# **European Parliament**

2019-2024



### Plenary sitting

A9-0158/2021

11.5.2021

# **REPORT**

on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund following an application from Estonia – EGF/2020/002 EE/Estonia Tourism (COM(2021)0151 – C9-0127/2021 – 2021/0076(BUD))

Committee on Budgets

Rapporteur: José Manuel Fernandes

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#### MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund following an application from Estonia – EGF/2020/002 EE/Estonia Tourism (COM(2021)0151 – C9-0127/2021 – 2021/0076(BUD))

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2021)0151 C9-0127/2021),
- having regard to Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006¹ ("EGF Regulation"),
- having regard to Council Regulation (EU, Euratom) No 2020/2093 of 17 December
   2020 laying down the multiannual financial framework for the years 2021-2027<sup>2</sup>, and in particular Article 8 thereof,
- having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management as well as on new own resources, including a roadmap towards the introduction of new own resources<sup>3</sup>, ("IIA of 16 December 2020"), and in particular point 9 thereof,
- having regard to the opinion of the Committee on Employment and Social Affairs,
- having regard to the report of the Committee on Budgets (A9-0158/2021),
- A. whereas the Union has set up legislative and budgetary instruments to provide additional support to workers who are suffering from the consequences of major structural changes in world trade patterns or of the global financial and economic crisis, and to assist their reintegration into the labour market; whereas this assistance is made through a financial support given to workers and the companies for which they worked;
- B. whereas Estonia submitted application EGF/2020/002 EE/Estonia Tourism for a financial contribution from the European Globalisation Adjustment Fund (EGF), following 10 080 redundancies<sup>4</sup> in the economic sectors classified under the NACE Revision 2 Division 45 (Wholesale and retail trade and repair of motor vehicles and motorcycles), Division 49 (Land transport and transport via pipelines), Division 50 (Water transport), Division 51 (Air transport), Division 52 (Warehousing and support activities for transportation), Division 55 (Accommodation), Division 56 (Food and beverage service activities), Division 74 (Other professional, scientific and technical activities), Division 77 (Rental and leasing activities), Division 79 (Travel agency, tour

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<sup>&</sup>lt;sup>1</sup> OJ L 347, 20.12.2013, p. 855.

<sup>&</sup>lt;sup>2</sup> OJ L 433I, 22.12.2020, p. 11.

<sup>&</sup>lt;sup>3</sup> OJ L 433I, 22.12.2020, p. 28.

<sup>&</sup>lt;sup>4</sup> Within the meaning of Article 3 of the EGF Regulation.

operator and other reservation service and related activities), Division 90 (Creative, arts and entertainment activities), Division 91 (Libraries, archives, museums and other cultural activities), Division 92 (Gambling and betting activities), Division 93 (Sports activities and amusement and recreation activities) in the NUTS level 2 region Eesti (EE00) in Estonia<sup>5</sup>, within a reference period for the application from 13 March 2020 to 11 November 2020;

- C. whereas the application relates to 1 715 self-employed persons whose activity has been ceased and 8 365 workers made redundant in the tourism industry in Estonia;
- D. whereas the application is based on the intervention criteria of Article 4(2) of the EGF Regulation, which allows that in exceptional circumstances, in particular with regard to collective applications involving SMEs, an application may be considered admissible even if the criteria laid down in Article 4(1) of that Regulation are not entirely met, when the redundancies have a serious impact on employment and the local, regional or national economy;
- E. whereas the events giving rise to these redundancies and cessations of activity occurred unexpectedly in early 2020 due to the global spread of the Covid-19 pandemic and related economic crisis which hit the tourism industry particularly hard, with sudden restrictions of movement taking place internationally causing a sharp and unforeseen decrease in international travel and tourism;
- F. whereas the COVID-19 pandemic and the following global economic crisis caused an immense shock to the Estonian economy, especially the tourism industry, where before crisis 90% of the tourism expenditure in Estonia was generated by international tourism while the average for OECD countries was around 25 %;
- G. whereas in 2019 Estonian tourism earnings reached a new record of 2,1 billion and tourism was considered a significant sector for the Estonian competitiveness and substantial investments were made to developed it further;
- H. whereas the tourism sector is dominated by SMEs that have a weaker crisis resilience compared to bigger companies and SMEs accounting for 79,2 % of total workforce in Estonia:
- I. whereas the European Globalisation Adjustment Fund can, through the support it will provide to workers, help the transition to a more sustainable tourism and therefore enable Europe to safeguard and promote its natural and cultural heritage and resources while offering new opportunities for jobs and the creation of innovative businesses;
- J. whereas the Commission declared that the COVID-19 health crisis resulted in an economic crisis, set out a recovery plan for the economy, and underlined the role of the EGF to be used as an emergency tool<sup>6</sup> to assist persons who lost their jobs due to the global economic crisis;
- K. whereas both national and European support to maintain employment via short-time work schemes and the SURE instrument were used in Estonia to mitigate the impact of

