Mobilisation of the European Globalisation Adjustment Fund – application EGF/2014/012 BE/ArcelorMittal – Belgium


The European Parliament,

– having regard to the Commission proposal to the European Parliament and the Council (COM(2014)0734 – C8-0014/2015),


– having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020², 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 (A8-0035/2015),

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 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 Belgium submitted application EGF/2014/012 BE/ArcelorMittal for a financial contribution from the EGF, following 1 285 redundancies in ArcelorMittal Liège S.A., a company operating in the NACE 2 Division 24 'Manufacture of basic metals', with 910 persons expected to participate in the measures, during and after the reference period from 1 January 2014 to 1 May 2014, linked to a serious economic disruption, in particular a rapid decline in the Union’s market share;

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)(a) 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 22 July 2014, within 12 weeks of the date on which the intervention criteria set out were met, supplemented it by additional information up to 16 September 2014 and that its assessment was made available by the Commission on 9 December 2014;

3. 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 January 2014, well ahead of the decision and even the application on granting the EGF support for the proposed coordinated package;

4. Considers that the redundancies in ArcelorMittal Liège S.A. are linked to major structural changes in world trade patterns due to globalisation, as between 2007 and 2013 the production of crude steel in the EU-27 decreased from 210,1 million tonnes to 166,2 million tonnes.
million tonnes\(^4\) (−20.9 %; −3.8 % annual growth rate\(^5\)), whereas, at worldwide level, production increased from 1 348.1 million tonnes to 1 649.3 million tonnes (+22.3 %; +3.4 % annual growth rate). Notes that the decrease in the Union’s share of steel production from 16 % of global steel production in 2007 to 10 % in 2013 has been more significant than in the United States and Russia, while there is a very sharp increase in the share for Asia, going from 56 % to 67 % during the same period and, as a result, the metalworking sector in Liege has decreased in recent years, from 6 193 jobs in 40 enterprises in 2007 to 4 187 jobs in 35 enterprises in 2012, a reduction of 32 % in employment in the sector;

5. Highlights that the effects of these changes in trade patterns have been worsened by other factors, such as a decrease in demand for steel in the automotive and construction sectors in the Union as a consequence of the economic crisis and a relative increase in production costs (raw materials, energy, environmental constraints, etc.). These factors have harmed the competitiveness of the Union’s steel industry and have led to a high number of job losses in the steel sector in recent years due to plant closures and restructuring by several steel manufacturers in Europe;

6. Stresses the need for an efficient and coordinated approach at Union level in order to reverse the decrease in competitiveness of the Union’s steel sector; emphasises the need for proper and targeted investments with the aim of ensuring innovation as the main driver for global competitiveness of the Union’s steel sector and a guarantee of keeping the jobs in Europe;

7. Notes the progress report on the implementation of the Commission Communication Action Plan for a competitive and sustainable steel industry in Europe of 11 June 2013 which concludes that half of the actions foreseen in the Communication have been implemented; stresses the need to ensure a proper implementation of the actions concerned in order to achieve tangible results which will lead to the relaunch of the Union’s steel sector;

8. Notes that this is the fourth EGF application of the steel sector, with three of those applications linked to major structural changes in world trade patterns due to globalisation\(^6\) and one to the global financial and economic crisis\(^7\); urges the Commission to prevent further redundancies in this sector by developing and implementing preventive and simulative measures;

9. Notes that the redundancies at ArcelorMittal Liège S.A. are expected to have huge negative impacts on the Liège region, a region highly dependent on the metalworking sector, where the impact of the downsizing of ArcelorMittal is all the more important as the share of ArcelorMittal in local employment is 78.9 % within the metal sector and 14.3 % within the manufacturing sector;

\(^5\) Compound annual growth rate.
10. Notes that the coordinated package of personalised services to be co-funded covers three main areas: redeployment, training and retraining, and the promotion of entrepreneurship; stresses the importance of ensuring that the retraining services are performed in accordance with the actual needs of the labour market in the region concerned;

11. Advocates for the future use of provisions of the EGF Regulation to support young people not in employment, education or training (NEETs) in this region;

12. Welcomes the fact that the coordinated package of personalised services has been drawn up in consultation with the targeted beneficiaries and the social partners;

13. Notes that more than half of the total estimated costs are to be spent on redeployment services, namely support, guidance and integration measures; notes that these services will be provided by FOREM (the public employment and training service of the Walloon Region), which acts as an intermediary body in the implementation of this application;

14. 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;

15. Recalls that in line with Article 7 of the EGF Regulation, the design of the coordinated package of personalised services should anticipate future labour market perspectives and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy;

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;

18. Welcomes that financial support from the European Social Fund was in the past awarded to a project (EnTrain – En Transition-Reconversion-Accompagnement) which aimed to develop pedagogical methods for Redeployment Units in general and that the findings of this project are likely to prove useful in the implementation of the planned measures;

19. Approves the decision annexed to this resolution;

20. 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*;

21. 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/2014/012 BE/ArcelorMittal, from Belgium)

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2015/472.)