed because these are still open for selling pet food. The permission to sell in flower shops depends on the policy in the respective Land, the federal government is advising only.

In Mecklenburg Vorpommern flower shops may be open, probably also in Berlin. However flower shops are closed in Bayern and in North Rhine Westphalia. In other states it is not clear yet. Sales of flowers are still possible in supermarkets and open street markets.

- Although supermarkets still sell flowers, logistics tend to become a challenge for supplies.
- Most garden centres stopped selling cut flowers and are concentrating on seasonal potted plants which give better margins.
- Flower shops are allowed to sell online. Some try to but most are not equipped to it yet. Besides most employees are women with children which need to be home due to the closure of schools, so there is also a lack of personnel.
- Lack of personnel is also a problem for flower shops to stay open and to sell at the door (take away model).

Italy

- The Italian floriculture sector represents a cultivated area of 29 000 hectares and 27 000 producers, produces a turnover of approximately EUR 2.5 billion per year.
- The production value of Italian floriculture companies represents over 5% of total agricultural production and provides work for over 100 thousand people.
- The floriculture sector is among the most exposed in this crisis.

Cancellation of events and festivities, closure of street markets, cemeteries and lack of tourism has destroyed most of the internal demand.

In terms of numbers, losing the spring season would mean losing, in just three months:

- on average more than 60% of annual revenue for the entire floriculture system;
- in some cases the figure risks being even worse, given that for many producers, who dedicate themselves to exclusively spring production, it would mean losing 100% of a year's income;
- serious social and economic consequences for the entire country system;

- risk of losing entire pieces of the supply chain and territories dedicated to floriculture production.

Almost 50 thousand employees work over 7 million days annually in the production phase of the sector.

The value of production is generally indicated to be EUR 2.5 billion, divided more or less equally between flowers and potted plants and ornamental plants. Note that these figures date back to 2015.

Based on other estimates, the total production is:

- EUR 2.9 billion divided into:
 - EUR 1.35 billion of cut flowers and potted plants
 - EUR 1.55 billion of ornamental plants

Based on these updated values, it is possible to calculate the value that has been put at risk, with partial or total production losses since the spread of Covid-19.

Obviously only simulations can be made based on some hypotheses that take into account the greater concentration of production in these emergency months and then the difference in damage between cut flowers and ornamental plants.

Based on these assumptions, we have estimated that the overall loss for the sector is equal to almost EUR 800 million as per the table below:

	Valore PA <i>mio eur</i>	Danno <i>mio eur</i>
Fiori e piante in vaso	1.318	494,1
Vivaismo ornamentale	1.545	289,7
Totale	2.863	783,9

We also want to underline the fact that if the emergency situation persists, the data and the estimates we sent should have to be revised and they would be even more catastrophic.

Other linked issues:

- Exports: difficulty due to blocks at the border and customs procedures of several countries (EU and non-EU) and cancellation of orders;
- Transport disruption and delays due to more border checks and sanitary measures for the drivers coming from Italy
- Lack of liquidity: need to bear production costs for production that could not be marketed, to support crop advances of hundreds of thousands/million euros and start new cultivation cycles for the resumption of normal commercial activities.
- Furthermore, E-commerce does not yet have a relevant market share.

Actions being demanded to the national authorities by the sector:

- moratoriums on mortgages, financing and payments for companies;
- redundancy fund for workers derogating from the current rules;
- postponement of payment of social security contributions and taxes;
- income support for the producer members of the cooperatives through instruments that enhance the value of the product although not sold on the market;
- Release of contribution payments for companies in the BIP and PSR rankings that have already supported investments;

- at the end of the emergency period, carry out an extensive awareness-raising campaign of the population, so that everyone 'give themselves a flower' to start again and to return to hope for the future.