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<sup>&</sup>lt;sup>5</sup> The Republic of Estonia is not divided into NUTS-level 2 regions.

<sup>&</sup>lt;sup>6</sup> COM(2020)0442.

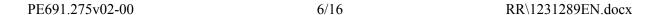
the COVID-19 pandemic and related crisis on the labour market;

- L. whereas this is the first mobilisation of the EGF due to the COVID-19 crisis, following the inclusion in the European Parliament's resolution of 18 June 2020 on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund (EGF/2020/000 TA 2020 Technical assistance at the initiative of the Commission)<sup>7</sup> of the mention that the EGF could be mobilised to support permanently dismissed workers and the self-employed in the context of the global crisis caused by COVID-19 without amending Regulation (EU) No 1309/2013;
- 1. Agrees with the Commission that the conditions set out in Article 4(2) of the EGF Regulation are met and that Estonia is entitled to a financial contribution of EUR 4 474 480 under that Regulation, which represents 60 % of the total cost of EUR 7 457 468, comprising expenditure for personalised services of EUR 7 452 468 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 5 000;
- 2. Notes that the Estonian authorities submitted the application on 12 November 2020, and that, following the provision of additional information by Estonia, the Commission finalised its assessment on 31 March 2021 and notified it to Parliament on the same day;
- 3. Notes that the application relates in total to 10 080 workers, 1 715 self-employed persons whose activity has ceased and 8 365 workers made redundant in the Estonian tourism sector; regrets that Estonia expects that only 5 060 out of the total eligible beneficiaries will participate in the measures (targeted beneficiaries);
- 4. Recalls that the social impact of the redundancies are expected to be considerable with workers in the tourism sector include a large share of low skilled workers, workers with no professional qualifications, young people and seasonal and part-time workers;
- 5. Points out that more than 60 % of eligible persons are women with most effected age group between 30 and 64 years old;
- 6. Notes that Estonia started providing personalised services to the targeted beneficiaries on 1 January 2021 and that the period of eligibility for a financial contribution from the EGF will therefore be from 1 January 2021 to 1 January 2023, with the exception of formal education or training courses, including vocational training, the duration of which is two years or more, which will be eligible until 1 July 2023;
- 7. Recalls that personalised services to be provided to the workers and self-employed persons consist of the following actions: labour market training, business start-up subsidy and follow up support, apprenticeships, support for formal studies and training allowances, including vocational training allowances;
- 8. Notes that Estonia started incurring administrative expenditure to implement the EGF on 1 January 2021 and that expenditure on preparatory, management, information and publicity, control and reporting activities will therefore be eligible for a financial

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<sup>&</sup>lt;sup>7</sup> Texts adopted, P9 TA(2020)0141.

