

**European Globalisation Adjustment Fund: application EGF/2011/011  
AT/Soziale Dienstleistungen**

**European Parliament resolution of 12 December 2012 on the proposal for a decision of the European Parliament and of the Council on mobilisation of the European Globalisation Adjustment Fund, in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (application EGF/2011/011 AT/Soziale Dienstleistungen from Austria) (COM(2012)0621 – C7-0361/2012 – 2012/2277(BUD))**

*The European Parliament,*

- having regard to the Commission proposal to Parliament and the Council (COM(2012)0621 – C7-0361/2012),
  - having regard to the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management<sup>1</sup> (IIA of 17 May 2006), and in particular point 28 thereof,
  - having regard to Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 on establishing the European Globalisation Adjustment Fund<sup>2</sup> (EGF Regulation),
  - having regard to the trilogue procedure provided for in point 28 of the IIA of 17 May 2006,
  - having regard to the letter of the Committee on Employment and Social Affairs,
  - having regard to the report of the Committee on Budgets (A7-0419/2012),
- A. whereas the Union has set up the appropriate legislative and budgetary instruments to provide additional support to workers who are suffering as a result of major structural changes in world trade patterns and to assist their reintegration into the labour market,
- B. whereas the scope of the European Globalisation Adjustment Fund (EGF) was broadened for applications submitted from 1 May 2009 to include support for workers made redundant as a direct result of the global financial and economic crisis,
- C. 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 the conciliation meeting on 17 July 2008, and having due regard for the IIA of 17 May 2006 in respect of the adoption of decisions to mobilise the EGF,
- D. whereas Austria has requested assistance for 1 050 redundancies, 350 of which are targeted for assistance in 105 enterprises operating in the NACE Revision 2 Division 88 ('Social

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<sup>1</sup> OJ C 139, 14.6.2006, p. 1.

<sup>2</sup> OJ L 406, 30.12.2006, p. 1.

work activities without accommodation')<sup>1</sup> in the NUTS II region of Steiermark (AT22) in Austria.

- E. whereas the application fulfils the eligibility criteria set up by the EGF Regulation,
1. Agrees with the Commission that the conditions set out in Article 2(b) of the EGF Regulation are met and that, Austria is therefore entitled to a financial contribution under that Regulation;
  2. Notes that the Austrian authorities submitted the application for EGF financial contribution on 21 December 2011 and that its full assessment was made available by the Commission on 19 October 2012; regrets the lengthy evaluation period of 10 months;
  3. Welcomes the fact that, in order to provide workers with immediate assistance, the Austrian authorities decided to start the implementation of the measures on 1 October 2011 - ahead of the final decision about granting EGF support for the proposed coordinated package;
  4. Notes that the region of Steiermark has already been affected by mass lay-offs and workers in this region have benefited from the EGF support by means of three applications, namely EGF/2009/009 AT/Steiermark, EGF/2010/007 AT/Steiermark-Niederosterreich and EGF/2010/008 AT/AT&S;
  5. Recalls the importance of improving the employability of all workers by means of adapted training and the recognition of skills and competences gained throughout the professional career; expects the training on offer in the coordinated package to be adapted not only to the level and needs of the dismissed workers, but also to the actual business environment,
  6. Notes that the EGF project will be carried out in the framework of a labour foundation established at regional level and will be managed by a development association that had experience with a past EGF application (EGF/2009/009 AT/Steiermark); recalls that labour foundations are institutions set up by sectoral social partners in order to provide workers in industrial change with training measures to enhance their employability; recalls that this model of providing active labour market measures in the past regarding the reintegration of workers into the labour market and the use of the EGF funds for this purpose was very successful;
  7. Emphasises the fact that lessons should be learned from the preparation and implementation of this and other applications addressing mass dismissals;
  8. Requests the institutions involved make the necessary efforts to improve procedural and budgetary arrangements in order to accelerate the mobilisation of the EGF; appreciates the improved procedure put in place by the Commission, following Parliament's request for accelerating the release of grants, aimed at presenting the Commission's assessment on the eligibility of an EGF application, together with the proposal to mobilise the EGF, to the budgetary authority; hopes that further improvements in the procedure will be integrated in the new Regulation on the European Globalisation Adjustment Fund (2014–2020) and that

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<sup>1</sup> 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).

greater efficiency, transparency and visibility of the EGF will be achieved;

9. Welcomes the proposed coordinated package of personalised services and the detailed descriptions of the measures presented in the Commission proposal; welcomes the fact that the training on offer is combined with the future economic prospects and the future skills and qualification needs in the region;
10. Recalls the institutions' commitment to ensure a smooth and rapid procedure for the adoption of the decisions on the mobilisation of the EGF, providing one-off, time-limited individual support which is geared towards helping workers who have been made redundant as a result of globalisation and the financial and economic crisis; emphasises the role that the EGF can play in the reintegration of workers made redundant into the labour market;
11. Stresses that, in accordance with Article 6 of the EGF Regulation, it should be ensured that the EGF supports the reintegration of individual workers who have been made redundant into employment; further stresses that the EGF assistance can only co-finance 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;
12. Draws attention to the subsistence allowance for workers on training and searching for employment, which may amount EUR 1 000 per worker per month (calculated for 11 months, unemployment benefit will be interrupted during that period) which will be combined with a training allowance of EUR 200 per worker per month; recalls that the EGF should, in future, be primarily allocated to training and job searching, as well as occupational orientation programs, and its financial contribution to allowances should always be of an additional nature and in parallel with what is available to dismissed workers by virtue of national law or collective agreements;
13. Notes that the information provided about the coordinated package of personalised services to be funded from the EGF includes information about how it complements actions funded by the Structural Funds; reiterates its call to the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect of the existing regulations and that no duplication of Union-funded services can occur;
14. Considers the ratio of subsistence allowance and training allowance to the costs of training of EUR 14 400 to 7 000 as an unjustified quasi-financing of unemployment benefits;
15. Welcomes the fact that, following requests from Parliament, the 2012 budget shows payment appropriations of EUR 50 000 000 on the EGF budget line 04 05 01; recalls that the EGF was created as a separate specific instrument with its own objectives and deadlines and therefore deserves a dedicated allocation, which will avoid transfers, to the extent possible, from other budget lines, as has happened in the past, which could be detrimental to the achievement of the policy objectives of the EGF;
16. Notes that the proposed measures cost approximately EUR 22 000 per worker, of which roughly EUR 14 000 is to be covered by the EGF, making it a very high contribution per capita compared to other EGF applications;
17. Regrets the decision of the Council to block the extension of the "crisis derogation", which allows for the provision of financial assistance to workers made redundant as a result of the

current financial and economic crisis in addition to those losing their job because of changes in global trade patterns, and allows for an increase in the rate of Union co-financing to 65% of the programme costs, for applications submitted after the 31 December 2011 deadline; calls on the Council to reintroduce this measure without delay;

18. Approves the decision annexed to this resolution;
19. Instructs its President to sign the decision with the President of the Council and to 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, in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (application EGF/2011/011 AT/Soziale Dienstleistungen from Austria)**

*(The text of this annex is not reproduced here since it corresponds to the final act, Decision 2013/13/EU.)*