



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Budgetary Control

2012/0269(COD)

1.6.2012

OPINION

of the Committee on Budgetary Control

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council
on the European Globalisation Adjustment Fund (2014 - 2020)
(COM(2011)0608 – C7-0319/2011 – 2011/0269(COD))

Rapporteur: Jorgo Chatzimarkakis

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AMENDMENTS

The Committee on Budgetary Control calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The European Globalisation Adjustment Fund (EGF) was established by Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 on establishing the European Globalisation Adjustment Fund for the duration of the Financial Framework from 1 January 2007 to 31 December 2013 to enable the Union to show solidarity towards workers made redundant as a result of major structural changes in world trade patterns due to globalisation and to provide support for their rapid reintegration into employment. This initial objective of the EGF remains valid.

Amendment

(2) The European Globalisation Adjustment Fund (EGF) was established by Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 on establishing the European Globalisation Adjustment Fund for the duration of the Financial Framework from 1 January 2007 to 31 December 2013 to enable the Union to show solidarity towards workers made redundant as a result of major structural changes in world trade patterns due to globalisation and to provide support for their rapid reintegration into employment. ***Given the current state of uncertainty in which many Member States still find themselves, this initial objective of the EGF remains valid, as it enables, albeit on a modest scale, individually tailored services to be provided to workers who have lost their jobs as a result of collective redundancies caused by economic globalisation, which have a major impact at business, sectoral and regional levels.***

Amendment 2

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on 'A budget for Europe 2020' recognises the role of the EGF as a flexible fund to support workers who lose their jobs and help them to find another job as rapidly as possible. The Union should continue to provide, for the duration of the Multiannual Financial Framework from 1 January 2014 to 31 December 2020, specific, one-off support to facilitate the re-integration into employment of redundant workers in areas, sectors, territories or labour markets suffering the shock of serious economic disruption. Given its purpose, which is to provide support in situations of urgency and unexpected circumstances, the EGF should remain outside the Multiannual Financial Framework.

Amendment

(3) The Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on 'A budget for Europe 2020' recognises the role of the EGF as a flexible fund to support workers who lose their jobs and help them to find another job as rapidly as possible. The Union should continue to provide, for the duration of the Multiannual Financial Framework from 1 January 2014 to 31 December 2020, specific, one-off support to facilitate the re-integration into employment of redundant workers in areas, sectors, territories or labour markets suffering the shock of serious economic disruption. Given its purpose, which is to provide support in situations of urgency and unexpected circumstances, the EGF should remain outside the Multiannual Financial Framework, ***thereby equipping the Union with a rapid response mechanism to provide support during unemployment crises.***

Amendment 3

Proposal for a regulation
Article 7 – paragraph 3

Text proposed by the Commission

3. At the initiative of the applicant Member State, a financial contribution may be made for the preparatory, management, information and publicity, control and reporting activities.

Amendment

3. At the initiative of the applicant Member State, a financial contribution may be made, ***not exceeding 5% of the total costs,*** for the preparatory, management, information and publicity, control and reporting activities.

Amendment 4

Proposal for a regulation Article 13 - paragraph 1

Text proposed by the Commission

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 8(3), particularly taking into account the number of targeted workers, the proposed actions and the estimated costs, evaluate and propose as quickly as possible the amount of a financial contribution, if any, that may be made within the limits of the resources available. The amount may not exceed 50 % of the total of the estimated costs referred to in Article 8(2)(e) or 65 % of these costs in the case of applications submitted by a Member State on the territory of which at least one region at NUTS II level is eligible under the "Convergence" objective of the Structural Funds. The Commission, in its assessment of such cases, will decide whether the 65 % co-funding rate is justified.

Amendment 5

Proposal for a regulation Article 16 - paragraph 1

Text proposed by the Commission

1. Following the entry into force of a Decision on a financial contribution in accordance with Article 15(4) the Commission shall pay the financial contribution to the Member State in form of a pre-financing of **at least** 50 % of the Union's financial contribution to the Member State, in principle within 15 days, followed **where necessary in form of**

Amendment

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 8(3), particularly taking into account the number of targeted workers, the proposed actions and the estimated costs, evaluate and propose as quickly as possible the amount of a financial contribution, if any, that may be made within the limits of the resources available. The amount may not exceed 50 % of the total of the estimated costs referred to in Article 8(2)(e) or 65 % of these costs in the case of applications submitted by a Member State on the territory of which at least one region at NUTS II level is eligible under the "Convergence" objective of the Structural Funds. The Commission, in its assessment of such cases, will decide, **in accordance with pre-determined criteria**, whether the 65 % co-funding rate is justified.

Amendment

1. Following the entry into force of a Decision on a financial contribution in accordance with Article 15(4) the Commission shall pay the financial contribution to the Member State in form of a pre-financing of **up to** 50 % of the Union's financial contribution to the Member State, in principle within 15 days, followed **by** intermediate and/or final

intermediate and final payments. The pre-financing shall be cleared when the financial contribution is wound up in accordance with Article 18(3).

payments. The pre-financing shall be cleared when the financial contribution is wound up in accordance with Article 18(3).

