Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund
following an application from Finland – EGF/2016/001 FI/Microsoft
EXPLANATORY MEMORANDUM

CONTEXT OF THE PROPOSAL


2. On 11 March 2016, Finland submitted an application EGF/2016/001 FI/Microsoft for a financial contribution from the EGF, following redundancies in Microsoft (Microsoft Mobile Oy) and 8 suppliers and downstream producers in Finland.

3. Following its assessment of this application, the Commission has concluded, in accordance with all applicable provisions of the EGF Regulation, that the conditions for awarding a financial contribution from the EGF are met.

SUMMARY OF THE APPLICATION

<table>
<thead>
<tr>
<th>EGF application</th>
<th>EGF/2016/001 FI/Microsoft</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member State</td>
<td>Finland</td>
</tr>
<tr>
<td>Region(s) concerned (NUTS³ level 2)</td>
<td>Helsinki-Uusimaa FI1B1 Etelä-Suomi FI1C Länsi-Suomi FI197</td>
</tr>
<tr>
<td>Date of submission of the application</td>
<td>11 March 2016</td>
</tr>
<tr>
<td>Date of acknowledgement of receipt of the application</td>
<td>11 March 2016</td>
</tr>
<tr>
<td>Deadline for request for additional information</td>
<td>25 March 2016</td>
</tr>
<tr>
<td>Deadline for provision of additional information</td>
<td>6 May 2016</td>
</tr>
<tr>
<td>Deadline for the completion of the assessment</td>
<td>29 July 2016</td>
</tr>
<tr>
<td>Intervention criterion</td>
<td>Article 4(1)(a) of the EGF Regulation</td>
</tr>
<tr>
<td>Primary enterprise</td>
<td>Microsoft Mobile Oy</td>
</tr>
<tr>
<td>Number of enterprises concerned</td>
<td>9</td>
</tr>
<tr>
<td>Sector(s) of economic activity (NACE Revision 2 Division)⁴</td>
<td>NACE Revision 2 Division 62 (Computer programming, consultancy and related activities)</td>
</tr>
<tr>
<td>Number of subsidiaries, suppliers and downstream producers</td>
<td>8</td>
</tr>
</tbody>
</table>

² Within the meaning of Article 3 of the EGF Regulation.

Number of redundancies during the reference period (a) 2 035

Number of redundancies before or after the reference period (b) 126

Total number of redundancies (a + b) 2 161

Total number of eligible beneficiaries 2 161

Total number of targeted beneficiaries 1 441

Number of targeted young persons not in employment, education or training (NEETs) 0

Budget for personalised services (EUR) 8 480 000

Budget for implementing EGF (EUR) 460 000

Total budget (EUR) 8 940 000

EGF contribution (60 %) (EUR) 5 364 000

ASSESSMENT OF THE APPLICATION

Procedure

4. Finland submitted application EGF/2016/001 FI/Microsoft on 11 March 2016, within 12 weeks of the date on which the intervention criteria set out in Article 4 of the EGF Regulation were met. The Commission acknowledged receipt of the application within two weeks of the date of submission of the application, on 11 March 2016, and requested additional information from Finland before 25 March 2016. Such additional information was provided within six weeks of this deadline. The deadline of 12 weeks of the receipt of the complete application within which the Commission should finalise its assessment of the application's compliance with the conditions for providing a financial contribution expires on 29 July 2016.

Eligibility of the application

Enterprises and beneficiaries concerned

5. The application relates to 2 035 workers made redundant in Microsoft (Microsoft Mobile Oy) and 8 suppliers and downstream producers. The primary enterprise operates in the economic sector classified under the NACE Revision 2 Division 62, Computer programming, consultancy and related activities. The redundancies made by Microsoft are mainly located in the NUTS level 2 regions of Helsinki-Uusimaa, Etelä-Suomi and Länsi-Suomi.