- contribution from the EGF from 1 January 2021 to 1 July 2023;
- 9. Notes that the source of national pre-financing or co-funding is the Foundation of labour market services and benefits, from which the Estonian Unemployment Insurance Fund (EUIF) as the public employment service is providing active labour market measures in Estonia; notes that the Foundation is established from the assets of the unemployment insurance benefit trust fund the trust fund for benefits upon lay-offs and insolvency of employers and from the funds allocated from the state budget through the Ministry of Social Affairs;
- 10. Welcomes that the co-ordinated package of personalised services was drawn up by Estonia in consultation with the relevant authorities and association representatives and that the progress will be discussed in the Supervisory Board of the EUIF, which includes the social partners two members of the Estonian Employers' Confederation, one from the Estonian Trade Union Confederation, and one from Estonian Employees' Unions' Confederation -; welcomes further consultations with tourism industry representatives that will be concluded after analysing the profile of the dismissed workers;
- 11. Notes that further consultations with tourism industry representatives will be conducted after analysing the profile of the dismissed workers and that the most suitable kind of support will be identified, taking account of the age structure, the educational profile, and other characteristics of the beneficiaries; notes that in addition, a possible contribution of the Estonian Hotel and Restaurant Association is planned for the design of some of the industry-related training measures;
- 12. Stresses that the Estonian authorities have confirmed that the eligible actions do not receive assistance from other Union funds or financial instruments;
- 13. Reiterates that assistance from the EGF must not replace actions which are the responsibility of companies, by virtue of national law or collective agreements;
- 14. Calls on the Commission to minimise the time taken to assess EGF assistance requests and to mobilise the EGF, so as to reduce the pressure on national social security systems in the context of COVID-19 crisis;
- 15. Approves the decision annexed to this resolution;
- 16. Instructs its President to sign the decision with the President of the Council and arrange for its publication in the *Official Journal of the European Union*;
- 17. Instructs its President to forward this resolution, including its Annex, to the Council and the Commission;





#### ANNEX: DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund following an application from Estonia – EGF/2020/002 EE/Estonia Tourism

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006<sup>8</sup>, and in particular Article 15(4) thereof,

Having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources<sup>9</sup>, and in particular point 9 thereof,

Having regard to the proposal from the European Commission,

#### Whereas:

- (1) The European Globalisation Adjustment Fund (EGF) aims to provide support for workers made redundant and self-employed persons whose activity has ceased as a result of major structural changes in world trade patterns due to globalisation, as a result of a continuation of the global financial and economic crisis, or as a result of a new global financial and economic crisis, and to assist them with their reintegration into the labour market.
- (2) The EGF is not to exceed a maximum annual amount of EUR 186 million (2018 prices), as laid down in Article 8(1) of Council Regulation (EU, Euratom) 2020/2093<sup>10</sup>.
- (3) On 12 November 2020 Estonia submitted an application to mobilise the EGF, in respect of redundancies and cessations of activities (hereafter referred to as 'redundancies') in the tourism industry, defined by the economic sectors classified under the Statistical classification of economic activities in the European Community ('NACE') Revision 2 Division 45 (Wholesale and retail trade and repair of motor vehicles and motorcycles), 49 (Land transport and transport via pipelines), 50 (Water transport), 51 (Air transport), 52 (Warehousing and support activities for transportation), 55 (Accommodation), 56 (Food and beverage service activities), 74 (Other professional, scientific and technical activities), 77 (Rental and leasing activities), 79 (Travel agency, tour operator and other reservation service and related activities), 90 (Creative, arts and entertainment activities), 91 (Libraries, archives, museums and other cultural activities), 92 (Gambling and betting activities), 93 (Sports activities and amusement and recreation activities), in

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<sup>&</sup>lt;sup>8</sup> OJ L 347, 20.12.2013, p. 855.

<sup>&</sup>lt;sup>9</sup> OJ L 433I, 22.12.2020, p. 29.

<sup>&</sup>lt;sup>10</sup> Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021-2027 (OJ L 433I, 22.12.2020, p. 15).

Estonia. The Republic of Estonia is one unit in the Nomenclature of Territorial Units for Statistics ('NUTS')<sup>11</sup> level 2 regions. The application was supplemented by additional information provided in accordance with Article 8(3) of Regulation (EU) No 1309/2013. It complies with the requirements for determining a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) No 1309/2013.

