



TEXTS ADOPTED

P8_TA(2016)0495

Mobilisation of the European Globalisation Adjustment Fund: application EGF/2016/004 ES/Comunidad Valenciana automotive

European Parliament resolution of 14 December 2016 on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund (application from Spain – EGF/2016/004 ES/Comunidad Valenciana automotive) (COM(2016)0708 – C8-0454/2016 – 2016/2298(BUD))

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2016)0708 – C8-0454/2016),
- 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 (A8-0379/2016),

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.

- 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 of 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 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 Parliament and the Council to reintroduce the crisis mobilisation criterion, to set 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 Spain submitted application EGF/2016/004 ES/Comunidad Valenciana automotive for a financial contribution from the EGF, following redundancies in the economic sector classified under the NACE Revision 2 Division 29 (Manufacture of motor vehicles, trailers and semi-trailers) mainly in the NUTS level 2 region of Comunidad Valenciana (ES52) and whereas 250 redundant workers eligible for the EGF contribution are expected to participate in the measures;
- E. whereas the application was submitted under the intervention criteria set out in Article 4(2) of the EGF Regulation, derogating from the criteria set out in point (b) of Article 4(1) of that Regulation which requires that at least 500 workers be made redundant over a reference period of nine months in enterprises operating in the same economic sector defined at NACE Revision 2 Division and located in one region or two contiguous regions defined at NUTS 2 level in a Member State;
- F. whereas the EU-27 faced a production decline for motor vehicles of 0,5 million units in 2015 compared to 2006 (from 18,7 million units in 2006 to 18,2 million units in 2015) while global production increased by 31,1 % (from 69,2 million units in 2006 to 90,9 million units in 2015)¹, notably in China as well as other South-East Asian economies;
1. Agrees with the Commission that the conditions set out in Article 4(2) of the EGF Regulation are met and that, therefore, Spain is entitled to a financial contribution of EUR 856 800 under that Regulation, which represents 60 % of the total cost of EUR 1 428 000, for reintegration into the labour market of 250 workers made redundant;
 2. Considers that the provision of support to former employees of small and medium-sized enterprises also justifies the approval of an application concerning fewer than 500 redundancies;
 3. Notes that Spain submitted the application for a financial contribution from the EGF on

¹ OICA data base: <http://www.oica.net/category/production-statistics/>

21 June 2016, and that the assessment of that application was finalised by the Commission on 8 November 2016 and notified to Parliament that same day;

4. Notes that the manufacture of motor vehicles, trailers and semi-trailers sector has been the subject of 23 EGF applications, 13 of which were based on trade related globalisation¹ and 10 on the global financial and economic crisis²; notes that 3 of those EGF applications were from Spain (EGF/2008/002 ES Delphi, EGF/2008/004 ES Castilla y León and Aragón and EGF/2010/002 ES Cataluña automotive);
5. Notes that the decrease in the Union market share of the automotive industry is part of a longer-term trend, as has been stated by the Commission in its assessments of previous EGF automotive cases based on trade related globalisation, with the Union losing almost half of its market share between 2000 and 2015;
6. Points out that, in Spain, the decline in car production triggered a reduction in both enterprises and jobs and that in Comunidad Valenciana 62 of a total of 187 automotive enterprises stopped their activities in the period 2008 – 2014, representing a decline of 33,16 %;
7. Notes that Bosal S.A. started operations in 1986 when the Sagunto area was declared a “Preferential Reindustrialization Area” following redundancies in the local blast furnace; notes that the bankruptcy and closure of Bosal S.A. caused the loss of 250 jobs in the town of Sagunto, representing a relatively large number of jobs in that town, and has a serious impact on the local and regional economy, in particular considering the specific characteristics of a small town in a rural area which has seriously suffered from the economic crisis as well as the consequences of the globalisation process in the automotive sector; recalls that the unemployment rate in Comunidad Valenciana is still 20,17 %³, although employment has shown signs of recovery;
8. Regrets the increase in the number of unemployed persons in Sagunto between 2007 (2 778) and 2015 (6 437) and the unemployment rate of 25,8 % that further aggravates the already fragile situation in the area;
9. Underlines that of the total number of redundant workers concerned by this application, 71 % are over 45 years old, 78 % had been employed by the same enterprise for at least 15 consecutive years and 50 % have no educational qualifications; notes, in addition, that

