



EHRENBERG SØRENSEN  
KOMMUNIKATION

# Situation in Denmark, Sweden and Germany due to the Corona virus

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## Situation in Denmark (April 28<sup>th</sup>)

The scenario in Denmark and all of the world is changing daily due to the Corona virus. In our small part of the world, we took drastic measures to contain the virus, and shut down most of the country. This decision has proven to work in the sense that less and less are hospitalized and the health care system has been able to take care of all patients. The country has gradually started to open again, and we hope to be back on our feet momentarily. Everybody is safe, the office is open, some working from home, some working in office.

### General development:

On February 27<sup>th</sup>, 2020, the new coronavirus was [detected in Denmark](#). The patient was declared healthy again March 5<sup>th</sup>. Since then, the virus has spread to the entire country. On March 12<sup>th</sup>, [the first death](#) related to the coronavirus in Denmark was registered.

The numbers of hospitalized are decreasing and the country is [gradually opening again](#). Since March 11<sup>th</sup>, the government's efforts to decrease the spread of the virus have been continuously updated. The latest update is that the numbers of hospitalized continues to decrease, and the government will gradually open the country again. See 'most important measures' below.

One of the biggest decisions was that the Danish borders are closed to foreigners who do not have a so-called "recognized purpose" until May 10<sup>th</sup>. The German borders are closed as well, but transport of goods, such as food, medicines and necessary means for industrial production, can still access the countries both ways.

Following the Danish government's announcement on March 11, the Danish C25 index [dropped by 8.03 percent](#) affecting a large part of the Danish economy. [The International Monetary Fund](#) predicts a decline in Danish economy on 6,5% this year and an increase in unemployment from 5% to 6,5% this year. The International Monetary Fund also predicts a quick recovery of the Danish economy in 2021.

The Danish state helps companies affected by the situation with economic compensation (see point below), and these help packages has already helped a lot of people to survive the crisis. Also, the Scandinavian airline SAS will receive extraordinary help from both the Danish and Swedish state, who has agreed to provide a [guarantee of DKK 3 billion](#) to the airline. On April 28<sup>th</sup> SAS announced that they nevertheless have to lay off 1,700 employees in Denmark.

### Most important measures (complete list and Q&A can also be found [here](#)):

- The nice weather resulted in too many people gathering at popular sunny spots around the country, the police introduced bans to stay these places and begun to hand out fines
- Some liberal businesses has opened again from April 20<sup>th</sup> (including for instance hairdressers, physiotherapists, chiropractors, psychologists, the dental field, private hospitals and clinics, beauty and massage clinics, tattoo and piercing clinics and driving schools) – in order to open the have to live up to some criteria such as enough space per person, hand sanitizer available, less employees at work on the same time, extensive cleaning and as little contact with customers as possible
- Childcare and schools up until 5<sup>th</sup> grade have opened again from April 14<sup>th</sup>
- The Danish borders are closed to foreigners who do not have a so-called "recognized purpose" until May 10<sup>th</sup>
- All schools, educational institutions and cultural institutions are closed until May 10<sup>th</sup>
- All non-critical employees in the public sector are working from home until May 10<sup>th</sup>. This excludes people working in health care, elder care, police and those who work with socially vulnerable
- Private companies are urged to allow people to work from home until May 10<sup>th</sup> if it is possible
- Restaurants, cafes, shopping centers and stores are closed until May 10<sup>th</sup> – this does not apply to grocery stores

- All festivals, plays, concerts and other big gatherings with more than 500 people will be cancelled until the end of August
- It is illegal for groups of more 10 people to gather – neither inside nor outside
- All unnecessary travel activity should be canceled and avoided

**Economic compensation** (more information can be found [here](#)):

- The state has implemented temporary salary compensation to employees of all private companies who are exceptionally hard financially affected by Corona virus
- The state has implemented compensation to self-employed
- The state will cover some of the fixed costs that companies no longer are able to cover
- The so-called "countercyclical capital buffer" has been released. As a result, with their current capital stock, banks and institutions all have more financial room to withstand losses without having to limit their lending

**Numbers of infected** (more information can be found [here](#)):

- At least 8,698 people have been infected
- 310 are hospitalized. 72 of them are in the intensive care unit – 55 of them in the respirator. This means that there has been a decrease in numbers of hospitalized
- 427 have died after being infected according to official statistics. COVID-19 is not necessarily the cause of death
- 5,959 are considered to have recovered

**Thoughts on the Danish behavior and mindset:**

The vast majority of Danes understand and adhere to the precautions and guidelines knowing that their behavior has a huge effect on the situation. Only a minority of Danes do not take the situation seriously enough, especially the younger citizens. Also, when the weather started to get warmer, more people forgot about the distance to each other, but the police took action to remind people not to stay too close to each other. In general, most people are positive about the future and the governments measures to get the country safely through the crisis.

