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TEXTS ADOPTED

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**P8\_TA(2018)0195**

**Mobilisation of the European Globalisation Adjustment Fund: application EGF/2017/010 BE/Caterpillar**

**European Parliament resolution of 3 May 2018 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 Belgium – EGF/2017/010 BE/Caterpillar) (COM(2018)0156 – C8-0125/2018 – 2018/2043(BUD))**

*The European Parliament,*

- having regard to the Commission proposal to the European Parliament and the Council (COM(2018)0156 – C8-0125/2018),
- 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 1927/2006<sup>1</sup> (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 2014-2020<sup>2</sup>, 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<sup>3</sup> (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 (A8-0148/2018),

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<sup>1</sup> OJ L 347, 20.12.2013, p. 855.

<sup>2</sup> OJ L 347, 20.12.2013, p. 884.

<sup>3</sup> 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;
  - C. whereas Belgium submitted application EGF/2017/010 BE/Caterpillar for a financial contribution from the EGF, following 2 287 redundancies in the economic sector classified under NACE Rev. 2 division 28 (Manufacture of machinery and equipment) in the NUTS level 2 Hainaut region (BE32) in Belgium;
  - D. whereas the application is based on the intervention criteria of point (a) of Article 4(1) of the EGF Regulation, which requires at least 500 workers being made redundant over a reference period of four months in an enterprise in a Member State, including workers made redundant by suppliers and downstream producers and/or self-employed persons whose activity has ceased;
1. Agrees with the Commission that the conditions set out in Article 4(1) of the EGF Regulation are met and that Belgium is entitled to a financial contribution of EUR 4 621 616 under that Regulation, which represents 60 % of the total cost of EUR 7 702 694;
  2. Notes that the Belgian authorities submitted the application on 18 December 2017 and that, following the provision of additional information by Belgium, the Commission finalised its assessment on 23 March 2018 and notified it to Parliament on the same day;
  3. Recalls that this is the second application from Belgium for a financial contribution from the EGF in relation to redundancies at Caterpillar, following application EGF/2014/011 BE/Caterpillar in July 2014 and a positive decision thereon<sup>1</sup>; notes that there is no overlap between the workers supported through that case and the current application;
  4. Notes that Belgium argues that the redundancies are linked to major structural changes in world trade patterns due to globalisation, to worldwide competition in the construction and mining machinery sectors, and to the consequent decrease in the Caterpillar Group's share in the machinery market; notes that the redundancies are related to the restructuring and cost-cutting global plan announced by Caterpillar in September 2015;
  5. Expresses concern that, as a result of less restrictive environmental regulation and lower labour costs, firms operating in third countries may be more competitive than those operating in the Union;
  6. Is aware of the decrease in production of the mining sector in Europe and the dramatic decline in EU-28 exports in that sector since 2014, the increase in the European steel price and the high production costs for machines resulting therefrom, in particular

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<sup>1</sup> Decision (EU) 2015/471 of the European Parliament and of the Council of 11 March 2015 on the mobilisation of the European Globalisation Adjustment Fund (application EGF/2014/011 BE/Caterpillar, from Belgium) (OJ L 76, 20.3.2015, p. 58).

compared to China; regrets, however, that the Caterpillar Group has decided to allocate the volumes produced in the Gosselies plant to other production units in France (Grenoble) and to other plants outside Europe, including China and South Korea; which resulted in an abrupt shut down of the Gosselies site and the making redundant of 2 300 workers, plunging thousands of families into a social and human drama even though the Gosselies site was profitable, in particular following the investments made in previous years;