<table>
<thead>
<tr>
<th>Enterprises and number of dismissals within the reference period</th>
<th>Total no. of enterprises: 9</th>
<th>Total no. of dismissals: 2 035</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microsoft</td>
<td>1 889</td>
<td>ISS Palvelut</td>
</tr>
<tr>
<td>Accenture</td>
<td>27</td>
<td>ManpowerGroup</td>
</tr>
<tr>
<td>EKS Group</td>
<td>4</td>
<td>Suomen Terveystalo</td>
</tr>
<tr>
<td>Eilakaisla</td>
<td>1</td>
<td>Symbio Finland</td>
</tr>
<tr>
<td>HCL Technologies Ltd</td>
<td>46</td>
<td></td>
</tr>
</tbody>
</table>

In accordance with the fourth paragraph of Article 7 of Regulation (EU) No 1309/2013.
Enterprises and number of dismissals within the reference period

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total no. of self-employed persons whose activity has ceased:</td>
<td>0</td>
</tr>
<tr>
<td>Total no. of eligible workers and self-employed persons:</td>
<td>2 035</td>
</tr>
</tbody>
</table>

**Intervention criteria**

6. Finland submitted the application under the intervention criteria of Article 4(1) (a) 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.

7. The reference period of four months for the application runs from 11 September 2015 to 11 January 2016. There were 2 035 redundancies within this reference period.

8. The redundancies during the reference period are as follows:
   - 1 889 workers made redundant by Microsoft,
   - 146 workers made redundant by eight suppliers and downstream producers.

**Calculation of redundancies and of cessation of activity**

9. The redundancies during the reference period have been calculated as follows:
   - 62 from the date on which the employer, in accordance with Article 3(1) of Council Directive 98/59/EC, notified the competent public authority in writing of the projected collective redundancies. Finland confirmed prior to the date of the completion of the assessment by the Commission that these 62 redundancies have actually been effected,
   - 1 931 from the date of the employer's individual notice to lay off or to terminate the contract of employment of the workers,
   - 42 from the date of the de facto termination of the contract of employment or its expiry.

**Eligible beneficiaries**

10. In addition to the 2 035 workers already referred to, the eligible beneficiaries include 126 workers made redundant before or after the reference period of four months. These workers were all made redundant after the general announcement of the projected redundancies on 8 July 2015. A clear causal link can be established with the event which triggered the redundancies during the reference period.

11. The total number of eligible beneficiaries is therefore 2 161.

**Link between the redundancies and major structural changes in world trade patterns due to globalisation**

12. In order to establish the link between the redundancies and major structural changes in world trade patterns due to globalisation, Finland argues that in recent years the distribution of ICT sector employment between the EU and other economies has developed to the detriment of the EU share. These effects were particularly felt in Finland, where the ICT sector plays a key role in the economy. The software industry

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is a highly international industry and competition within the sector is global. All market players can compete for the same customers, and the location and cultural background of the personnel has limited significance.

13. In 2014, the number of people employed by technology businesses in Finland decreased by 2%, i.e. by over 5 000 employees. In 2014, the industry employed 285 000 people in Finland, while in 2008, this total was still 326 000 people. During the same period, the share of China and the United States in the ICT sector personnel of the developed countries increased, while the share of Europe decreased.

14. The mobile phone markets have developed under constant competition between different operating systems. During the first decade of the 2000s Nokia dominated the markets. Since then the Android operating system rapidly achieved a strong market position, while Microsoft failed to achieve a significant market share. This has led to growing imports into the Union.

15. Thus, the main reason behind the workforce reductions at Microsoft is the declining market share of its phones (Lumia) with the Microsoft Windows operating system. Android and iOS, the two US-designed operating systems used by various Asian-based manufacturers, have risen to dominate the market in recent years. The market share of Windows phones was below 4% every year from 2012 to 2015. It is important to note that the Microsoft Windows phone operating system still had over 50% market share in 2009.

16. The current application is the continuation of a series of previous applications from Finland, all revolving around the decline of Nokia in its country of origin. This started in 2007 with the Perlos case (EGF/2007/003 FI/Perlos) and includes two Nokia Finland cases (EGF/2012/006 FI/Nokia Salo and EGF/2013/001 FI/Nokia) as well as Broadcom (EGF/2015/001 FI/Broadcom) and computer programming (EGF/2015/005 FI/Computer Programming). Nokia initially moved production lines to the Far East, then closed down the more specialised production areas while retaining research, development and programming, sold the mobile phone operation to Microsoft, and now, even this is being closed down. It is already foreseeable that two further related applications for workers being made redundant in the ICT sector will be submitted by Finland in the near future.