Throughout the country, people show what is called a great "social mind" or "sense of community" taking care and helping each other out in this unusual situation – and supporting local stores and take-away places to prevent them from closing permanently. As in so many other countries around Europe, people sing and clap from balconies, and great respect is given to those who have the critical job to fight the virus and take care of our society, such as health care staff.

People might have expected a faster opening of the country when the government presented the gradual opening, and some expected other institutions and businesses to open than the childcare and liberal businesses. Many are disappointed that for instance the festivals are cancelled, but most accept the measures and that it is necessary.

**Sources:**

All information about the Corona virus situation in Denmark can be found at: <http://coronasmitte.dk>, and the Danish Broadcasting Corporation continuously update with the latest news and numbers on: <https://www.dr.dk/nyheder/indland/live-seneste-nyt-om-coronavirus>.

## Situation in Sweden (April 28<sup>th</sup>)

### General information

At a press conference on Tuesday 28<sup>th</sup> of April, Prime Minister Stefan Löfven said that the situation is still serious in Sweden. Löfven points out that he cannot confirm an end date for the restrictions. The Swedes are at the circumstances living their life as normal as possible. In the end of April people have been acting more relaxed, which has resulted in daily reminders from The Swedish Prime Minister, that this is a time for everyone to follow the guidelines and restrictions.

Compared to other Scandinavian countries, Sweden has decided not to close down borders inside the country. To counteract the spread of covid-19 in Sweden, Swedes need to stay home when showing symptoms, keep good hand hygiene and social distance. Elderly and people in risk groups are advised to isolate in their homes, and of 31<sup>st</sup> of March the government announced a national ban on visiting elderly homes and increased sampling for covid-19. People who attend high school, college or university are recommended to study from home. People that can work from home are urged to do so. People are keeping a social distance out in public spaces, out on the streets, in shops, restaurants and in the public transports. Swedens strategy is more about slowing the virus spread than stopping it.

### Most important info and measures

- National ban on visiting elderly homes and increased sampling for covid-19.
- The Ministry of Foreign Affairs extends its advice from unnecessary travel. The recommendation applies after the extension until 15<sup>th</sup> June 2020, after which a new assessment will be made.
- Sweden has not closed the borders but has an entry ban from countries outside the EU, the EEA and Switzerland, starting from 19<sup>th</sup> March until 15<sup>th</sup> of May, the ban can get extended. Swedish citizens are not covered by the entry ban.
- The government guarantees important flights, a temporary public service obligation on a number of routes to and from Norrland and Gotland.
- The Public Health Agency of Sweden encourages employers to allow employees to work from home whenever possible.
- Prohibition of public gatherings or public events with more than 50 participants.
- The Public Health Authority decides on further measures to limit the spread of infection and will now only allow table service at cafe, nightclubs and bars.

Sources: [Regeringen](#), [Folkhälsomyndigheten](#), [Krisinformation](#).

### Numbers of infected (28<sup>th</sup> of April):

- A total of 19 621 people have been found infected with covid-19 in Sweden
- In total, 1 388 intensive care patients with laboratory-confirmed covid-19.
- 2 355 of the Swedish covid-19 cases have been reported deceased.
- Sweden are not doing mass testings. As of March 13<sup>th</sup> 2020, health care prioritizes sampling of people in need of hospital care and staff in healthcare and elderly care with suspected covid-19.

Source: [Folkhälsomyndigheten](#)

### The Swedish economy

The Swedish economy is strong. The government has introduced several packages to help Swedish businesses to survive during the crisis. The current situation will probably have severe long-term consequences for the Swedish economy. The government has among other measures introduced a state credit guarantee for loans to companies, temporarily reduced social security contributions, temporary discount for fixed rental costs, postponement with tax payments and a possibility of short-term leave to reduce labour costs. The Government has also proposed that airlines should be able to receive credit guarantees in 2020 amounting to a maximum of SEK 5 billion, of which SEK 1.5 billion is intended for SAS. The Swedish economy

may decline by ten per cent and the number of unemployed will rise to over 700,000 this year if the effects on the economy become more prolonged. This shows the government's worst alternative scenario. However, the main scenario earlier was that Swedish GDP will fall by 4.0 per cent this year and then turn up and grow by 3.5 per cent next year, according to the forecast submitted in connection with the Government spring budget.