7. Deplores that the workers of the Gosselies site were informed of the closure of the site by a simple communiqué; deplores the fact that this brutal decision was not made in consultation with the local and regional authorities; deplores the total lack of information and respect for workers and union representatives, who received no information prior to the closure of the company; insists, therefore, on the importance of strengthening the supply of information to and consultation with workers in the Union;
8. Insists on the mitigation of the socio-economic consequences for the Charleroi region and the making sustained efforts for its economic recovery, in particular with the help of the European Structural and Investment Funds;
9. Recalls that the redundancies in Caterpillar are expected to have a significant adverse effect on the local economy; stresses the impact of that decision on many workers in suppliers and downstream producers;
10. Notes that the application relates to 2 287 workers made redundant at Caterpillar and its five suppliers, the majority of whom are between 30 and 54 years of age; points also to the fact that more than 11 % of the redundant workers are between 55 and 64 years of age with skills specific to the manufacturing sector; underlines that the job seekers in Charleroi are mostly low-skilled (50,6 % do not have an upper secondary education) and 40 % are long-term unemployed (more than 24 months); deplores the fact that, following those redundancies, the unemployment rate is expected to rise by 6,1 % in the region of Hainaut, according to the Public Employment Service of Wallonia (FOREM); in light of this fact, acknowledges the importance of active labour market measures co-funded by the EGF for improving the chances of reintegration in the labour market of these groups;
11. Welcomes the fact that personalised services co-financed by the EGF will also be provided to up to 300 young people under the age of 30 not in employment, education or training (NEETs);
12. Notes that Belgium is planning five types of actions for the redundant workers and NEETs covered by this application: (i) individual job search assistance, case management and general information services, (ii) training and re-training, (iii) promotion of entrepreneurship, (iv) contribution to business start up, (v) allowances; stresses that it must be ensured that the financial help is effective and focused;
13. Welcomes the decision to provide training courses designed to match the development priorities of Charleroi set out in the CATCH plan<sup>1</sup>;

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<sup>1</sup> Plan Catalysts for Charleroi (CATCH), Accélérer la Croissance de l'Emploi dans la Région de Charleroi, September 2017, <http://www.catch-charleroi.be/>.

14. Is content that the income support measures will account for 13,68 % of the overall package of personalised measures, well below the maximum 35 % set out in the EGF Regulation, and that those measures are conditional on the active participation of the targeted beneficiaries in job-search or training activities;
15. Welcomes the fact that the coordinated package of personalised services was drawn up in consultation with a working group, which included the Public Employment Service for Wallonia, the investment fund SOGEPa, the representatives of the trade unions and other social partners; calls on the Belgian and Walloon authorities to actively participate in the process;
16. Recalls its resolution of 5 October 2016 on the need for a European reindustrialisation policy in the light of the recent Caterpillar and Alstom cases, voted by a large majority, which calls for Europe to deploy a genuine industrial policy based in particular on research and development and innovation, but also emphasises the importance of protecting Union industry from unfair commercial practices in third countries;
17. Notes that the Belgian authorities have provided assurances that the proposed actions will not receive financial support from other Union funds or financial instruments, that any double financing will be prevented and that they will be complementary to actions funded by the Structural Funds;
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, or measures for restructuring companies or sectors;
19. Stresses that as of 15 March 2018, only 591 of the dismissed workers had found a job; insists, therefore, that an analysis be carried out at the end of the EGF intervention period in order to assess whether further reintegration aid should be deployed; regrets that the previous decision on the mobilisation of the EGF concerning this company (EGF/2014/011) led to a relatively low percentage of beneficiaries becoming reemployed; hopes that the current proposal will take account of this experience;
20. 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;
21. Calls on the Commission to urge national authorities to provide more details, in future proposals, on the sectors which have growth prospects and are therefore likely to hire people, as well as to gather substantiated data on the impact of the EGF funding, including on the quality of jobs and the reintegration rate achieved through the EGF;
22. Recalls its appeal to the Commission to assure public access to all the documents related to EGF cases;
23. Approves the decision annexed to this resolution;
24. 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*;

25. 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 Belgium – EGF/2017/010 BE/Caterpillar**

*(The text of this annex is not reproduced here since it corresponds to the final act, Decision  
(EU) 2018/847.)*