17. To date, the NACE Division 62 sector has been the subject of two previous EGF applications, both based on trade related globalisation (EGF/2013/001 FI/Nokia and EGF/2015/005 FI/Computer programming).

Events giving rise to the redundancies and cessation of activity

18. The events giving rise to these redundancies are as follows: in September 2013, Microsoft acquired Nokia’s devices and services. Following this acquisition, Microsoft Mobile was established in April 2014. Approximately 25 000 Nokia employees transferred to Microsoft, including 4 700 people based in Finland.

In 2014, Microsoft announced its plans to reduce the size of its overall workforce by up to 18 000 jobs in the following year. 1 100 of those positions were based in Finland. At the same time Microsoft decided to shut down the Oulu site and focus research and product development in Salo, Tampere and Espoo.

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7 Statistics Finland, 'The Federation of Finnish Technology Industries’ labour force survey'
In July 2015, Microsoft announced plans to restructure the enterprise’s phone business to better focus and align resources. A maximum of 2,300 jobs were expected to be lost in Finland. The Salo operations were shut down and the tasks moved to Microsoft facilities in Tampere and Espoo.

Most of the redundancies contained in the present application are former Nokia workers who moved to Microsoft in 2013. Programming professionals are at the centre of these redundancies.

**Expected impact of the redundancies as regards the local, regional or national economy and employment**

19. The affected NUTS 2 regions are Helsinki-Uusimaa (FI1B); Etelä-Suomi (FI1C) and Länsi-Suomi, (FI197). 88 % of the redundant workers are between 30 and 54 years old. The employment prospects for older workers are particularly problematic.

20. The redundant workers could play an important part in revitalising the industry if their further education and training, plans to take up entrepreneurship, and employment prospects can be supported to a sufficient extent.

**Helsinki-Uusimaa**

21. Microsoft is the second biggest ICT enterprise in Espoo, the second biggest city in Finland. The sector as such is a major employer in Espoo. In 2013, about 29,400 workers (35 % of the private sector workforce) were employed in the sector. A total of 219 ICT companies were established in Espoo in 2014 and 313 closed down during the same period.

The ICT cluster around Microsoft is concentrated in Espoo. This means that Espoo is severely hit by the redundancies: about 700 Microsoft workers in Espoo will be made redundant during this round of lay-offs.

At the end of August 2015, the number of long-term unemployed was 42 % higher than a year before. At the same time, unemployment among highly educated people in Uusimaa is permanently above 15 %. At the end of August 2015, there were a total of 95,967 unemployed jobseekers in Uusimaa, 13,3 % more than a year before. The unemployment rate stood at 11,6 %.

**Etelä-Suomi**

22. The region lost a total of 6,500 jobs between 2007 and 2013, a decline of 25 %. As a result of the Nokia redundancies, the unemployment rate more than doubled between 2008 and 2015, from 7,0 to 17,5 %. The proportion of highly educated people among the unemployed also increased.

Microsoft's announcement that it would close down its Salo plant means that about 1,000 people working there lose their jobs. In the businesses providing the unit with services, the closure will lead to about 150 additional redundancies. This means that a total of about 1,150 jobs will be lost in Salo. About 200 employees of the Salo unit received an offer to move to Espoo and other Microsoft units, so that the total number of redundancies in the Salo area is about 950.

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Most of the people losing their jobs are highly skilled and experienced in their area of work. It is possible that a number of them will be able to find new jobs quickly, as they have relevant skills to offer.

Länsi-Suomi

23. A total of about 1 000 technology industry jobs have disappeared in Tampere over the past 12 months. The fact that the development and manufacturing of Nokia's mobile phone software and network systems have been relocated from the Tampere sub-region to other areas has provided a substantial labour reserve.