Amendment 6

Proposal for a regulation Article 19 - paragraph 1

Text proposed by the Commission

1. By 1 August of every second year **year**, and for the first time in 2015, the Commission shall present to the European Parliament and to the Council a quantitative and qualitative report on the activities under this Regulation and Regulation 1927/2006 in the previous two years. The report shall focus mainly on the results achieved by the EGF and shall in particular contain information relating to applications submitted, decisions adopted, actions funded, including their complementarity with actions funded by other Union Funds, notably the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD), and the winding-up of financial contributions made. It should also document those applications that have been rejected or reduced owing to a lack of sufficient appropriations or to non-eligibility.

Amendment

1. By 1 August of every second year, and for the first time in 2015, the Commission shall present to the European Parliament and to the Council a **comprehensive**, quantitative and qualitative report on the activities under this Regulation and Regulation (EC) No 1927/2006 in the previous two years. The report shall focus mainly on the results achieved by the EGF and shall in particular contain information relating to applications submitted, decisions adopted, **the number of workers who are supported and who find stable employment within one year from the date of application**, actions funded, including their complementarity with actions funded by other Union Funds, notably the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD), and the winding-up of financial contributions made. It should also document those applications that have been rejected or reduced owing to a lack of sufficient appropriations or to non-eligibility.

Amendment 7

Proposal for a regulation Article 19 - paragraph 2

Text proposed by the Commission

2. The report shall be transmitted for information to the European Economic and Social Committee, the Committee of the

Amendment

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Regions and the social partners.

Committee, the Committee of the Regions and the social partners.

Amendment 8

Proposal for a regulation Article 20 - paragraph 2

Text proposed by the Commission

2. The results of the evaluation shall be transmitted, for information, to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the social partners.

Amendment

2. The results of the evaluation shall be transmitted, for information, to the European Parliament, the Council, **the Court of Auditors**, the European Economic and Social Committee, the Committee of the Regions and the social partners. **The recommendations of the evaluation should be taken into account for the design of new programmes in the area of employment and social affairs.**

Amendment 9

Proposal for a regulation Article 21 - paragraph 1 - point (c)

Text proposed by the Commission

(c) ensuring that expenditure funded is based on verifiable supporting documents, and is **correct** and regular;

Amendment

(c) ensuring that expenditure funded is based on verifiable supporting documents, and is **legal** and regular;

Amendment 10

Proposal for a regulation Article 21 - paragraph 4 - subparagraph 1

Text proposed by the Commission

4. The Commission, in its responsibility for the implementation of the general budget of the European Union, shall take every step necessary to verify that the actions financed are carried out in accordance with the principles of sound and efficient

Amendment

4. The Commission, in its responsibility for the implementation of the general budget of the European Union, shall take every step necessary to verify that the actions financed are carried out in accordance with the principles of sound and efficient

financial management. It is the responsibility of the applicant Member State to ensure that it has smoothly functioning management and control systems. The Commission shall satisfy itself that such systems are in place.

financial management. It is the responsibility of the applicant Member State to ensure that it has smoothly functioning management and control systems. The Commission shall satisfy itself that such systems are in place. ***If irregularities are detected, amounts wrongly paid should be recovered primarily by offsetting. Where appropriate, the protection of the Union's financial interests in accordance with Article 325 of the Treaty may include effective, proportional and deterrent penalties.***

Amendment 11

Proposal for a regulation Article 22 - paragraph 1

Text proposed by the Commission

1. In cases where the amount of the actual cost of an action is less than the estimated amount quoted pursuant to Article 15, the Commission shall adopt ***a Decision, by means of an*** implementing ***act***, requiring the Member State to reimburse the corresponding amount of the financial contribution received.

Amendment

1. In cases where the amount of the actual cost of an action is less than the estimated amount quoted pursuant to Article 15 ***and recovering by offsetting is not feasible***, the Commission shall adopt implementing acts requiring the Member State to reimburse the corresponding amount of the financial contribution received.

Amendment 12

Proposal for a regulation Article 24 - paragraph 2

Text proposed by the Commission

2. The delegations of power referred to in this Regulation shall be conferred for ***an indeterminate period of time from the date of entry into force of this Regulation.***

Amendment

2. The delegations of power referred to in this Regulation shall be conferred for ***the*** period ***that*** this Regulation ***is in force.***

PROCEDURE

Title	European Globalisation Adjustment Fund (2014 - 2020)
References	COM(2011)0608 – C7-0319/2011 – 2011/0269(COD)
Committee responsible Date announced in plenary	EMPL 25.10.2011
Opinion by Date announced in plenary	CONT 25.10.2011
Rapporteur Date appointed	Jorgo Chatzimarkakis 24.11.2011
Date adopted	30.5.2012
Result of final vote	+ : 24 - : 1 0 : 0
Members present for the final vote	Marta Andreasen, Jean-Pierre Audy, Inés Ayala Sender, Zigmantas Balčytis, Andrea Češková, Tamás Deutsch, Martin Ehrenhauser, Jens Geier, Ingeborg Gräßle, Cătălin Sorin Ivan, Iliana Ivanova, Jan Mulder, Eva Ortiz Vilella, Crescenzo Rivellini, Paul Rübig, Petri Sarvamaa, Theodoros Skylakakis, Bart Staes, Michael Theurer
Substitute(s) present for the final vote	Zuzana Brzobohatá, Jorgo Chatzimarkakis, Derk Jan Eppink, Véronique Mathieu, Markus Pieper
Substitute(s) under Rule 187(2) present for the final vote	Joachim Zeller