France

Size of the French Floriculture sector:

- 2.500 companies of all sizes, many SMEs
- 18.215 employees
- Total turnover flowers & plants: 1,4 bio EUR (production and trade). Cut flower turnover: 821 million EUR

Wholesale:

- 337 companies whose 70% of total turnover is realised with florist shops and garden centres
- 745 million EUR total turnover
- 2.500 FTE employees
- A majority of SMEs (average: 2,2 million EUR turnover per year)
- With wholesale extremely dependant on florist shops and the totality of their customers having shutdown from 16 March onwards, as a result all wholesalers in France have had to shut down, including the large scale cash & carry networks. Direct consequences: direct loss of total turnover and destruction of stocks at a large scale.
- Even if distance business and deliveries could theoretically continue, most of the supply-chain has simply stopped its activity for lack of customers, high difficulties with distribution and logistics and for safety reasons.
- Beyond the loss of turnover (-95% / 13 million EUR only for week 12), wholesalers have had to destroy their stocks :
 - Cut flowers : total stock destroyed . value of destruction estimated 2,6 million EUR
 - Plants : stock destruction up to 4 weeks. Estimated value : 3,9 million EUR
- Even without any activity and no turnover, most wholesalers have to keep limited workforce on-site to maintain stocks of plants (indoor plants, nursery plants) .

It's impossible to obtain insurance cover for operating losses linked to the health crisis, difficulty in relaunching activity at the end of the crisis since the most prosperous period (the one where the bulk of turnover many companies are carried out) – spring - will have been suspended by closedown and movement restrictions, risk of having a sector shutdown for longer than the only time of the health crisis.

In France, the sector fears that governments will not take the specificity of the ornamental industry into account: a highly perishable, seasonal product, a plant cycle that can't be interrupted during the crisis and therefore an inevitable loss of an entire production.

Many cropping operations must be carried out in a seasonal calendar. The spring period involves many of these works that cannot be postponed: -Plantations of young plants, transplants and seedlings, multiplication (cutting, grafting, etc.) If these operations are not performed in time (knowing that they are also weather dependent) production and future harvest will not be possible. An unmaintained stock may depreciate or be completely lost.

Due to the closure of garden centres in France, which sales channel represent 70% of turnover for the sector, producers are forced to destroy most of their production in the most crucial sales period of the year. Many growers earn the coming three months normally 50% of their yearly turnover.

Belgium

Also Belgium is now in lock down.

- Garden centres in Belgium are up to now only allowed to sell food and pet food. Our Belgium colleagues are negotiating with the government to allow also the sale of plants and flowers, however now it is not allowed.
- Supermarkets still sell flowers and plants.
- Some flower shops sell at the door (take away model) but a lot of shops are closed.
- Garden centres and flower shops are anyway closed during the weekends.
- Some producers, because they are desperate, put the products on the street with a pricetag and a money pot hoping honest customers will pay.
- Online sales and delivery of flowers and plants is still allowed but discouraged. This also applies for flower shops because flowers and plants are not considered to be essential products.
- Extra problem in distribution is that the big wholesale company Agora is closing down in Belgium, as they already did in France.
- Exports to Germany, Switzerland, Italy and France stopped because there are no sales of our products there or transport/distribution is not possible. Value of several millions Euro. Supplies of perishable goods with a maximum conservation time of 5 days. Destruction takes place end of the week. Value was several millions of Euro. Compensation of such loses necessary from a/any emergency fund!
- Wholesale:
 - impact on turnover/margins will be extremely consequent
 - impact on working stocks: we will be obliged to destroy all stock because of the limited shelf life of our products
 - financial risks by customers invoices
 - growers stock risks

Turnover decrease in Belgium for the period 15th March up to 10th of May is 78%

Impact analysis of Coronavirus on the turnover of the Flemish floriculture sector - summary overview							
Product	Turnover on an annual basis	percentage of turnover in	normal turnover in	Impact Coronavirus	Coefficient change	expected turnover in	loss of turnover
		Period 15/3 – 10/5	Period 15/3 – 10/5			Period 15/3 – 10/5	due to corona
	Million €		Million €			2020	2020
Tree nursery	318						
Outdoors	159	20	31.8	-80%	0.2	6.36	25.44
In pot	159	30	47.7	-80%	0.2	9.54	38.16
Bedding plants and balcony plants	26	85	22.1	-90%	0.1	2.21	19.89
cut flowers	25	40	10	-80%	0.2	2	8

azaleas	49	30	14.7	-80%	0.2	2.94	11.76
house- and garden plants	70	40	28	-75%	0.25	7	21
seeds and planting material	21	82	17.22	-60%	0.4	6.89	10.33
non- impacted products (e.g. fruit trees, Christmas trees)	21						
Total	530		171.5			total loss of turnover (million €):	134.58

Denmark:

The situation is very bad for the ornamental sector. We had an expected sale of 110 mio € estimated, however at the moment we are losing 50-70% of this turnover.