The latest workforce reductions at Microsoft affect about 500 people in the Pirkanmaa area. Keeping skills up to date and focusing on broad-based expertise are important for the employment prospects of individual jobseekers. Most of the large operators in the Tampere area have depended on the Nokia/Microsoft axis for their business. Subcontractors are therefore affected by the events, which have led to further redundancies among them.

Targeted beneficiaries and proposed actions

Targeted beneficiaries

24. The estimated number of redundant workers expected to participate in the measures is 1 441. The breakdown of these workers by sex, citizenship and age group is as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of targeted beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex:</td>
<td></td>
</tr>
<tr>
<td>Men:</td>
<td>864 (60,0 %)</td>
</tr>
<tr>
<td>Women:</td>
<td>577 (40,0 %)</td>
</tr>
<tr>
<td>Citizenship:</td>
<td></td>
</tr>
<tr>
<td>EU citizens:</td>
<td>1 297 (90,0 %)</td>
</tr>
<tr>
<td>non-EU citizens:</td>
<td>144 (10,0 %)</td>
</tr>
<tr>
<td>Age group:</td>
<td></td>
</tr>
<tr>
<td>15-24 years:</td>
<td>0 (0,0 %)</td>
</tr>
<tr>
<td>25-29 years:</td>
<td>17 (1 %)</td>
</tr>
<tr>
<td>30-54 years:</td>
<td>1 279 (89 %)</td>
</tr>
<tr>
<td>55-64 years:</td>
<td>144 (10,0 %)</td>
</tr>
<tr>
<td>over 64 years:</td>
<td>1 (0,0 %)</td>
</tr>
</tbody>
</table>

Eligibility of the proposed actions

25. The personalised services to be provided to the redundant workers consist of the following actions:

– Coaching measures and other preparatory measures, these include:

The aim of job-seeking training is to provide the participants with more information about the labour market, to help them in charting their own possibilities, and to improve and bring up to date their job-seeking skills.

The purpose of job coaching is to support and guide a private customer in seeking employment and in on-the-job training.
Career coaching is procured for persons having lost their jobs if according to the assessment of an Employment and Economic Development Office (TE Office) these workers need functional, intensive and long-term support in their career planning. The main emphasis in the coaching is on interaction and exercises in groups.

Workers at Microsoft have highly varying competencies. In order to assess the job-seeker's situation and need for services, the TE Office can organise a range of expert assessments.

- **Employment and business services**
  Those having lost their jobs will be provided with information, counselling and expert services for planning their re-employment. In previous EGF cases the face to face service has proven to be extremely useful.

- **Training**
  Vocational labour market training will include company development training and training to support entrepreneurship. The goal is the acquisition of a vocational qualification or as the upskilling of existing competencies. Training courses that support labour mobility will also be offered.

- **Pay subsidy**
  Pay subsidies will be available for the redundant workers to support employment in a new job or an apprenticeship, by reducing the new employer’s payroll costs for a limited time period. The pay subsidy is between 30 and 50% of the worker’s payroll costs and will be given for a period of 6 to 24 months.

- **Start-up grant**
  The purpose of start-up grants is to promote the creation of business activity and employment of individual persons. The purpose of the start-up grant is to ensure an income for an aspiring entrepreneur during the estimated time required to launch and establish a full-time business.

- **Allowances for travel, overnight and removal costs**
  A job-seeker may be granted an allowance for travel and accommodation costs incurred for job-seeking, or travel and accommodation costs for participation in training measures, and compensation for removal expenses when accepting a job outside their commuting area.

26. The proposed actions, here described, constitute active labour market measures within the eligible actions set out in Article 7 of the EGF Regulation. These actions do not substitute passive social protection measures.

27. Finland has provided the required information on actions that are mandatory for the enterprise concerned by virtue of national law or pursuant to collective agreements. They have confirmed that a financial contribution from the EGF will not replace such actions.

Estimated budget

28. The estimated total costs are EUR 8 940 000, comprising expenditure for personalised services of EUR 8 480 000 and expenditure for preparatory,
management, information and publicity, control and reporting activities of EUR 460 000.

