



EUROPEAN PARLIAMENT

2014 - 2019

Plenary sitting

A8-0050/2015

18.3.2015

REPORT

on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, in accordance with point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (application EGF/2014/018 GR/Attica Broadcasting, from Greece)
(COM(2015)0037 – C8-0030/2015 – 2015/2031(BUD))

Committee on Budgets

Rapporteur: Georgios Kyrtos

CONTENTS

	Page
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION.....	3
ANNEX: DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL	7
EXPLANATORY STATEMENT	9
ANNEX: LETTER OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS	12
ANNEX: LETTER OF THE COMMITTEE ON REGIONAL DEVELOPMENT	15
RESULT OF FINAL VOTE IN COMMITTEE	16

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

**on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, in accordance with point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (application EGF/2014/018 GR/Attica Broadcasting, from Greece)
(COM(2015)0037 – C8-0030/2015 – 2015/2031(BUD))**

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2015)0037 – C8-0030/2015),
 - 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) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020², and in particular Article 12 thereof,
 - having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management³ (IIA of 2 December 2013), and in particular point 13 thereof,
 - having regard to the trilogue procedure provided for in point 13 of the IIA of 2 December 2013,
 - having regard to the letter of the Committee on Employment and Social Affairs,
 - having regard to the letter of the Committee on Regional Development,
 - having regard to the report of the Committee on Budgets (A8-0050/2015),
- 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 the global financial and economic crisis and to assist their reintegration into the labour market,
- B. whereas the Union's financial assistance to workers made redundant should be dynamic and made available as quickly and efficiently as possible, in accordance with the Joint Declaration of the European Parliament, the Council and the Commission adopted during

¹ OJ L 347, 20.12.2013, p. 855.

² OJ L 347, 20.12.2013, p. 884.

³ OJ C 373, 20.12.2013, p. 1.

the conciliation meeting on 17 July 2008, and having due regard to the IIA of 2 December 2013 in respect of the adoption of decisions to mobilise the European Globalisation Adjustment Fund (EGF),

- C. whereas the adoption of the EGF Regulation reflects the agreement reached between the Parliament and the Council to reintroduce the crisis mobilisation criterion, to increase the Union financial contribution to 60 % of the total estimated cost of proposed measures, to increase efficiency for the treatment of EGF applications in the Commission and by the Parliament and the Council by shortening the time for assessment and approval, to widen eligible actions and beneficiaries by introducing self-employed persons and young people and to finance incentives for setting up own businesses,
- D. whereas Greece submitted application EGF/2014/018 GR/Attica Broadcasting for a financial contribution from the EGF, following 928 redundancies in 16 enterprises operating in the NACE Rev. 2 division 60 (programming and broadcasting activities)¹ in the NUTS 2² level region of Attica (EL 30) in Greece,
- E. whereas the application fulfils the eligibility criteria laid down in the EGF Regulation,
 - 1. Notes that the conditions set out in Article 4(1)(b) of the EGF Regulation are met, therefore agrees with the Commission that Greece is entitled to a financial contribution under that Regulation;
 - 2. Notes that the Greek authorities submitted the application for EGF financial contribution on 4 September 2014, supplemented it by additional information up to 13 November 2014 and that its assessment was made available by the Commission on 3 February 2015;
 - 3. Welcomes the fact that, in order to provide workers with speedy assistance, the Greek authorities decided to initiate the implementation of the personalised services to the affected workers on 28 November 2014, well ahead of the decision on granting the EGF support for the proposed coordinated package;
 - 4. Considers that the redundancies in the broadcasting sector of the Attica region are linked to the global financial and economic crisis, that, on the one hand, decreased the available household income, resulting in a huge drop of purchasing power and the need to prioritise spending while limiting significantly the cost of everyday information despite its importance, and, on the other hand, drastically reduced loans to enterprises and individuals due to the lack of cash in the Greek banks;
 - 5. Notes that this is the first EGF application from the programming and broadcasting activities sector and the ninth EGF application dealt with in 2015;

¹ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).

