

## Estonia

### 1. National Recovery and Resilience Plans

<b>Question 1</b>	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
<b>Question 2</b>	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
<b>Question 3</b>	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

## 2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1a	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine.	Important	Unsatisfactory	Medium and big businesses are not being supported.
CSR 1b	Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions.	Extremely important	Mixed	Investments in green and digital transformation have increased but it is uncertain if appropriate energy supply will be guaranteed.
CSR 1c	For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions.	Important	Satisfactory	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 29 October 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Important	Mixed	Sometimes economic needs are adressed but not supported by appropriate proportion of measures e.g investments in green technologies and green transformation of manufacturing etc. Huge variety of funding, organization and measures are confusing and make it harder to estimate the total public funding of investment needs.

		<b>Q1: The recommendation is:</b>	<b>Q2: implementation on effort is:</b>	<b>Detailed comments</b>
<b>CSR 3</b>	Strengthen social protection, including by extending the coverage of unemployment benefits, in particular to those with short work spells and in non-standard forms of work. Improve the affordability and quality of long-term care, in particular by ensuring its sustainable funding and integrating health and social services.	Important	Mixed	Some reforms are made to make benefits more adequate, but less is dealt with the effectiveness of the public services.
<b>CSR 4</b>	Reduce overall reliance on fossil fuels and diversify imports of fossil fuels by accelerating the deployment of renewables, including through further streamlining of permitting procedures, ensuring sufficient capacity of interconnections and strengthening the domestic electricity grid. Increase energy efficiency, including of buildings, to reduce energy consumption. Intensify efforts to improve the sustainability of the transport system, including through electrification of the rail network and by increasing incentives to encourage sustainable and less polluting transport, including the renewal of the road vehicle stock.	---	---	It is somewhat questionable how to achieve it in a less harmful way.

### **3. Reform Progress in your Member State in 2022**

How would you assess reform progress in 2022, for the following broad areas:

<b>Taxation and Public Finances</b>	Unsatisfactory
<b>Business environment (regulation/access to markets)</b>	Unsatisfactory
<b>Labour market</b>	Mixed
<b>Innovation and skills</b>	Mixed
<b>Access to finance and Financial stability</b>	Unsatisfactory

**Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?**

Hiring employees from third countries changed to a little easier (the criterion for the exemption from quota for highly skilled worker was reduced to 1,5 average wage from 2x average, 1 year temporary working can now be continued with 2 year working permit and older than 10 year fast growing technology firms can hire experts from abroad quota free), the maximum period for unemployment benefit is now depending on the economic cycle - longer in crisis and shorter with fast decreasing unemployment.

#### 4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
<b>Priority 1</b>	Labour market mismatch and labour mobility	more STEM graduates and continuous learning	no
<b>Priority 2</b>	R&D and Innovation	more direct innovation investment support for manufacturing sector, more stem graduates	no
<b>Priority 3</b>	ICT	more ICT graduates	yes
<b>Priority 4</b>	Public sector efficiency	innovation of public services that is aimed for reduce costs and employment in public sector	no
<b>Priority 5</b>	Business Environment - Regulatory barriers to entrepreneurship	sustainability reporting, due diligence, company min tax regulation etc. adds enormous amount of administrative costs to medium and big companies whose success has the most socioeconomic impact, but European business environment actually needs less administrative burden to stay globally competitive.	no