- (4) In accordance with Article 4(2) of Regulation (EU) No 1309/2013, the application from Estonia is considered admissible since the redundancies have a serious impact on employment and the national economy.
- (5) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 4 474 480 in respect of the application submitted by Estonia.
- (6) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

#### HAVE ADOPTED THIS DECISION:

#### Article 1

For the general budget of the Union for the financial year 2021, the European Globalisation Adjustment Fund shall be mobilised to provide the amount of EUR 4 474 480 in commitment and payment appropriations.

#### Article 2

This decision shall enter into force on the day of its publication in the Official Journal of the European Union. It shall apply from [the date of its adoption]\*.

Done at Brussels,

For the European Parliament The President For the Council
The President

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<sup>&</sup>lt;sup>11</sup> Commission Regulation (EU) No 1046/2012 of 8 November 2012 implementing Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS) as regards the transmission of the time series for the new regional breakdown (OJ L 310, 9.11.2012, p. 34).

<sup>\*</sup> Date to be inserted by the Parliament before the publication in OJ.

#### **EXPLANATORY STATEMENT**

#### I. Background

The European Globalisation Adjustment Fund has been created in order to provide additional assistance to workers suffering from the consequences of major structural changes in world trade patterns.

According to the provisions of Article 8(1) of Council Regulation (EU, Euratom) No 2020/2093laying down the multiannual financial framework for the years 2021-2027<sup>12</sup> and of Article 15 of Regulation (EU) No 1309/2013<sup>13</sup>, the Fund may not exceed a maximum annual amount of EUR 186 million (2018 prices).

As concerns the procedure, according to point 9 of the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management as well as on new own resources, including a roadmap towards the introduction of new own resources<sup>14</sup>, in order to activate the Fund the Commission, in case of a positive assessment of an application, presents to the budgetary authority a proposal for mobilisation of the Fund and, at the same time, a corresponding request for transfer.

#### II. Estonia's application and the Commission's proposal

On 12 November 2020, Estonia submitted an application EGF/2020/002 EE tourism for a financial contribution from the EGF, following 10 080 redundancies<sup>15</sup> indifferent ancillary sectors, attributed to tourism located in the NUTS level 2 region of Eesti (EE00)<sup>16</sup>.

Following its assessment of this application, the Commission has concluded, in accordance with all applicable provisions of the EGF Regulation, that the conditions for awarding a financial contribution from the EGF are met.

On 31 March 2021, the Commission adopted a proposal for a decision on the mobilisation of the EGF in favour of Estonia to support the reintegration in the labour market of ca. 5 060 targeted beneficiaries, i.e. workers made redundant or self-employed persons loosing their position in 14 economic sector classified under the NACE Revision 2, namely Division 45 (Wholesale and retail trade and repair of motor vehicles and motorcycles), Division 49 (Land transport and transport via pipelines), Division 50 (Water transport), Division 51 (Air transport), Division 52 (Warehousing and support activities for transportation), Division 55 (Accommodation), Division 56 (Food and beverage service activities), Division 74 (Other professional, scientific and technical activities), Division 77 (Rental and leasing activities), Division 79 (Travel agency, tour operator and other reservation service and related activities), Division 90 (Creative, arts and entertainment activities), Division 91 (Libraries, archives, museums and other cultural activities), Division 92 (Gambling and betting activities), and Division 93 (Sports activities and amusement and recreation activities), all linked to Estonia's tourism industry.

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<sup>&</sup>lt;sup>12</sup>OJ L 433I, 22.12.2020, p. 15.

<sup>&</sup>lt;sup>13</sup> OJ L 347, 20.12.2013, p. 855.

<sup>&</sup>lt;sup>14</sup> OJ L 433I, 22.12.2020, p. 28.

<sup>&</sup>lt;sup>15</sup> Within the meaning of Article 3 of the EGF Regulation.

The Republic of Estonia is not divided into NUTS-level 2 regions.

Since several economic sector classified under the NACE Revision 2 are concerned, Estonia, applied to the EGF under Article 4(2), since the provisions of Article 4(1b) are not met. The Commission accepts the exception and deems the application admissible.