The producers are most affected, but also the retailers and the flower shops and the garden centers are severely affected.

- Garden centers and flower shops are still open
- Unnecessary traffic of citizens is not allowed, which impacts visiting garden centers and flower shops
- Demand is low, critical decrease in the export to markets south of Denmark. Exports to Sweden and Norway are still possible but many orders are canceled.
- Further restrictions in the retail outlets for flowers and plants will cause severe casualties in the sector, as neither the growers nor the wholesalers are consolidated to a crisis with this scope. A market shut down for one or two months will destroy the Danish sector all together.
- The Danish horticultural industry is terrified on the consequences of the COVID19-crisis as we are heading for the high season of the Danish production and export. The industry is already experiencing cancelled orders of young plants to Asia for substantial amounts, and for finished products the cancellations have primarily been to the markets to the south of Denmark (Germany, Holland, France), while the export to the north (Sweden and Norway) is increasingly difficult.
- As Germany is the most important market for export of Danish plants, the demand has experienced a direct decrease the first week. The closing of the florists in Germany has affected the Danish Export. Bayern in Germany have closed the garden centers and the new overall 2 persons rule, limit the demands further.

The Danish sector is calling for a crisis fund for the ornamental sector in the EU.

- There are general tools on their way in Denmark
- Different types of support for the labor force
- Governmental guaranty for bank loans
- Compensation for severe loss of turnover, but not sufficient to cover the great loss in the horticultural sector.

Sweden:

- Stores still open but the ornamental sector is struggling
- Many small businesses that are particularly exposed in this situation. We have already noted that stores in major shopping malls have lost sales of 50% off the normal level and this is only the beginning.
- The flower industry is a labor-intensive industry with many employees in relation to turnover.
- Most companies in our industry have no or very little financial buffer and thus quickly become vulnerable.
- The flowers we consume in Sweden are about 40% produced in the country while about 60% come from other countries.
- The flower industry is a seasonal industry with the most important period ahead of us from Easter to midsummer. In addition, flowers and plants are extreme fresh produce that must be consumed immediately upon completion. Most of the flowers to be consumed in the spring are already in production and cannot be saved. Lost sales never come back.
- The flower industry is also struggling with the deterioration of the krone exchange rate, which started as early as 2019. With the development we now see in the light of the Covid-19 virus, the deteriorated exchange rate for the krone has also contributed to a more difficult situation for our companies.
- The flower trade has a turnover of almost SEK 13 billion a year (1,2 bio EUR)

Austria

- Production is allowed
- Wholesale market is closed
- Producers, which sell their products direct to the consumers in their own shops direct at the production site, are allowed to sell. The main reason is, that consumers should get vegetable plants, herbs and fruit plants
- Florist shops are closed
- Home-improvement stores and garden centres, which normally sell a lot of plants, are closed
- Plant selling in supermarkets is allowed
- It's allowed to deliver flowers and plants
- Its allowed to work as landscape gardener or cemetery gardener

At the moment in Austria people are just allowed to leave their home, if they go to work, buy essential goods for living, go to pharmacy, help other people or going for a walk/do sports alone or with the people, who live in the same house. The police stops people in cars and streets and ask them, where they go.

That means, that

- All our large producers, which sell their products to garden centres and home-improvement stores, can't sell.
- Normal production numbers are 16,5 Mio spring plants (viola, primula,...), which should be sold now, but the garden centres and home-improvement stores are closed.

- We can sell direct to consumers at the production site, though there are not many customers. Estimated loss in turnover-60%.
- From April to Mai production numbers are 28,7 Mio balcony plants, 1,2 Mio strawberry plants and 24 mio vegetable plants and herbs are produced.
- If the measures stay this intense, estimated loss in turnover -70-80%. Also, the potted roses in June will become a problem. We produce about 1,2 mio products.
- The production value of all produced plants and flowers 400 mln Euro per year of which is sold 60-70% in springtime.