² Commission Regulation (EU) No 1046/2012 of 8 November 2012 implementing Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS), as regards the transmission of the time series for the new regional breakdown (OJ L 310, 9.11.2012, p. 34).

6. Notes that these redundancies are expected to have huge negative impacts on the Attica region, which already has the largest number of all the unemployed people in Greece as compared to the other 12 regions;
7. Notes that the coordinated package of personalised services to be co-funded consists of occupational guidance, training, retraining and vocational training, specialised training and education, job-search, training and mobility allowances; as regards self-employment subsidies, notes that the maximum eligible amount of EUR 15 000 will be granted to up to 120 selected workers as a contribution to setting up their own businesses; underlines that the aim of that measure is to promote entrepreneurship by providing funding to viable business initiatives, which should result in the creation of further workplaces in the medium term;
8. Welcomes the fact that the co-ordinated package of personalised services has been drawn up in consultation with the representatives of the targeted beneficiaries; notes with satisfaction, that it was the beneficiaries who suggested to the Greek Labour Ministry to apply for the EGF, pointing out its prompt impact and effectiveness;
9. Considers that the coordinating role and the involvement of the representatives of the targeted beneficiaries was especially important in drawing up the personalised services, since the dismissals took place in 16 different companies in the programming and broadcasting sector;
10. Welcomes that all eligible redundant workers are expected to participate in the measures supported by the EGF;
11. Recalls the importance of improving the employability of all workers by means of adapted training and the recognition of skills and competences gained throughout a worker's professional career; expects the training on offer in the coordinated package to be adapted not only to the needs of the dismissed workers but also to the actual business environment and the current related vacancies;
12. Welcomes that all workers have been offered occupational guidance consisting of various stages, which will provide them with individual, personalised advice and plans to reintegrate into employment;
13. Notes that most of the requested funds are to support business start-ups in the form of self-employment subsidies (EUR 1 800 000) and training measures, including vocational training (EUR 1 536 000) and training allowances (EUR 1 152 000);
14. Considers that the occupational guidance, training and self-employment supporting measures should take into account the emerging opportunities that the new web media could provide for these workers;
15. Notes that an estimated 120 workers are to receive a mobility allowance, with the aim of supporting their move after accepting a job offer involving a change of residence;
16. Notes that the contribution for preparatory activities, management, information and publicity and control and reporting constitutes for 2,50 % of the total budget; notes

furthermore that it is planned to use almost half of this budget for information and publicity;

17. Stresses that EGF assistance can co-finance only active labour market measures which lead to durable, long-term employment; reiterates that assistance from the EGF must not replace actions which are the responsibility of companies by virtue of national law or collective agreements nor measures restructuring companies or sectors;
18. Approves the decision annexed to this resolution;
19. 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*;
20. 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 (application EGF/2014/018 GR/Attica Broadcasting, from Greece)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,
Having regard to the Treaty on the Functioning of the European Union,

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, and in particular Article 15(4) thereof,

Having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management², and in particular point 13 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund (EGF) was established to provide support for workers made redundant and self-employed persons whose activity has ceased as a result of major structural changes in world trade patterns due to globalisation, as a result of a continuation of the global financial and economic crisis addressed in Regulation (EC) No 546/2009³, or as a result of a new global financial and economic crisis and to assist them with their reintegration into the labour market.
- (2) Article 12 of Council Regulation (EU, Euratom) No 1311/2013⁴ allows the mobilisation of the EGF within a maximum annual amount of EUR 150 million (2011 prices).
- (3) Greece submitted an application to mobilise the EGF, in respect of redundancies in 16 enterprises operating in the NACE Rev. 2 division 60 (programming and broadcasting activities)⁵ in the NUTS 2 level region of Attica (EL 30) in Greece, on 4 September

¹ OJ L 347, 20.12.2013, p. 855.