On 24 April, the Swedish Minister of Finance declared that situation probably is worse than the main scenario. The minister has announced that the unemployment projection probably will be adjusted from 9 to around 11 per cent and the GDP fall projection from 4 to 7 per cent. The Minister of Finance, however, believes that the uncertain situation affects the accuracy of the forecasts. The forecasts should be seen rather as snapshots. The number of corporate bankruptcies between 1 March – 12 April has increased by 49 per cent compared to last year. The need for further action is increasing. The Government will, therefore, discuss new measures to support Swedish businesses. The Government will, for example, consider the possibility of so-called solvency support for companies in crisis, where the state could go in and buy newly issued shares in crisis-hit companies, and also some form of direct liquidity support for companies that have lost revenue.

Source: [Regeringen.se](https://www.regeringen.se)

### The Swedish household economy

Half of the Swedish households predict that their finances will deteriorate during the year and many plans for increased savings. Households' uncertainty about how long the corona crisis will last means that many people believe in reduced consumption. This is what Svensk Handel writes in its consumer survey, in the same survey just over every third household indicates that they have reduced the consumption of consumer goods in physical stores (36 per cent) and almost as many are planning to increase their savings (35 per cent). Above all, it is the elderly who have reduced their consumption. Although most people believe that buying behaviour will return to normal at the end of the year, many people believe that it may take as long as next year before we have a normal situation again, writes Svensk Handel. The unemployment is rising at a rapid rate and is now 8.0 percent. However, the number of people who are notified of dismissal has been muted during the past week, says Arbetsförmedlingen.

Sources: [Svensk Handel](https://svenskhandel.se), [SVT](https://svt.se)

### Behavior and mindset of the Swedes

- **Relaxed times in Sweden** Many restaurants are opened and people are more than eager to enjoy a glass of wine or beer
- **Support your local restaurant** Restaurants are asking for support from all consumers to go out and eat or order take-away
- **There will probably be no holidays abroad this summer** Swedes are most likely to stay in Sweden this summer
- **Swedes wants their food delivered to the door** The online shopping has increased when it comes to delivery from supermarkets
- **Systembolagets sales increased during 2020 Q1**  
Sales volume increased by 7 percent and amounted to 110.6 (103.6) million liters during the first quarter of 2020. Revenue increased by 9 percent. The increased sales can reasonably be explained by closed borders and sharply reduced restaurant sales as a result of Covid-19. Sales also increased during the first two months of the year, which is probably the effect of reduced travel imports due to the weak Swedish krona.
- **Swedes debate on alcoholism and domestic violence**  
Since the beginning of April numbers and news on the increase of domestic violence in homes around the world has been circulating on the news in TV, print and social media in Sweden. The news has been connected with the increase of alcohol in homes and that people stay in, which affect mostly women and kids.

## Situation in Germany (April 28th)

### Latest update

As of April 27<sup>th</sup>, 2020, it is mandatory to wear a mask to cover nose and mouth in Germany. Specific rules differ from state to state but it is mainly obligatory wearing a mask in shops and while using public transport. Graduating students (A-level, secondary school leaving certificate and fourth grade (when leaving primary school) have returned to school in small groups. Several ministers and experts do not expect that there will be a normal running of school any time before Fall 2020.

The reproduction number (How many people are infected by one person) has gone up again. At the beginning of March, it was its highest in Germany with an amount of 3. It has then slowed below 1 and is now back at 1. According to the national government and the Robert-Koch-Institut it is crucial to hold the factor below 1 in order to slow down the development of the virus.

Angela Merkel announced that there will be no further ease of measurements before May. Time needs to be taken in order to evaluate the effects of the current ease.

The national ministry for foreign affairs has stated that a vacation abroad is highly unlikely. Heiko Maas, national minister for foreign affairs, said that the chances are high that the worldwide travel warning will be prolonged. The ministry currently evaluates how travelling within Germany is possible this summer.

The retail industry expects up to 50.000 insolvencies if the current situation continues. Despite the circumstance that smaller shops are allowed to open again, the buying mood is rather low.

Several counties and some cities are currently Corona-free and did not have any new cases of infections the past seven days. Among others, Rostock, the county of Dithmarschen (Schleswig-Holstein), Cottbus and Prignitz (both Brandenburg), Suhl (Thüringen) and the county of Wesermarsch (Niedersachsen) are currently without any new infections.

More information can be found [here](#). More information on the measurements of the national government can be found [here](#). More information on the German tourism can be found [here](#).