This is the only the second application of 2020 and the first one to be examined under the 2021 budget, including the new MFF (to Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027<sup>17</sup> and the IIA of 16 December 2020. The Budget 2021 has reserve budget lines for EGF payments (prior 2021) which will be used for payments mobilised under the EGF regulation 2014-2020. The successor EGF regulation for 2021-2027 (2018/0202(COD)) is scheduled for plenary debate in April, but will have no impact on this procedure nor any upcoming procedures for mobilisations under the old 2014-2020 programme.

The number of 10 080 total redundant workers has been calculated by adding 3 873 workers from collective redundancies, 4 492 workers from de facto termination of the contract of employment or its expiry, and 1 715 self-employed persons from the date of cessation of activities, which has been determined in accordance with national law or administrative provisions.

The application concerns a targeted 5 060 workers made redundant and self-employed persons and refers to the mobilisation of a total amount of EUR 4 474 480 from the EGF for Estonia representing 60 % of the total costs of the proposed actions.

In order to establish the link between the redundancies and major structural changes in world trade patterns due to globalisation, Estonia bases the application on the declaration of the Commission that the global health crisis has resulted in a global economic crisis, which has been addressed by the Commission's recovery plan and which expressively mentions the EGF as one of its tools<sup>18</sup>.

In 2019, Estonian tourism earnings reached a new record of EUR 2.1 billion, with EUR 1.6. billion generated by international tourists. Tourism was considered a significant sector for the Estonian competitiveness, and substantial investments were made to develop it further. Estonia argues that during 2020, the total turnover of the Estonian economy suffered a significant drop of 9,5 %. The tourism industry - suffered the biggest losses. The turnover in the tourism industry decreased by 19 % (EUR 943 million) during the first half of 2020 alone. Within the tourism industry, during the first half of 2020, the drop was the sharpest among travel agencies and tour operator businesses (57,9 %) and accommodation services (50,9 %).

The five types of actions to be provided to redundant workers and self-employed persons, for which EGF co-funding is requested consist of:

a. Labour Market Training (provided for the beneficiaries to acquire new skills and qualifications to improve their employment opportunities. The selection of trainings may include language courses, professional qualifications, entrepreneurial skills, and skills to foster mobility such as driving instruction. The trainings are tailored to the beneficiaries' individual plans and to current and future trends in the labour market.)

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<sup>&</sup>lt;sup>17</sup> OJ L 433I, 22.12.2020, p. 11.

<sup>&</sup>lt;sup>18</sup> COM(2020) 442 final

- b. Business start-up subsidy and follow-up support (a grant of maximum EUR 6 000 per person, and follow-up support up to EUR 2 500, can be granted to set up a new company, based on a budget presented in a detailed business plan by the beneficiary.)
- c. Apprenticeships for learning new professional skills and practical knowledge directly at a workplace.
- d. Support for Formal Studies (Payment of the Cost of Formal Studies is offered to encourage beneficiaries to enter formal studies in vocational or higher education. The support covers the participation costs and tuition fees in vocational training, professional higher education, or in Bachelor's studies in an accredited institution)
- e. Training allowances and other allowances are offered to beneficiaries to support their participation in the active measures.

Given that a large share of the beneficiaries have no or old professional qualifications or only a low level of education, supporting formal studies is deemed important for their future employment. Therefore priority is given to beneficiaries with no prior education or with an outdated education, e.g. a degree obtained more than 15 years ago. Furthermore, the measures will take account of the current labour market situation in Estonia, giving more weight to study programmes in professional fields with growing demand for workforce.

According to the Commission, the described measures constitute active labour market measures within the eligible actions set out in Article 7 of the EGF Regulation and do not substitute passive social protection measures.

Estonia provided the required information on actions that are mandatory for the enterprises concerned by virtue of national law or pursuant to collective agreements. They confirmed that a financial contribution from the EGF will not replace such actions.

#### **Procedure**

In order to mobilise the Fund, the Commission has submitted to the Budgetary Authority a request to transfer a global amount of EUR 4 474 480 from the EGF reserve (30 04 02) to the EGF (prior 2021) budget line (16 02 99 01). The trilogue procedure shall be initiated in the event of disagreement, as provided for in Article 15(4) of the EGF Regulation.