² OJ C 373, 20.12.2013, p. 1.

³ Regulation (EC) No 546/2009 of the European Parliament and of the Council of 18 June 2009 amending Regulation (EC) No 1927/2006 on establishing the European Globalisation Adjustment Fund (OJ L 167, 29.6.2009, p.26).

⁴ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

⁵ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).

2014 and supplemented it by additional information as provided for by Article 8(3) of Regulation (EU) No 1309/2013. This application complies with the requirements for determining a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) No 1309/2013.

- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution of an amount of EUR 5 046 000 for the application submitted by Greece,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the European Union for the financial year 2015, the European Globalisation Adjustment Fund shall be mobilised to provide the sum of EUR 5 046 000 in commitment and payment appropriations.

Article 2

This Decision shall be published in the *Official Journal of the European Union*.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

EXPLANATORY STATEMENT

I. Background

The European Globalisation Adjustment Fund has been created in order to provide additional assistance to workers suffering from the consequences of major structural changes in world trade patterns.

According to the provisions of Article 12 of Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020¹, the Fund may not exceed a maximum annual amount of EUR 150 million (2011 prices). The appropriate amounts are entered into the general budget of the Union as a provision.

As concerns the procedure, according to point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management², in order to activate the Fund the Commission, in case of a positive assessment of an application, presents to the budgetary authority a proposal for mobilisation of the Fund and, at the same time, a corresponding request for transfer. In the event of disagreement, a trilogue shall be initiated.

II. The Attica Broadcasting application and the Commission's proposal

On 3 February 2015, the Commission adopted a proposal for a decision on the mobilisation of the EGF in favour of Greece to support the reintegration in the labour market of workers made redundant, due to the global financial and economic crisis.

This is the ninth application to be examined under the 2015 budget and refers to the mobilisation of a total amount of EUR 5 046 000 from the EGF for Greece. It concerns 928 redundancies in the reference period from 12 September 2013 to 12 June 2014. The application is based on the intervention criteria of Article 4(1)(b) of the EGF Regulation, which requires at least 500 redundancies over a reference period of nine months in enterprises operating in the same economic sector defined at NACE Rev. 2 division level and located in one region or two contiguous regions defined at NUTS 2 level in a Member State.

The application was sent to the Commission on 4 September 2014. The Commission has concluded that the application meets the conditions for deploying the EGF as set out in Article 4(1)(b) of Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013.

According to data referred to by the Greek authorities, the Greek economy is for the sixth consecutive year (2008-2013) in deep recession. According to ELSTAT, the Greek Statistical Authority, since 2008 the Greek GDP has decreased by 25,7 percentage points; public consumption by 21 percentage points and private consumption by 32,3 percentage points whilst unemployment increased by 20,6 percentage points.

The events giving rise to the redundancies, according to the Greek authorities, were mainly

¹ OJ L 347, 20.12.2013, p. 884.

² OJ C 373, 20.12.2013, p. 1.

two: (1) the decrease of available household income — due to the increase in the tax burden, decreasing salaries (of both private and public employees) and rising unemployment — resulting in a huge drop of purchasing power and the need to prioritise spending while limiting significantly the cost of everyday information despite its importance; (2) the drastic reduction of loans to enterprises and individuals due to the lack of cash in the Greek banks.

The coordinated package of personalised services to be co-funded consists of occupational guidance, training, retraining and vocational training, self-employment subsidies, job-search, training and mobility allowances.

According to the Greek authorities, the measures initiated on 28 November 2014 combine to form a co-ordinated package of personalised services and represent active labour market measures with the aim of re-integrating the workers into the labour market.

The Greek authorities have provided all necessary assurances regarding the following:

- the principles of equality of treatment and non-discrimination will be respected in the access to the proposed actions and their implementation;
- the requirements laid down in national and EU legislation concerning collective redundancies have been complied with;
- where the dismissing enterprises have continued their activities after the lay-offs, they have complied with their legal obligations governing the redundancies and have provided for their workers accordingly;
- the proposed actions will provide support for individual workers and will not be used for restructuring companies or sectors;
- the proposed actions will not receive financial support from other Union funds or financial instruments and any double financing will be prevented;
- the proposed actions will be complementary with actions funded by the Structural Funds;
- the financial contribution from the EGF will comply with the procedural and material Union rules on State aid.