### General information

The introduction and the dissolution of nation-wide measures is difficult in Germany due to its federal set-up and the clear share of competences between the national state and the 16 federal states. Decisions on national level, in accordance with the national government, happen to be interpreted differently on federal level and its governments. This has led to criticism by scientists and not the least by Angela Merkel. Following this circumstance, it is often times said that Germany needs to be cautious not to turn into a "patch work rug".

The German government is tightly cooperating with the Robert-Koch-Institut (RKI). The RKI is the central institution of the government for surveillance and prevention of diseases. The decision on the introduction and dissolution of measurements are usually based on their numbers.

According to a survey for German public TV broadcaster, about 90% of the interviewees are satisfied with the work of the German government. The people have never been more satisfied with government during this legislative period. About 87% are fine with the strict measurements in order to contain the virus.

From the beginning of May, people with a secondary residence in Schleswig-Holstein and Mecklenburg-Vorpommern are allowed to return there.

People returning to Germany from abroad have to be in quarantine for at least two weeks regardless of where they are coming from.

All bigger events (visitor wise) such as concerts, festivals, sports are cancelled until August 31<sup>st</sup>, 2020.

Germany is treating numerous foreign people in their hospitals as many hospitals still have the capacity in their intensive care unit. Several hospitals have announced that they want to return to normal business and take care of postponed surgeries.

- restaurants are closed, only take-away is allowed
  - Peter Altmaier, national minister for economy, has stated that they are working on concepts for restaurants and hotels to return to business. If that won't be possible in the foreseeable future, the national government wants to present a state aid concept.
- distance between two people at least 1.5m
  - Jens Spahn, national minister for health, has stated that distancing will have to be upheld for several months

#### Numbers of infected (April 24<sup>th</sup>):

- 156.337 reported cases
- 5913 people have deceased from Corona
- 117.400 are healed from Corona

#### Economic measures

Germany finds itself in the greatest recession since WW2. According to the ifo-Institute (Leibniz-Institut for economic research), about 1/5 of all German companies will have a reduction in staff, about 50% of the companies postpones bigger investments and 50% of the companies will introduce short-time work. German CEOs expect having restrictions in public life for about four months.

Germany has introduced extensive state aid programs. All programs amount to 750 bn. EUR. For that, the national government agreed on a supplementary budget, making new debts with an amount of 156 bn. EUR. The debt limit is currently suspended. The state aid programs are the biggest in post-war Germany.

Concrete Measures (More information [here](#) on small, medium and big enterprises and [here](#) for self-employed and small business up to ten employees):

- *Kurzarbeitergeld* (short-time work compensation)
  - measure to avoid layoffs in times of declined orders
  - employees work less or not at all; their loss of income is partly compensated
  - the employment agency pays 100% of social security payments (usually 80%)
  - 10% of the employees have to be affected (usually 30%)
- *direct financial support* for small business, self-employed, musicians, photographers, non-medical practitioners and nurses and caregivers who might trouble receiving a loan,
  - receive financial support (9.000 to 15.000 EUR) for three months
- *Wirtschaftsstabilisierungsfonds* (economic stability fund)
  - 600 bn. EUR:
  - system-relevant smaller businesses, medium and bigger enterprises
- *tax deferral*
  - in case paying taxes would be an enormous burden
- each federal state has also individual *aid programs* for its companies
- each federal state also offers *state bonds*

- *KfW-Schnellkredit 2020* (quick loans)
  - o amount of three monthly turnovers, max. 800.000 EUR per company with 100% exemption of liability

### **Thoughts on the German behaviour and mindset**

#### *Solidarity/ neighborly help*

Germany experiences a big wave of solidarity. Several platforms were created where people could register willing to help (walking the dog, taking care of grocery shopping, picking up medicine, etc.) and people asking for help in case they belong to a risk group.

#### *Support local shops/restaurants/ etc.*

Similar to the neighborly help, several platforms were created in order to help smaller, local businesses to survive. Many of them -restaurants but also other shops- offer delivery service.

#### *Digitalization/ New Work*

Germany has always been rather conservative in the area of new and digital forms of working. However due to the current circumstances, many companies are faced with the challenge of digitalization and home office. This is also considered to be a chance for Germany and its work environment.

#### Further Sources:

- <https://www.bundesgesundheitsministerium.de/coronavirus/chronik-coronavirus.html>
- [https://www.deutschlandfunk.de/covid-19-aktuelle-zahlen-zum-coronavirus-in-deutschland.1939.de.html?drn:news\\_id=1123903](https://www.deutschlandfunk.de/covid-19-aktuelle-zahlen-zum-coronavirus-in-deutschland.1939.de.html?drn:news_id=1123903)
- <https://www.tagesschau.de/newsticker/liveblogcoronavirus-freitag-101.html>