According to an internal agreement, the Employment and Social Affairs Committee should be associated to the process, in order to provide constructive support and contribute to the assessment of the applications from the Fund.

#### LETTER OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

Mr Johan Van Overtveldt Chair Committee on Budgets Wiertz 05U012 BRUSSELS

Subject: Opinion on Mobilisation of the European Globalisation Adjustment Fund -

EGF/2020/002 EE/Tourism - Estonia (2021/0076(BUD))

Dear Mr Chair,

The Committee on Employment and Social Affairs (EMPL) and its Working Group on the EGF, chaired by EMPL Vice-Chair Tomáš Zdechovský, examined the mobilisation of the EGF for the case EGF/2020/002 EE/Tourism - Estonia and adopted the following opinion.

The EMPL committee and its Working Group are in favour of the mobilisation of the Fund concerning this request. In this respect, the EMPL committee presents some remarks without, however, putting into question the transfer of the payments.

Yours sincerely,

Lucia Ďuriš Nicholsonová

#### **SUGGESTIONS**

The deliberations of the EMPL Committee are based on the following considerations:

- A. Whereas Estonia submitted the application under the intervention criteria of Article 4(2) derogating from the criteria of Article 4(1) (b) of the EGF Regulation, which requires at least 500 workers being made redundant over a reference period of nine months in enterprises operating in the same economic sector defined at NACE Revision 2 Division and located in one region or two contiguous regions defined at NUTS 2 level in a Member State. As the redundancies did not take place in the same economic sector, the derogation from Article 4(1)(b) provided for in Article 4(2) is applied;
- B. Whereas Estonia's application relates to 1 715 self-employed persons whose activity has ceased and 8 365 workers made redundant in the tourism industry in Estonia, out of which 3 873 in the course of collective redundancies notified to the authorities. The collective redundancies concern 68 enterprises in total, affecting between 5 and 1440 workers per enterprise concerned. The total number of eligible beneficiaries is 10 080;
- C. Whereas workers in the sector include a large share of low skilled workers, workers with no professional qualifications, young people, and seasonal and part-time workers as well as many self-employed people. Whereas the sector is dominated by SMEs that have a weaker crisis, resilience compared to bigger companies;
- D. Whereas the events giving rise to these redundancies and cessations of activity occurred unexpectedly in early 2020 due to the global spread of the Covid-19 pandemic and related economic crisis which hit the tourism industry particularly hard, with sudden restrictions of movement taking place internationally causing a sharp and unforeseen decrease in international travel and tourism;
- E. Whereas this is the first application linked to the global Covid-19 pandemic;
- F. Whereas before the Covid-19 pandemic, the Estonian tourism industry enjoyed recordhigh numbers of visitors. In 2019, accommodation services hosted 5,3 % more international tourists and 5,9 % more domestic tourists than the year before. The share of international tourists was prevalent, accumulating to almost 60 % of all stays. Further, prior to pandemic and related economic crisis, 90 % of the tourism expenditure in Estonia was generated by international tourism, while the average for OECD countries was around 25 %;
- G. Whereas the European Globalisation Adjustment Fund can, through the support it will provide to workers, help the transition to a more sustainable tourism and therefore enable Europe to safeguard and promote its natural and cultural heritage and resources while offering new opportunities for jobs and the creation of innovative businesses;
- H. Whereas both national and European support to maintain employment via short-time work schemes and the SURE instrument were used in Estonia to mitigate the impact of the COVID-19 pandemic and related crisis on the labour market;
- I. Whereas Estonia has provided the required information on actions that are mandatory for the enterprise concerned by virtue of national law or pursuant to collective

- agreements. They have confirmed that a financial contribution from the EGF will not replace such actions;
- J. Whereas in accordance with Article 4(2) of Regulation (EU) No 1309/2013, the application from Estonia is considered admissible since the redundancies have a serious impact on employment and the national economy.

