



TEXTS ADOPTED

P9_TA(2021)0268

Mobilisation of the European Globalisation Adjustment Fund: application EGF/2020/007 FI/Finnair - Finland

European Parliament resolution of 8 June 2021 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 Finland – EGF/2020/007 FI/Finnair (COM(2021)0227 – C9-0162/2021 – 2021/0116(BUD))

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2021)0227 – C9-0162/2021),
 - 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) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021-2027², and in particular Article 8 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 resources³, (“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 (A9-0186/2021),
- 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

¹ OJ L 347, 20.12.2013, p. 855.

² OJ L 433 I, 22.12.2020, p. 11.

³ OJ L 433 I, 22.12.2020, p. 28.

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 Finland submitted application EGF/2020/007 FI/Finnair for a financial contribution from the European Globalisation Adjustment Fund (EGF), following 508 redundancies¹ in the company Finnair Oyj and one subcontractor² in the NUTS level 2 region Helsinki-Uusimaa (FI1B) in Finland, within a reference period for the application from 25 August 2020 to 25 December 2020;
- C. whereas on 6 May 2021, the Commission adopted a proposal for a decision on the mobilisation of the EGF to support the reintegration in the labour market of 500 targeted beneficiaries, i.e. workers made redundant in the economic sector classified under the NACE Revision 2, namely Division 51 (Air transport);
- D. whereas the application relates to 504 workers made redundant in the company Finnair Oyj and four by one subcontractor in Finland;
- E. whereas the application is based on the intervention criteria of Article 4(1), point (a), of the EGF Regulation, which requires at least 500 workers being made redundant over a reference period of four months in an enterprise in a Member State;
- F. whereas the Commission acknowledged that the COVID-19 health crisis generated an economic crisis and pushed for a Next Generation EU recovery plan that underlines the key role played by the EGF in assisting redundant workers;
- G. whereas the COVID-19 pandemic caused an immense shock to the aviation industry due to travel restrictions, leading to a drop in international air traffic by 98,9 % in April 2020 compared to April 2019³, and industry-wide revenue passenger kilometres shrank by 86,5 % in June 2020 compared to June 2019⁴;
- H. whereas international passenger demand fell by 75,6 % in 2020 compared to 2019 levels; whereas according to the global passenger forecast by the International Air Transport Association, it will take 3 to 4 years for the aviation industry to recover to its pre-crisis level;
- I. whereas this is one of the first mobilisations of the EGF due to the COVID-19 crisis, following the adoption by the European Parliament of its 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)⁵, stating 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 Within the meaning of Article 3 of the EGF Regulation.

² Hub Logistics Finland Oy located in the region of Helsinki-Uusimaa.

³ ATAG. 2020 Aviation Benefits Beyond Borders Report: https://aviationbenefits.org/media/167186/abbb2020_full.pdf

⁴ IATA: Air Passenger Market Analysis June 2020: <https://www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-monthly-analysis---june-2020/>

⁵ Texts adopted, P9_TA(2020)0141.

- J. whereas before the pandemic started, Finnair had sound financial results, the number of passengers carried having increased by 10,3 % in 2019 and its revenue having grown by 9,2 % in 2019, reaching EUR 3 097 million, compared to EUR 2 836 million in 2018;
- K. whereas restrictions in place both in Finland and in other countries have heavily affected Finnair's operations, in particular regarding international and intercontinental flights; whereas air traffic is an important mode of transport connecting remote areas, such as Finland, to the rest of the world;
- L. whereas Helsinki Airport is a major air travel hub and Finnair a major carrier between Europe and Asia, and in January 2020 passenger volumes to China increased by 58 % compared to January 2019; whereas in February 2020 passenger volumes decreased sharply by 73 % due to the epidemic situation;
- M. whereas the number of passengers carried by Finnair dropped by 76,2 % and its revenue fell by 73,2 % in 2020 compared to 2019, leading the company to accumulate an operating loss of EUR 464,5 million in 2020¹; whereas in response Finnair had to reduce its costs in order to address this crisis and savings were made in real estate, aircraft leasing, IT (digitalisation and automation of its customer processes), sales and distribution costs, as well as administration costs and compensation structures; whereas this led to the reduction of the workforce by 700 jobs² and almost all of the workforce being furloughed for a part of the year, with furloughs continuing in 2021 for a large share of the workforce;
- N. whereas Finnair's long-term goal is to achieve carbon neutrality by 2045, with a 50 % reduction in net emissions by the end of 2025 compared to the 2019 level³, and according to the company, Finnair has continued to progress with sustainability efforts also during the pandemic with investments into sustainable biofuels;
- O. whereas the aviation sector's contribution to the Finnish economy is significant, representing 3,2 % of the total GDP⁴, and the redundancies in the country's biggest airline, Finnair, have a serious impact on the Helsinki-Uusimaa region and the national economy;
- P. whereas 42 000 persons (23 000 direct and 19 000 indirect jobs) were employed in the aviation sector in Finland in 2020 and these redundancies will have a serious impact on the national economy; whereas the number of unemployed jobseekers in the Helsinki-Uusimaa region where the redundancies are concerned increased by 0,8 percentage points, from 6,4 % in 2019 to 7,2 % in 2020;
- Q. whereas due to rising unemployment resulting from the crisis, the re-employment of former Finnair workers may be challenging;
- R. whereas the Commission declared that the health crisis resulted in an economic crisis, set out a recovery plan for the economy, and underlined the role of the EGF as an emergency tool⁵;

