The European Parliament,

– having regard to the Commission proposal to the European Parliament and the Council (COM(2014)0725 – C8-0013/2015),


– having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 \(^2\), 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 management \(^3\) (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 (A8-0031/2015),

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 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 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 Regulation (EU) No 1309/2013 reflects the agreement reached between the Parliament and the Council to reintroduce the crisis mobilisation criterion, to increase 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 Belgium submitted application EGF/2013/007 BE/Hainaut steel for a financial contribution from the EGF following 708 redundancies in two companies, linked to the closure of Dufeco and to staff reductions at NLMK, operating in the NACE 2 Division 24 'Manufacturing of basic metals', and both located in La Louvière in the Hainaut region; whereas the redundancies took place during the reference period from 22 January 2013 to 22 October 2013 and are linked to a decline of the Union's market share in the sector of steel production;

E. whereas the financial contribution requested from the EGF amounts to EUR 981 956 (50 % of the total budget);

F. whereas the application fulfils the eligibility criteria laid down in the EGF Regulation;

1. Notes that the conditions set out in Article 2(b) of the EGF Regulation are met, therefore agrees with the Commission that Belgium is entitled to a financial contribution under that Regulation;

2. Notes that the Belgian authorities submitted the application for EGF financial contribution on 27 September 2013 under EGF Regulation, which does not cap the time for instruction and that its assessment was made available by the Commission on 9 December 2014;

3. Expresses concerns about the length of the procedure from the date of the first redundancies until the assessment of the application; recalls that the goal of EGF is to offer help to redundant workers as quickly as possible; emphasises that the EGF

application was submitted on 27 September 2013 thus by the time it reached voting in the Budget Committee almost one year and a half had passed;

4. Welcomes the fact that, in order to provide workers with speedy assistance, the Belgian authorities decided to initiate the implementation of the personalised services to the affected workers on 1 June 2013, well ahead of the decision and even the application on granting the EGF support for the proposed coordinated package;

5. Considers that the redundancies in Duferco and NLMK are linked to major structural changes in world trade patterns due to globalisation, given that the steel production sector has undergone serious economic disruption, in particular a rapid decline in the EU’s market share; furthermore, as a consequence of the economic crisis and a relative increase in production costs, world trade patterns were worsened by other factors such as a decline in demand for steel in the automotive and construction sector;

6. Notes that, according to data referred to by the Belgian authorities1, between 2006 and 2011, the production of crude steel in the EU-27 decreased from 206,9 million tonnes to 177,7 million tonnes (− 14,1 %; − 3,0 % annual growth2), whereas, at worldwide level, production increased from 1 249 million tonnes to 1 518,3 million tonnes (+ 21,6 %; + 4,0 % annual growth); understands that this has led to a decrease in the EU-27’s market share in the production of crude steel, measured in volume terms, from 16,6 % in 2006 to 11,7 % in 2011 (− 29,4 %; − 6,7 % annual growth) and points, by comparison, to the increase in the Chinese market share from 33,7 % to 45,0 % during the same period;

7. Notes that this is the fifth EGF application in the steel sector, out of which three were based on globalisation and one on the global financial and economic crisis; stresses the need for an efficient and coordinated approach at Union level in order to fight unemployment in the steel sector;

8. Notes that the redundancies at Duferco and NLMK are expected to have a negative impact on the Hainaut region, a former coal-mining and steelmaking area in which employment is strongly dependant on traditional heavy industry and on the public sector, where in 2012 the unemployment rate was 17,7 %, compared to 15,8 % on average in Wallonia and 11,2 % at national level3 and peaked at 39 % for the persons aged from 18 to 25; highlights that the low level of qualification of jobseekers (51 % do not have higher secondary education, compared to 47 % in Wallonia) is an additional difficulty for the job search;

9. Notes that, in the context of the economic situation and the number of redundancies in the metallurgic industry in the region, in order to find a new job in that region, the workers from Duferco and NLMK will have to retrain to find jobs in other occupations and other sectors;

10. Notes that the coordinated package of personalised services to be co-funded includes following measures for the reintegration of 701 redundant workers into employment (grouped by category): (1) individual job-search assistance, case management and general information services, (2) training and retraining and (3) promotion of entrepreneurship;

1 Source: World Steel Association, Steel Statistical Yearbook 2012.
2 Compound annual growth rate.
3 Source: Steunpunt WSE.
11. Welcomes the fact that the various social partners and organisations were involved in general coordination and implementation of the measures including: trade unions (FGTB, CSC), FOREM (the public employment and training service of the Walloon Region), the sectoral vocational and technological training centres active in the Walloon region, the European Social Fund Agency of the French Community of Belgium and the Walloon Government; appreciates furthermore that trade unions are directly involved in the management of the two Redeployment Units specifically set up for each separate company;

12. Welcomes the active labour market measures proposed to improve employability of redundant workers; recalls that allowances are not listed among the personalised services to be supported by EGF;

13. 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 potential of the area.

14. Notes that the proposed measures also target a group of managers of the companies concerned;

15. Welcomes the fact that the principle of equality between women and men as well as of non-discrimination has been, and will continue to be, applied during the various stages of implementation of and access to the EGF measures;

16. 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;

17. Notes that measures which are mandatory under collective redundancy procedures in Belgium and which are carried out as part of the standard activities of the Redeployment Units (e.g. outplacement support, training, job-search assistance and careers advice, etc.) are not included in this EGF application; notes that more than half of the total estimated costs are to be spent on redeployment services, namely support, guidance and integration measures;

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 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/2013/007 BE/Hainaut steel (Duferco-NLMK), from Belgium)

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2015/468.)