

Responses to questions raised by the EMPL Committee of the European Parliament

In its Opinion on the mobilisation of the European Globalisation Adjustment Fund (EGF) for the cases EGF/2009/007 SE/Volvo, EGF/2009/009 AT/Steiermark and EGF/2009/011009 NL/Heijmans, the EMPL Committee of the European Parliament raises a number of questions, which the BUDG Committee at its meeting of 16 November 2009 requested the Commission to answer in writing.

The numbers in the responses below refer to the points in the report where a question is posed to the Commission.

General remark

Both Committees asked the Commission to present future EGF applications one by one, without batching them together. Even though the EGF Regulation foresees the possibility of batching cases (Article 12(3)), the Commission has undertaken to do so, from the next proposals onwards.

Volvo

2. Regarding the measures made available to the workers made redundant in other sectors following the job losses in the automotive industry, there is no legal basis in the EGF Regulation for requiring such information to be provided. The Swedish authorities have complied with the legal requirements laid down in Art. 5 of the EGF Regulation in respect of the information submitted by them.
3. Sweden has organised the training of the ex-Volvo workers in such a way that, if possible, sectors and employers with good future prospects are identified at the same time as training pathways are planned with the workers, so that future employment prospects are enhanced. There is no question of delaying training measures if a potential future employer has not yet been identified, and there is no conditionality restricting access to EGF assistance.

Steiermark

1. The Commission is being asked to provide evidence of complementarity of the planned EGF measures with those of the Structural Funds. It is in the nature of Shared Management (Article 4 EGF Regulation, Article 53 Financial Regulation and Article 42 Implementing Rules) that implementation is carried out by the Member State and that correct implementation is verified by the Commission by means of on-the-spot checks and audits, financial corrections and recoveries. At the application stage, the correctness of the implementation cannot yet be verified. However, in the application form completed for all EGF cases, the authority representing the Member State applying for assistance (i.e. Sweden) confirmed in writing that the criteria concerning complementarity are complied with, as provided by Art. 6 of the EGF Regulation.
2. The EGF co-funds only active labour market policy measures. The allowances are paid to the Steiermark workers only while engaged in active training measures, as has been expressly confirmed by the Austrian authorities. The EGF cannot and does not co-fund passive measures, as provided by Article 3 of the EGF Regulation.
3. Regarding the differences in contributions from the EGF for the workers affected by the Volvo redundancies and those in the Steiermark, these are explained very largely by the fact that the Swedish workers are receiving most of their support from the normal Swedish programmes, and that the EGF is providing assistance only for innovative measures going beyond this basis. The allowances for the Styrian workers are EUR 1,100 per person per month, for a limited number of workers and for a maximum duration of 15 months. Please consult also Fiche 1/2009, dated 19 August 2009, which explains in more detail why measures presented for different cases may have different costs.
4. As regards the positive opinion of the EMPL Committee concerning high-quality training measures and the fact that EGF funding is now available for these, this is one of the positive outcomes of the amendment of the EGF Regulation. The Regulation now provides for an extended implementation period of 24 months from the date of application, as opposed to the earlier 12 months; this longer

period will allow more high-quality training to take place.

Heijmans

2. Workers with fixed-term contracts, who lost their jobs in Heijmans N.V., were not made redundant within the meaning of Article 2 of the EGF Regulation, as they left the company when their contracts ended. They are mentioned by the Commission to show that, apart from the workers covered by the application, the affected areas also have to provide for the workers whose contracts were not renewed.
3. The Commission is being asked to make sure that the financial assistance from the EGF does not replace measures which are the responsibility of companies. It is in the nature of Shared Management (Article 4 EGF Regulation, Article 53 Financial Regulation and Article 42 Implementing Rules) that implementation is carried out by the Member State and that correct implementation is verified by the Commission by means of on-the-spot checks and audits, financial corrections and recoveries. At the application stage, the correctness of the implementation cannot yet be verified. However, in the application form completed for all EGF cases, the authority representing the Member State (i.e. the Netherlands) applying for assistance confirmed in writing that EGF funding will not be used to replace measures which are the responsibility of companies, as provided by Art. 6 of the EGF Regulation.
4. Regarding workers made redundant by Heijmans in Member States other than the Netherlands, the Commission agrees that these Member States could avail themselves of the support which can be provided by the EGF, by submitting joint applications under the provisions of the EGF Regulation.

Remarks on all applications

1. The Commission is being asked to provide evidence of complementarity of the planned EGF measures with those of the Structural Funds. It is in the nature of Shared Management (Article 4 EGF Regulation, Article 53 Financial Regulation and Article 42 Implementing Rules) that implementation is carried out by the Member State and that correct implementation is verified by the Commission by means of on-the-spot checks and audits, financial corrections and recoveries. At the application stage, the correctness of the implementation cannot yet be verified. However, in the application form completed for all EGF cases, the authority representing the Member State applying for assistance confirms in writing that the criteria concerning complementarity are complied with, as provided by Art. 6 of the EGF Regulation.
2. The Commission is being asked to provide more detailed information on the implementation of equality between men and women and non-discrimination in the framework of the EGF. It is in the nature of Shared Management (Article 4 EGF Regulation, Article 53 Financial Regulation and Article 42 Implementing Rules) that implementation is carried out by the Member State and that correct implementation is verified by the Commission by means of on-the-spot checks and audits, financial corrections and recoveries. At the application stage, the correctness of the implementation cannot yet be verified. However, in the application form completed for all EGF cases, the authority representing the Member State applying for assistance declares in writing that it will take all necessary steps to ensure that the principles of equality of treatment and non-discrimination are respected in the implementation of, and access to, assistance from the EGF, as provided by Art. 7 of the EGF Regulation. Moreover, the Member State provides data on the categories, sex, and disability / long-term illness of the workers, both redundant and targeted, so that the Commission can make an initial assessment of potential discrimination at the application stage.

IP, 23 November 2009