¹ <https://company.finnair.com/en/media/all-releases/news?id=3801600>

² [News | Finnair](#)

³ [News | Finnair](#)

⁴ Air Transport Action Group (ATAG), Aviation Benefits Beyond Borders: <https://aviationbenefits.org/downloads/aviation-benefits-beyond-borders-2020/>

⁵ COM(2020)0442.

1. Agrees with the Commission that the conditions set out in Article 4(2) of the EGF Regulation are met and that Finland is entitled to a financial contribution of EUR 1 752 360 under that Regulation, which represents 60 % of the total cost of EUR 2 920 600, comprising expenditure for personalised services of EUR 2 730 600 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 190 000;
2. Notes that the Finnish authorities submitted the application on 30 December 2020, and that the Commission finalised its assessment on 6 May 2021 and notified it to Parliament on the same day; regrets that the assessment of the Commission took so long in current circumstances;
3. Notes that all the procedural requirements were met;
4. Notes that the application relates in total to 508 workers made redundant in company Finnair Oyj and one subcontractor; further notes that Finland expects that 500 out of the total eligible beneficiaries will participate in the measures (targeted beneficiaries);
5. Recalls that the social impacts of the redundancies are expected to be considerable for workers in the Helsinki-Uusimaa region, where Finnair has its operating hub, and where the number of unemployed jobseekers increased by 22,5 % between February and April 2020, and by 0.8 percentage points between 2019 and 2020¹, leading to difficult prospects in terms of re-employment of the dismissed workers; notes positively therefore that the dismissed workers could benefit from customised job-search guidance and support, along with tailored upskilling and reskilling to increase their chances of re-employment;
6. Underlines the need for all employees, without discrimination and independently of their nationality, to be integrated and supported by the measures included in this EGF project;
7. Points out that 44 % of eligible persons are women with most affected age group between 30 and 54 years old; notes that the second largest age group is 55-64 years (28,20 %), which may face additional challenges in re-integrating into the labour market;
8. Notes that Finland started providing personalised services to the targeted beneficiaries on 21 October 2020 and that the period of eligibility for a financial contribution from the EGF will therefore be from 21 October 2020 to 30 December 2022;
9. Recalls that personalised services to be provided to the workers and self-employed persons consist of the following actions: coaching and other preparatory measures, employment and business services, training, pay subsidy, start-up grant and allowances for travel, accommodation and removal; welcomes the provision of vocational qualification trainings to the beneficiaries, including courses such as artificial intelligence (A.I.), digital security and robotics; further welcomes the use of pay subsidy by Finland to reduce the payroll costs of the beneficiaries as well as start-up grants to promote the creation of business activity but reminds that this support should be conditional on the active participation of these beneficiaries in job-search or training activities;
10. Notes that Finland started incurring administrative expenditure to implement the EGF on 21 October 2020 and that expenditure on preparatory, management, information and

¹ Finland's statistical database <https://pxnet2.stat.fi/PXWeb/pxweb/en/StatFin/>

publicity, control and reporting activities will therefore be eligible for a financial contribution from the EGF from 21 October 2020 to 30 June 2023;

11. Welcomes that the co-ordinated package of personalised services was drawn up by Finland in consultation with a working group; highlights that the preparation activities included meetings with the representatives of Centres for Economic Development, Transport and Environment and Employment and Economic Development Offices of Uusimaa, Finnair and Trade Unions namely Ilmailualan Unioni (IAU), Finnairin insinöörit ja ylemmät toimihenkilöt (FINTO), Auto ja Kuljetusalan Työntekijäliitto ry (AKT) and Trade Union Pro;
12. Stresses that the Finnish 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. Strongly supports that the EGF continues to show solidarity in the 2021-2027 period while shifting the focus from the cause of restructuring to its impact; welcomes that under the new rules decarbonisation will also be a reason for applicants to be eligible for support;
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 Finland – EGF/2020/007 FI/Finnair

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2021/1023.)