



Hotrec
Hospitality Europe

EFFAT

PRESS RELEASE

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Rebuilding the Hospitality sector

HOTREC, the European umbrella association of Hotels, Restaurants and Cafés, and its trade union counterpart EFFAT, the European Federation of Food, Agriculture and Tourism Trade Unions, call upon the EU and Member States to prolong the EU and national funding as long as necessary; to implement measures to avoid high levels of debt by companies; to secure workers income and to prevent redundancies; and to support up-skilling and reskilling across the EU.

Companies in the hospitality sector continue struggling to survive and save millions of jobs. As a follow-up of their joint position on "[Rebuilding the Hospitality sector](#)", and of their last sectoral social dialogue meeting, the social partners call on the EU institutions and national governments to deploy the following measures:

- **Extend the EU and national funding as long as necessary and beyond December 2021** (e.g. State Aid; cohesion funds; job retention schemes): recovery will be slow, as travel restrictions across the EU and outside Schengen will take time to be eased; at the same time, we need to attract consumer's trust back to our establishments, while continuing to manage the emergency supporting businesses and workers. Our experts estimate 4 to 5 years until a full recovery is achieved;
- **Avoid over-indebtedness and the loss of creditworthiness of valuable companies**, namely: include Solvency Support instruments in the National Recovery and Resilience Plans; ensure the support of equity and quasi-equity instruments by programmes like InvestEU and the new Guarantee Fund of the EIB Group; use the React-EU facility to provide solvency support to companies; provide tax incentives for private investments; develop early-warning mechanisms for companies at risk of insolvency;
- **Support up-skilling and reskilling**: we welcome the [Commission Recommendation](#) on active support to employment, and particularly to apprenticeships. Europe needs to invest in people to respond to the social and economic impact of the COVID-19 crisis and to prepare and accompany the green and digital transitions. We need a skilled and motivated workforce to help rebuild the sector. This will only be possible with a thriving hospitality sector and quality jobs.

"Our work as social partners is essential to help push recovery forward. Companies are struggling to see how they could survive and save jobs. Continuous support from the EU and national level is needed, as reserves were exhausted after a year of closure and restrictions", commented Jean-Marc Banquet d'Orx, Chair of HOTREC Sectoral Social Dialogue.

"The recovery of the sector is likely to be long and difficult. It is of utmost importance that governments prolong their support to the sector. We must guarantee that workers have a decent income and opportunities to strengthen their skills to deal with future challenges", stated Kristjan Bragason, EFFAT General Secretary.

For further information: www.hotrec.eu and www.effat.org

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What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. The sector counts in total around 1.8 million businesses, being 99,5% small and medium sized enterprises (91% are micro enterprises, i.e. employing less than 10 people). These businesses make up some 60% of value added. The industry provides some 10 million jobs in the EU alone. Together with the other tourism industries, the sector is the 3rd largest industry in Europe. HOTREC brings together 40 national associations representing the interest of this industry in 29 different European countries.

What is EFFAT?

EFFAT is the European Federation of Food, Agriculture and Tourism Trade Unions, also representing domestic workers. As a European Trade Union Federation representing 120 national trade unions from 35 European countries, EFFAT defends the interests of more than 25 million workers towards the European Institutions, European employers' associations and transnational companies. EFFAT is a member of the ETUC and the European regional organisation of the IUF.