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Factsheet for case **EE-2020-1/384**

Measures to support shipping companies

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Country	Estonia, applies nationwide
Time period	Temporary, 01 January 2020 - 31 December 2023
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Direct subsidies (full or partial)
Case created	08 April 2020 (updated 29 April 2020)

Background information

Estonian shipping companies are in difficult situation due to the restrictions on borders (decreased tourism, decreased cargo volumes etc). At the same time, trade must be encouraged to avoid further damage to the economy. It is important to avoid the closures of the shipping companies as these have an important role in contributing to the economic growth in Estonia. In order to use the supportive measures, the supplementary state budget must be approved by the Parliament /currently in progress) and application for state aid must be approved by the European Commission.

Content of measure

Three measures are foreseen to support the shipping companies:

Firstly, between 1 April 2020 and 1 April 2021, shipping companies are not charged with waterway charges.

Secondly, from 1 January 2020 retroactively til the end of 2020, all port charges for passenger transport ships in the amount of 75% will be reimbursed by the state. A total of €20 million would be used for it.

Thirdly, passenger international shipping companies will be paid a quarterly subsidy equal to the difference between the labor taxes calculated on the salary paid to the crew member and the labor taxes calculated from the tax base (1.5 or 2.5 times the minimum monthly wage). Two companies currently qualify under the measure. The measure would be used until the end of 2023. It is expected that €3.7 million in 2020 and €7.7 million in 2021 will be used for the measure.

Use of measure

All shipping companies (no information on how many) will be eligible for the first measure. Two companies are eligible for the labour taxes measure.

Actors, target groups and funding

Actors	Target groups	Funding
National government EU (Council, EC, EP)	Sector specific set of companies	National funds

Social partners

Role of social partners	No involvement
Form of involvement	No involvement

N.a.

Sectors and occupations

This case is sector-specific.

Economic area	Sector (NACE level 2)
H - Transportation And Storage	H50 Water transport

This case is not occupation-specific.

Sources

- 02 April 2020: Laevafirmad võivad saada väga suure riigipoolse toe. (arileht.delfi.ee)
- 03 April 2020: Laevandusettevõtted saavad riigilt mitmekülgset tuge (www.mkm.ee)