Concerning management and control systems, Greece has notified the Commission that the financial contribution will be managed and controlled by the same bodies that manage and control the European Social Fund (ESF) funding in Greece. The ESF Actions Coordination and Monitoring Authority (EYSEKT) will act as managing authority, the EDEL (Fiscal Audit Committee) as audit authority and the Special Paying Authority Service as certification authority.

III. Procedure

In order to mobilise the Fund, the Commission has submitted to the Budget Authority a transfer request for a global amount of EUR 5 046 000.

This is the ninth transfer proposal for the mobilisation of the Fund transmitted to the Budgetary Authority to date during 2015.

The trilogue on the Commission's proposal for a Decision on the mobilisation of the EGF could take a simplified form, as provided for in Article 12(5) of the legal base, unless there is no agreement between the Parliament and the Council.

According to an internal agreement, the Employment and Social Affairs Committee will be associated to the process, in order to provide constructive support and contribution to the assessment of the applications from the Fund.

ANNEX: LETTER OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

ZP/jb D(2015)6116

M. Jean Arthuis
Chair of the Committee on Budgets
ASP 09G205

Subject: Opinion on the mobilisation of the European Globalisation Adjustment Fund (EGF) for the case EGF/2014/018 GR/Attica Broadcasting activities from Greece (COM(2015)37 final)

Dear Chair,

The Committee on Employment and Social Affairs (EMPL) as well as its Working Group on the EGF examined the mobilisation of the EGF for the case EGF/2014/018 GR/Attica Broadcasting activities and adopted the following opinion.

The EMPL committee and the Working Group on the EGF are in favour of the mobilisation of the Fund concerning this request. In this respect, the EMPL committee presents some remarks without, however, putting into question the transfer of the payments.

The deliberations of the EMPL committee are based on the following considerations:

- A) Whereas this application is based on Article 4(1)(b) of Regulation (EU) No 1309/2013 (EGF Regulation) and relates to 928 workers dismissed in 16 enterprises which operated in the NACE Rev. 2 division 60 ('Programming and broadcasting activities') located in the region of Attica; whereas the reference period is from 12 September 2013 to 12 June 2014;
- B) Whereas the Greek authorities argue that the Greek economy is for the sixth consecutive year (2008-2013) in deep recession; according to ELSTAT, the Greek Statistical Authority, since 2008 the Greek GDP has decreased by 25.7%, public consumption by 21% and private consumption by 32.3% whilst unemployment increased by 20.6%; whereas the decline in GDP has widened the gap between the Greek per capita GDP and the per capita GDP of the EU, cancelling the progress towards economic convergence made by Greece in the 1995-2007 period;
- C) Whereas the advertising expenditure in mass media in Greece dropped by 57% between 2008 (EUR 2.67 billion) and 2012 (EUR 1.14 billion), resulting in the close-down of several companies operating in the mass media and reduction of staff and salaries in the

sector; whereas broadcasting companies suffered a loss of 34.3% in advertising income over the period 2008-2011;

- D) Whereas household consumption, especially the consumption of non-essential goods, in Greece has been declining since the beginning of the financial and economic crisis;
- E) Whereas the 56.14% of the workers targeted by the measures are men and 43.86% are women; whereas the vast majority (87.72%) of the workers are between 30 and 54 years old, 8.40% between 25 and 29 years old and 2.37% are between 55 and 64 years old;
- F) Whereas Attica accounts for 43% of the Greek GDP; therefore the impact of the closure of businesses based in this region reaches the whole Greek economy.

