



EUROPEAN PARLIAMENT

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*Committee on Employment and Social Affairs
The Chairwoman*

ES/sg
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M. Alain Lamassoure
President of the Committee on budgets
ASP 13E158

Subject: Opinion on the mobilisation of the European Globalisation Adjustment Fund (EGF) for the case EGF/2009/010 LT/Snaigé (COM(2010)8 final)

Dear Mr Lamassoure,

The Committee on Employment and Social Affairs (EMPL) as well as its Working Group on the EGF examined the mobilisation of the EGF for the case EGF/2009/010 LT/Snaigé and adopted the following opinion.

The EMPL committee and the Working Group on the EGF are in favour of the mobilisation of the Fund concerning this request. In this respect, the EMPL committee presents some remarks without, however, putting into question the transfer of the payments.

The deliberations of the EMPL committee are based on the following considerations:

- a) Whereas the 651 redundancies are related to the same event caused by the financial and economic crisis.
- b) Whereas mostly women belonging to the age group 25 to 54 years as well as to the category of "craft and related trade workers" are concerned by the dismissals.
- c) Whereas the reconciliation of working and family life is promoted by the European Employment Guidelines.
- d) Whereas these redundancies occur at a time when the unemployment rate of Lithuania increased within 12 months from 6,4% to 16,7%.
- e) Whereas the measures supported by the EGF are first and foremost put in place to

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"re-integrate redundant workers into the labour market".

- f) Whereas the Temporary Financial Aid is aimed at motivating redundant workers to accept a new job at a lower wage rate than their previous job.
- g) Whereas the dissatisfaction with the approach to comply with Article 12,4 of the EGF regulation persists after the Commission's reply on the remarks of EMPL on the applications EGF/2009/007 SE/Volvo, EGF/2009/009 AT/Steiermark and EGF/2009/011 NL/Heijmans stating that "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 (and that) at the application stage, the correctness of the implementation cannot yet be verified".
- h) Whereas, independently of financial aspects, the EMPL committee needs to be fully informed about how the Member States make use of the EGF with a view to the future development of the fund and is, therefore, in need of comprehensive information about the complementarity of EGF and ESF in particular and other Structural Funds in general.

Therefore, the Committee on Employment and Social Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution concerning the Lithuanian application:

- 1) Agrees with the decision of the Commission to accept the application of Lithuania even though the application criteria of Article 2a) of the EGF regulation 1927/2006 are not fully met and that, therefore, the workers entitled for assistance should be supported on the basis of Article 2c) of the same regulation;
- 2) Regrets, however, that the measures in favour of the redundant workers were only available as from 1 August 2009 as some workers already lost their job in November 2008;
- 3) Welcomes the measures put in place in favour of a better reconciliation of working and family life and calls upon the Member States to include the care for children and other family members not only in those applications where a majority of women is involved but more systematically and in a strategic way to further erase inequalities between women and men in the labour market.
- 4) Reiterates its call upon the European Commission to include in their annual report not only detailed information about the compliance of Member States' implementation of the EGF assistance with regard to Article 7 of the EGF regulation but also an analysis of which measures promoted especially the equality of men and women with regard to the integration in the labour market.
- 5) Calls upon the Member States and the Commission to establish a list of those measures put in place with the assistance of the EGF which were most successful in increasing the mobility of workers on the national labour market as well as cross border with regard to finding employment in neighbouring countries.
- 6) Underlines that job incentives are highly disputed measures; asks, therefore, the

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Commission to pay special attention to the experiences made with these measures in the framework of the EGF assistance and to report back to the European Parliament as soon as possible.

- 7) Asks the Commission to inform the EP if the spending in the framework of the EGF receives particular attention by the Commission with regard to its special procedure and requests a report on the outcomes of the audits of the EGF applications of 2007 and 2008.
- 8) Asks the Commission to include into their annual reports comprehensive information about the complementarity of the EGF with the measures supported by other Structural Funds and including information about the administrative structures put in place in the Member States to manage the compliance with Article 6 of the EGF regulation.
- 9) Stresses that, apart from a good financial management, it is important to have well established coordination structures, especially when many stakeholders are involved.

Yours sincerely,

Pervenche Berès