29. The total financial contribution requested from the EGF is EUR 5 364 000 (60% of total costs).

<table>
<thead>
<tr>
<th>Actions</th>
<th>Estimated number of participants</th>
<th>Estimated cost per participant (EUR) (*)</th>
<th>Estimated total costs (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personalised services (Actions under Article 7(1)(a) and (c) of the EGF Regulation)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coaching measures and other preparatory measures (<em>Valmennukset ja muut valmentavat toimenpiteet</em>)</td>
<td>785</td>
<td>600,00</td>
<td>471 000</td>
</tr>
<tr>
<td>Employment and business services (<em>Työllisyys- ja yritys palvelut</em>)</td>
<td>1 287</td>
<td>543,90</td>
<td>700 000</td>
</tr>
<tr>
<td>Training (<em>Koulutus</em>)</td>
<td>940</td>
<td>6 000,00</td>
<td>5 640 000</td>
</tr>
<tr>
<td>Start-up grant (<em>Starttiraha</em>)</td>
<td>43</td>
<td>6 000,00</td>
<td>258 000</td>
</tr>
<tr>
<td><strong>Sub-total (a):</strong></td>
<td></td>
<td></td>
<td>7 069 000</td>
</tr>
<tr>
<td>Percentage of the package of personalised services</td>
<td>–</td>
<td></td>
<td>(83,36%)</td>
</tr>
<tr>
<td><strong>Allowances and incentives (Actions under Article 7(1)(b) of the EGF Regulation)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay subsidy (<em>Palkkatuki</em>)</td>
<td>173</td>
<td>8 000,00</td>
<td>1 384 000</td>
</tr>
<tr>
<td>Allowances for travel, overnight and removal costs (<em>Liikkuvuusavustus</em>)</td>
<td>180</td>
<td>150,00</td>
<td>27 000</td>
</tr>
<tr>
<td><strong>Sub-total (b):</strong></td>
<td></td>
<td></td>
<td>1 411 000</td>
</tr>
<tr>
<td>Percentage of the package of personalised services</td>
<td>–</td>
<td></td>
<td>(16,64%)</td>
</tr>
<tr>
<td><strong>Actions under Article 7(4) of the EGF Regulation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Preparatory activities</td>
<td>–</td>
<td></td>
<td>4 000</td>
</tr>
<tr>
<td>2. Management</td>
<td>–</td>
<td></td>
<td>364 000</td>
</tr>
<tr>
<td>3. Information and publicity</td>
<td>–</td>
<td></td>
<td>77 000</td>
</tr>
<tr>
<td>4. Control and reporting</td>
<td>–</td>
<td></td>
<td>15 000</td>
</tr>
<tr>
<td><strong>Sub-total (c):</strong></td>
<td>–</td>
<td></td>
<td>460 000</td>
</tr>
<tr>
<td>Percentage of the total costs</td>
<td>(5,1 %)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------</td>
<td>---------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total costs (a + b + c):</td>
<td>–</td>
<td>8 940 000</td>
<td></td>
</tr>
<tr>
<td>EGF contribution (60 % of total costs)</td>
<td>–</td>
<td>5 364 000</td>
<td></td>
</tr>
</tbody>
</table>

(*) To avoid too many decimals, the estimated costs per worker have been rounded. However the rounding has no impact on the total cost of each measure.

30. The costs of the actions identified in the table above as actions under Article 7(1)(b) of the EGF Regulation do not exceed 35 % of the total costs for the coordinated package of personalised services. Finland confirmed that these actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities.

31. Finland confirmed that the costs of investments for self-employment, business start-ups and employee take-overs will not exceed EUR 15 000 per beneficiary.

Period of eligibility of expenditure

32. Finland started providing the personalised services to the targeted beneficiaries on 11 September 2015. The expenditure on the actions will therefore be eligible for a financial contribution from the EGF from 11 September 2015 to 11 March 2018.

33. Finland started incurring the administrative expenditure to implement the EGF on 11 September 2015. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 11 September 2015 to 11 September 2018.