Therefore, the Committee on Employment and Social Affairs calls on the Committee on Budgets, as the committee responsible, to integrate the following suggestions in its motion for a resolution concerning the Greek application:

1. Agrees with the Commission that the intervention criteria set out in Article 4(1)(b) of Regulation (EU) No 1309/2013 are met and that, therefore, Greece is entitled to a financial contribution under this regulation;
2. Notes that to date, this is the first EGF application from the programming and broadcasting activities sector;
3. Considers that the coordinating role and the involvement of the representatives of the targeted beneficiaries was especially important in drawing up the personalised services, since the dismissals took place in 16 different companies in the publishing sector;
4. Welcomes that all eligible redundant workers are estimated to participate in the measures supported by EGF;
5. Welcomes that all workers are offered occupational guidance consisting of different stages, which will provide them with individual, personalised advices and plans to reintegrate into employment;
6. Notes that most of the requested fund is to support business start-ups in form of self-employment subsidy (EUR 1 800 000) and training measures, including vocational training (EUR 1 536 000) and training allowances (EUR 1 152 000);
7. Considers that the occupational guidance, training self-employment supporting measures should take into account the emerging opportunities that the new web media could provide for these workers;
8. Notes that the maximum eligible amount of EUR 15 000 will be granted to up to 120 selected workers as contribution to setting up their own businesses; underlines that the aim of this measure is to promote entrepreneurship by providing funding to viable business initiatives, which should result in the creation of further workplaces in the medium term;
9. Notes that 120 workers are estimated to receive mobility allowance, with the aim to support their move after accepting a job offer involving a change of residence;

10. Notes that the contribution for preparatory activities, management, information and publicity and control and reporting constitutes for 2.50% of the total budget; notes furthermore that almost half of this budget is planned to be used for information and publicity.

Yours sincerely,

Marita ULVSKOG,

Acting Chair, 1st Vice-Chair

ANNEX: LETTER OF THE COMMITTEE ON REGIONAL DEVELOPMENT

Mr Jean ARTHUIS
Chairman
Committee on Budgets
European Parliament

Dear Mr. Arthuis,

Subject: Mobilisation of the European Globalisation Adjustment Fund

A Commission proposal for decisions to mobilise the European Globalisation Adjustment Fund (EGF) has been referred for opinion to the Committee on Regional Development. I understand that it is intended that a report on this will be adopted in the Committee on Budgets on 16 March 2015:

- **COM(2015)0037** proposes an EGF contribution of EUR 5 046 000 for active labour market measures in order to facilitate the re-integration of 928 workers following redundancies and cessation of activities in 16 enterprises operating in the sector of programming and broadcasting activities, in the NUTS level 2 region of Attica, Greece.

The rules applicable to financial contributions from the EGF are laid down in 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 1927/2006.

The Committee coordinators have assessed this proposal, and asked me to write to you reporting that the majority of this Committee has no objection to this mobilisation of the European Globalisation Adjustment Fund to allocate the above-mentioned amount as proposed by the Commission.

Yours sincerely,

Iskra MIHAYLOVA

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	16.3.2015
Result of final vote	+: 29 -: 3 0: 0
Members present for the final vote	Jean Arthuis, Lefteris Christoforou, Gérard Deprez, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Ingeborg Gräßle, Carlos Iturgaiz, Bernd Kölmel, Zbigniew Kuźmiuk, Vladimír Maňka, Ernest Maragall, Siegfried Mureşan, Victor Negrescu, Jan Olbrycht, Younous Omarjee, Petri Sarvamaa, Patricija Šulin, Eleftherios Synadinos, Indrek Tarand, Isabelle Thomas, Marco Valli, Monika Vana, Daniele Viotti, Marco Zanni
Substitutes present for the final vote	Andrey Novakov, Nils Torvalds, Anders Primdahl Vistisen, Flavio Zanonato
Substitutes under Rule 200(2) present for the final vote	Sylvia-Yvonne Kaufmann, Momchil Nekov, Massimo Paolucci