Read the post published by Philippe Petitcolin, Safran CEO, on LinkedIn.

The COVID-19 pandemic is a daunting global challenge.

Governments are assuming the lion’s share of the battle against this scourge, and they are also leading the fight against the economic impact of this unprecedented health crisis. Without their actions, a number of companies could well disappear, especially airlines, which already have estimated losses of $252 billion out of total revenues of $880 billion. Like France and the United States, countries have understood the stakes involved.

They are setting up support measures which seem to be going in the right direction for now. In my opinion, the key is helping out on social security contributions, either by allowing companies to delay payments, or by granting companies very-long-term loans so they can fully recover their strength.

It's not only governments that must act, however. Businesses also have an unprecedented role to play, especially multinationals. This obviously applies to Safran, since we have over 95,000 employees worldwide and we are an integral part of global value chains in the critical sectors of aerospace and defense.

As we grapple with this difficult period, we must accept that we don't have all the answers and will have to learn as we go.

Of course, we've already faced momentous crises in the past, such as 9/11, which grounded the entire global fleet for a time, then SARS in 2002-2003 and the financial crisis of 2008-2009, which had a deep and lasting impact. But none of these is like the current crisis, which has heavily impacted every sector of the economy.

In moments like these, what are the duties of an industry like ours?

First and foremost, we must protect our employees by strictly applying the measures decreed by the governments of countries where we operate. We are guided by health and safety concerns, whether applying the stringent standards for protective measures and social distancing, or even closing facilities for an undetermined period.

Secondly, Safran must be prepared to resist the economic crisis under the best possible conditions. We will continue to deliver products and services (especially engines) to customers who provide vital services: for the helicopters deployed by emergency medical services, civil security and police forces, etc.; and for aircraft and other platforms deployed by French armed forces and their allies. We are also helping our entire ecosystem as they strive to ensure business continuity.

At the same time, we have to plan ahead to soften the financial impact of this crisis. An enterprise like ours must strengthen its competitiveness by achieving further savings, but without impacting vital operations. These efforts also concern compensation. The Safran Board of Directors immediately decided not to pay dividends for 2019. All of us must share the efforts needed to ensure that Safran can weather the storm.

Our third duty is for our industry to support the fight against this pandemic. For instance, our medical masks have been requisitioned, and this is only natural. Safran, like companies in other industries, is determined to go beyond government requirements in the fight against Covid-19, for example by providing hospitals with oxygen masks and other military or aviation products that could be useful. In moments like this, nothing should be ruled out.

Our fourth duty is to try to imagine, insofar as possible, the world after the pandemic. The aviation industry takes a long-term view. I am firmly convinced that aviation will continue to grow, and that people will want to travel. In fact, that's what seems to be happening in China, where the end of lockdown has seen a modest resumption of domestic flights – although great caution must still be exercised.

Will the coronavirus crisis induce more structural changes? Will our markets be consolidated? It looks likely.

Furthermore, given the many articles reporting a drop in pollution due to the sudden halt in international trade – what economists call a positive externality – we should expect growing demand for the decarbonization of our industry. Safran already invests some 75% of our research & technology budget in finding more eco-friendly solutions, including new engine designs, alternative fuels, electrification of propulsion and other aircraft systems, and advanced data analysis to enhance operating efficiency.

Once we emerge from this crisis, we should be ready to supply our customers with the equipment needed to make air travel greener than ever.

Following the stock market crash of 1929, American companies that complied with the draconian measures required for their country to recover could say, "We're doing our part". Under these very different – though just as tragic and global – conditions, it's up to us to do our part and show that we're equally ready to do what it takes.

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