



## Report confirms SURE's success in protecting jobs and incomes

Brussels, 22 March 2021

The Commission has published its first preliminary assessment of the impact of SURE, the €100 billion instrument designed to protect jobs and incomes affected by the COVID-19 pandemic.

The report finds that SURE has been successful in cushioning the severe socio-economic impact resulting from the COVID-19 crisis. It has helped to ensure that the increase in unemployment in the beneficiary Member States during the crisis has been significantly smaller than during the global financial crisis, despite them experiencing a larger decrease in GDP.

SURE is a crucial element of the EU's comprehensive strategy to protect citizens and mitigate the severely negative socio-economic consequences of the COVID-19 pandemic. It provides financial support in the form of loans granted on favourable terms from the EU to Member States to finance national short-time work schemes, and other similar measures to preserve employment and support incomes, notably for the self-employed, and some health-related measures. The Commission has so far proposed a total of €90.6 billion in financial support to 19 Member States. SURE can still make over €9 billion of financial assistance available and Member States can still submit requests for support. The Commission stands ready to assess additional top-up requests from Member States in response to the resurgence of COVID-19 infections and new restrictions.

### Main findings

The Commission's report has found that the instrument supported between 25 and 30 million people in 2020. This represents around one quarter of the total number of people employed in the 18 beneficiary Member States.

It also estimates that between 1.5 and 2.5 million firms affected by the COVID-19 pandemic have benefitted from SURE, allowing them to retain workers.

Member States have saved an estimated €5.8 billion in interest payments by using SURE, compared to if they had issued sovereign debt themselves, thanks to the EU's high credit rating. Future disbursements will likely generate further savings.

Feedback from beneficiaries shows that SURE support played an important role in the creation of their short-time work schemes, and in increasing their coverage and volume.

Today's report also covers the borrowing and lending operations to finance SURE. It finds that demand from Member States for the instrument has been strong, with more than 90% of the total €100 billion envelope available under SURE already allocated. Interest from investors in SURE bonds has been similarly robust. By the cut-off date of the report, the Commission raised €53.5 billion in the first four issuances, which were on average more than ten times over-subscribed. All funds have been raised as social bonds, giving investors confidence that their money goes towards measures with a real social purpose, sustaining families' incomes at a time of crisis. The EU's ability to raise money for SURE was supported by a €25 billion guarantee from all Member States, a strong signal of European solidarity.

### Members of the College said:

Valdis **Dombrovskis**, Executive Vice-President for an Economy that Works for People said: *"The SURE initiative has proven its value by keeping people in jobs and businesses afloat during the crisis. Designed as one of three safety nets to tackle the short-term consequences of the crisis, SURE has successfully supported tens of millions of people and firms across the EU, protecting against the risk of unemployment and safeguarding livelihoods. As we move towards the recovery, we will continue with measures to support a job-rich recovery and provide active support for workers and labour markets."*

Johannes **Hahn**, Commissioner for Budget and Administration, said: *"For the first time in history, the Commission has issued social bonds on the markets, to raise money that has contributed to keeping people in jobs during the crisis. As the report on the temporary Support to mitigate Unemployment*

*Risks in an Emergency (SURE) demonstrates, the positive impact for companies and their employees is concrete and tangible."*

Nicolas **Schmit**, Commissioner for Jobs and Social Rights, said: "Today's report confirms that SURE has been successful in protecting jobs and incomes from what could have been an even greater shock during the pandemic. SURE has been adopted and implemented in a very short time allowing Member States to react swiftly to the crisis. Millions of workers as well as companies and also the self-employed have benefited from this innovative instrument. The different short-time work models Member States put into place with the financial support of SURE have also preserved skills in companies which will be needed for a strong recovery."

Paolo **Gentiloni**, Commissioner for Economy said: "The SURE programme has played a crucial role in protecting workers and the self-employed from the worst effects of the economic shock caused by the pandemic. Today's report indicates that up to 30 million people and as many as 2.5 million firms in 18 EU countries have benefited from this groundbreaking European scheme. And Member States have saved an estimated €5.8 billion by borrowing this money from the EU rather than on the markets. As we look forward to the roll-out of the Recovery and Resilience Facility, SURE offers an encouraging example of what European solidarity can deliver for our citizens."

## Background

The Commission proposed the SURE Regulation on 2 April 2020, as part of the EU's initial response to the pandemic. It was adopted by the Council on 19 May 2020 as a strong sign of European solidarity, and became available after all Member States signed the guarantee agreements on 22 September 2020. The first disbursement took place five weeks after SURE became available.

Today's report is the first bi-annual report on SURE addressed to the Council, the European Parliament, the Economic and Financial Committee (EFC) and the Employment Committee (EMCO). Under Article 14 of the SURE Regulation, the Commission is legally required to issue such a report within 6 months of the day that the instrument became available. Subsequent reports will follow every six months for as long as SURE remains available.

Beyond the 18 Member States discussed in the report, the Commission has since proposed granting financial assistance to a 19<sup>th</sup> Member State, Estonia, for an amount of €230 million. In addition, the Commission has also [raised](#) an additional €9 billion of SURE bonds since the report's cut-off date. A full overview of the funds raised under each issuance and the beneficiary Member States is available online [here](#).

On 4 March, the Commission presented a [Recommendation on Effective Active Support to Employment following the COVID-19 crisis \(EASE\)](#). It outlines a strategic approach to gradually transition between emergency measures taken to preserve jobs during the pandemic and new measures needed for a job-rich recovery. With EASE, the Commission promotes job creation and job-to-job transitions, including towards the digital and green sectors. Its three policy recommendations consist of hiring incentives and entrepreneurial support; upskilling and reskilling opportunities; and enhanced support by employment services.

## For More Information

[Commission report on the implementation of SURE](#)

[SURE website](#)

[Factsheet on SURE](#)

[SURE Regulation](#)

[EU as a borrower website](#)

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