Spain

- At this moment, the situation of the cut flower and ornamental plants sector is desperate. All Garden centers and flower shops are closed. Online sales and delivery of flowers and plants is still allowed. Supermarkets still sell flowers and plants. We have already noted that stores in major shopping malls have lost sales of 50% off the normal level and this is only the beginning.
- The activity of farms and cooperatives in this sector has a marked seasonality. In particular, practically, many of these operators dedicate the whole year to the preparation of the flower and plant with a view to guaranteeing the supply of the market in spring, a season in which between 50 and 80% of their sales are concentrated, in addition to this can mean the bankruptcy of practically all nurseries in Spain.
- The effects of COVID-19 in the mentioned sector have been drastic and immediate: demand at the national and international level has totally stopped at the worst time of the campaign. Exports to Germany, Holland, Belgium, Italy and France stopped because there are no sales of our products there or transport/distribution is not possible. The suspension of popular events and the closure of retail trade (florists, street markets), the cessation of gardening services in public spaces and private and the consequent cancellation of orders at national and international level, has put the sector in an unsustainable situation. As they are very perishable products, there is no option to store or reorganize the offer. The product that is not marketed at the time will spoil.
- Waiting to have concrete figures of total losses, we want to record the serious short-term damage that this critical situation entails for farms, cooperatives, nurseries and commerce in Spain. Most operators in our sector have no or very little financial buffer and thus quickly become vulnerable.
- Also to the employed labor force (much of it family) and to the associated industry (particularly that of the production of cuttings, which in turn will see their orders decrease). We are talking about a small agricultural sector, but with great added value, exporter, very intensive in investment and in labor (40,000 jobs).
- Spain has 1,200 hectares for the production of flowers and almost 5,000 hectares for the production of ornamental plants. The flower trade has a turnover of more € 1.000 million a year. Exports of flowers and ornamental plants 2019: € 430 million. Exports (March, April, May 2019): € 176 millions.

Facing an eminent danger of widespread bankruptcy, a financial rescue is considered essential to save the sector: exceptional and urgent measures are absolutely needed for the sector of flowers and ornamental plants.

- Ask the European Commission for exceptional and urgent rescue measures for the floriculture and ornamental plants sector to compensate for the losses and costs of removal and destruction of flowers,

ornamental plants and crops, and to be compensated taking as reference the production costs and open to all affected companies and plantations that prove their productive activity.

- Guarantee survival and enable maintenance work in nurseries and plantations (planting, watering, pruning, plucking, transplanting, moving plants between farms, fertilizing and carrying out phytosanitary treatments, etc.). In order to recover the productive capacity of the affected farms, a line of aid must be enabled for the replacement of the production of affected plants or flower crops that subsidizes the cost of potted plants and / or seedlings, bulbs or crops to replant.
- Immediately establish a financial liquidity line for the nurseries in order to make it easier for producers to maintain their activity and the transit to the next season.
- Carry out a campaign to promote the consumption of flowers and plants in all EU countries.
- It is also necessary that these measures are processed urgently and that they are materialized by the governments of the Member States as soon as possible in order to reach for agreements with suppliers and financial entities as a prior step to the application of the solutions.

Poland

Data on estimated losses of the florist industry caused by the coronavirus epidemic:
Period - March to May 2020.

In Poland we have about 5,000 flower producing farms

Total production would be close to

PLN 3.3 billion. Producers achieve on average 30% of profits then lost profit amounts to ca. PLN 1 billion, at the average exchange rate of 4.25 = EUR 232 million.

The estimated losses of the group of cut flower producers are determined by for PLN 285 million, which is about EUR 67 million.

United Kingdom

- Consumer demand for flowers and plants has fallen significantly. The key demographic for garden centres would be retired people, who are now the most vulnerable to the virus and therefore have not been buying these goods for several weeks now. This is a particular problem for businesses as this is the peak sale period as everyone gets ready for spring planting.
- Expected that lots of businesses will be going under in the next few weeks.
- Online sales currently need authorisation of the plant passports in order to be valid for sale. The problem here is that it is increasingly difficult to get inspectors out to do that authorisation, so it is not always possible to switch from over-the-counter to online sales.
- The NFU is asking for a derogation on the need for authorisation so allow businesses to switch to online sales.
- The government announced this week that as part of the emergency measures all restaurants and pubs can now become takeaways. This would theoretically be possible with flowers and plants, but it is up to the individual businesses. We have not yet heard of this happening in the ornamental sector though perhaps some will be able to. The online aspect and the age demographic would also be a difficult one here as even if the switch were made to online sales, many older people are not as comfortable with buying online.