¹ EGF/2016/004 ES Comunidad Valenciana automotive industry, COM(2016)0708; EGF/2007/001 FR PSA suppliers. COM(2007)0415; EGF/2007/010 PT Lisboa Alentejo. COM(2008)0094; EGF/2008/002 ES Delphi. COM(2008)0547; EGF/2008/004 ES Castilla y León Aragón. COM(2009)0150; EGF/2009/013 DE Karmann. COM(2010)0007; EGF/2012/005 SE Saab, COM(2012)0622; EGF/2012/008 IT De Tomaso; COM(2013)0469; EGF/2013/006 PL Fiat Auto Poland, COM(2014)0699, EGF/2013/012 BE Ford Genk, COM(2014)0532; EGF/2014/006 FR PSA, COM(2014)0560; EGF/2015/003 BE Ford Genk, COM(2015)0336 and EGF/2015/009 SE Volvo Trucks, COM(2016)0061

² EGF/2009/007 SE Volvo, COM(2009)0602 EGF/2009/009 AT Steiermark, COM(2009)0602; EGF/2009/019 FR Renault, COM(2011)0420; EGF/2010/002 ES Cataluña automotive, COM(2010)0453; EGF/2010/004 PL Wielkopolskie, COM(2010)0616; EGF/2010/015 FR Peugeot, COM(2012)0461; EGF/2010/031 BE General Motors Belgium, COM(2011)0212; EGF/2011/003 DE Arnsberg and Düsseldorf automotive, COM(2011)0447; EGF/2011/005 PT Norte-Centro automotive, COM(2011)0664; and EGF/2015/002 DE Adam Opel, COM(2015)0342.

³ EPA Q3 2016. <http://www.ine.es/infografias/tasasepa/desktop/tasas.html?t=0&lang=es>

there have been no recent plant openings in the area; points out that all those circumstances make the redundant workers highly vulnerable in a context of insufficient job creation, increasing the difficulties in finding new employment;

10. Notes that Spain is planning 12 different actions, of which 6 are personalised services, such as information sessions, occupational guidance, job placement or promotion of entrepreneurship, and 6 are allowances and incentives for redundant workers covered by this application, such as contributions to commuting expenses and change of residence, or hiring benefits; points out that those actions constitute active labour market measures;
11. Welcomes Spain's decision to offer training measures focused on vocational licensing, such as that required for passenger transport, and on sectors or areas where opportunities exist or will arise, such as the food sector, cooking, occupational risk prevention and quality control and environmental standards, heating, ventilation and air conditioning projects and the maintenance of industrial equipment; endorses the offer of training in skills that contribute to better job performance such as information and communications technology, foreign languages and business management;
12. Welcomes the willingness of the representatives of the former workers of Bosal S:A (the enterprise which made the majority of the workers concerned by this application redundant) to support an application for EGF funding and their involvement in designing the measures to be offered to redundant workers; notes that the social partners, the relevant employer's association and the local authorities of Sagunto were also involved in this process;
13. Notes that the income support measures will be less than 25 % of the overall package of personalised measures, well below the maximum of 35 % set out in the EGF Regulation and that those actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities;
14. Recalls that, in line with Article 7 of the EGF Regulation, the design of the coordinated package of personalised services supported by the EGF should anticipate future labour market perspectives and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy;
15. Notes that Spain confirms that the eligible actions do not receive assistance from other Union financial instruments; reiterates its call to the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect for existing regulations and that no duplication of Union-funded services can occur;
16. 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;
17. Believes that more widespread use of the derogation from the eligibility thresholds particularly to benefit SMEs employees, extension of the reference periods and the possibility of including workers who have been providing related services to the reference company, should be assessed carefully, case by case, seeking in every way to limit distorted use of the EGF budget; agrees therefore with the Commission decision to grant help to 250 workers from 29 enterprises in the Comunidad Valenciana region;

18. 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 of measures for restructuring companies or sectors;
19. Asks the Commission to ensure public access to the documents related to EGF cases;
20. Approves the decision annexed to this resolution;
21. 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*;
22. 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 following an application from Spain – EGF/2016/004 ES/Comunidad Valenciana automotive

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2017/341.)