Therefore, the Committee on Employment and Social Affairs calls on the Committee on Budgets, as the committee responsible, to integrate the following suggestions in its motion for a resolution concerning the Estonian application:

- 1. Agrees with the Commission that the intervention criteria set out in Article 4(1)(b) of the Regulation (EU) No 1309/2013 are met and that, therefore, Estonia is entitled to a financial contribution of EUR 4 474 480 in respect of the application submitted by Estonia, representing 60 % of the total costs of the proposed actions;
- 2. Notes that all the procedural requirements were met;
- 3. Notes that the source of national pre-financing or co-funding is the Foundation of labour market services and benefits, from which the Estonian Unemployment Insurance Fund (EUIF) as the public employment service is providing active labour market measures in Estonia. The Foundation is established from the assets of the unemployment insurance benefit trust fund the trust fund for benefits upon lay-offs and insolvency of employers and from the funds allocated from the state budget through the Ministry of Social Affairs;
- 4. Notes that Estonia has indicated that the co-ordinated package of personalised services has been drawn up in consultation with the relevant authorities and association representatives. The Supervisory Board of the EUIF discussed and approved the general outline of the co-ordinated package on 7 September 2020 and progress of the EGF measures will be regularly discussed in the board meetings. Social partners are members of the board, namely two members of the Estonian Employers' Confederation, one from the Estonian Trade Union Confederation, and one from Estonian Employees' Unions' Confederation;
- 5. Welcomes in particular the inclusion of active labour market measures such as labour market training to acquire new skills and qualifications, business start-up subsidies and follow-up support, apprenticeships for work-place learning and support for formal studies which make up 76.35% of total package of personalised services;
- 6. Notes that further consultations with tourism industry representatives will be conducted after analysing the profile of the dismissed workers. The most suitable kind of support will be identified, taking account of the age structure, the educational profile, and other characteristics of the beneficiaries. In addition, a possible contribution of the Estonian Hotel and Restaurant Association is planned for the design of some of the industry-related training measures.

## INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	10.5.2021
Result of final vote	+: 38 -: 1 0: 0
Members present for the final vote	Rasmus Andresen, Robert Biedroń, Anna Bonfrisco, Olivier Chastel, Lefteris Christoforou, David Cormand, Paolo De Castro, José Manuel Fernandes, Eider Gardiazabal Rubial, Vlad Gheorghe, Valentino Grant, Francisco Guerreiro, Valérie Hayer, Eero Heinäluoma, Niclas Herbst, Monika Hohlmeier, Moritz Körner, Joachim Kuhs, Zbigniew Kuźmiuk, Ioannis Lagos, Hélène Laporte, Pierre Larrouturou, Janusz Lewandowski, Margarida Marques, Silvia Modig, Siegfried Mureşan, Victor Negrescu, Jan Olbrycht, Dimitrios Papadimoulis, Karlo Ressler, Bogdan Rzońca, Nicolae Ştefănuţă, Nils Torvalds, Nils Ušakovs, Johan Van Overtveldt, Rainer Wieland, Angelika Winzig
Substitutes present for the final vote	Mario Furore, Henrike Hahn

### FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

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ECR	Zbigniew Kuźmiuk, Bogdan Rzońca, Johan Van Overtveldt
ID	Anna Bonfrisco, Valentino Grant, Hélène Laporte
NI	Mario Furore, Ioannis Lagos
PPE	Lefteris Christoforou, José Manuel Fernandes, Niclas Herbst, Monika Hohlmeier, Janusz Lewandowski, Siegfried Mureşan, Jan Olbrycht, Karlo Ressler, Rainer Wieland, Angelika Winzig
Renew	Olivier Chastel, Vlad Gheorghe, Valérie Hayer, Moritz Körner, Nicolae Ştefănuță, Nils Torvalds
S&D	Robert Biedroń, Paolo De Castro, Eider Gardiazabal Rubial, Eero Heinäluoma, Pierre Larrouturou, Margarida Marques, Victor Negrescu, Nils Ušakovs
The Left	Silvia Modig, Dimitrios Papadimoulis
Verts/ALE	Rasmus Andresen, David Cormand, Francisco Guerreiro, Henrike Hahn

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ID	Joachim Kuhs

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Key to symbols: + : in favour - : against 0 : abstention