Complementarity with actions funded by national or Union funds

34. The sources of national pre-financing or co-funding mainly come from the public employment services item in the administrative branch of the Ministry of Employment and the Economy (MEE). Some services will also be funded from the operating expenditure of the Centres for Economic Development, Transport and the Environment (ELY Centres) and the TE Offices.

35. Finland has confirmed that the measures described above receiving a financial contribution from the EGF will not receive financial contributions from other Union financial instruments.

36. Finland is also implementing EGF contributions for the redundant workers of Broadcom and in the computer programming sector. The Microsoft case will cooperate with Labour Mobility in Europe 2014–2020, which is a national EURES service development project. International recruitment events will be arranged regionally in cooperation with EGF and EURES services.

37. A national package of measures "Models between the recruiting company and the retrenching company" has been launched within the ESF. This package of measures will be producing results that can be useful for the implementation of projects under this EGF application.

Procedures for consulting the targeted beneficiaries or their representatives or the social partners as well as local and regional authorities

38. Finland has indicated that the co-ordinated package of personalised services was drawn up in consultation as follows: the Ministry of Employment and Economy has convened a group that addresses the redundancies in Microsoft and participates in the preparation of the EGF application. This working group includes representatives
from the Centres for Economic Development, Transport and the Environment and the Employment and Economic Development Offices for Uusimaa, South-western Finland and Pirkanmaa. Other representatives are Microsoft, the Federation of Finnish Technology Finland, and the Union of Professional Engineers in Finland, Academic Engineers and Architects Finland/Federation of Professional and Managerial Staff YTN and Tampere region Economic Development Agency Tredea.

**Management and control systems**

39. The application contains a description of the management and control system which specifies the responsibilities of the bodies involved. Finland has notified the Commission that the financial contribution will be managed by the MEE, which also manages ESF funds. The same Ministry acts as the Certifying Authority. There is a strict separation of duties and of reporting relationships between the departments responsible for these two functions. The management functions for the EGF have been assigned to the Employment and Entrepreneurship Department, while those for the ESF are with the Regional Department. The certifying functions for both Funds are within the Human Resources and Administration Unit. The Ministry has prepared a manual setting out in detail the procedures to be followed.

40. The Audit Authority will be the independent Internal Audit Unit, operating under the Permanent Secretary in the same ministry.

**Commitments provided by the Member State concerned**

41. Finland has provided all necessary assurances regarding the following:

    - the principles of equality of treatment and non-discrimination will be respected in the access to the proposed actions and their implementation,
    - the requirements laid down in national and EU legislation concerning collective redundancies have been complied with,
    - Microsoft Mobile Oy the dismissing enterprise, which has continued its activities after the lay-offs, has complied with its legal obligations governing the redundancies and provided for its workers accordingly,
    - the proposed actions will not receive financial support from other Union funds or financial instruments and any double financing will be prevented,
    - the proposed actions will be complementary with actions funded by the Structural Funds,
    - the financial contribution from the EGF will comply with the procedural and material Union rules on State aid.

**BUDGETARY IMPLICATION**

**Budgetary proposal**

42. The EGF shall not exceed a maximum annual amount of EUR 150 million (2011 prices), as laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020\(^\text{12}\).

Having examined the application in respect of the conditions set out in Article 13(1) of the EGF Regulation, and having taken into account the number of targeted beneficiaries, the proposed actions and the estimated costs, the Commission proposes to mobilise the EGF for the amount of EUR 5,364,000, representing 60% of the total costs of the proposed actions, in order to provide a financial contribution for the application.

The proposed decision to mobilise the EGF will be taken jointly by the European Parliament and the Council, as laid down in point 13 of the Inter-institutional 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.\(^\text{13}\)

**Related acts**

At the same time as it presents this proposal for a decision to mobilise the EGF, the Commission will present to the European Parliament and to the Council a proposal for a transfer to the relevant budgetary line for the amount of EUR 5,364,000.

At the same time as it adopts this proposal for a decision to mobilise the EGF, the Commission will adopt a decision on a financial contribution, by means of an implementing act, which will enter into force on the date at which the European Parliament and the Council adopt the proposed decision to mobilise the EGF.

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Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund following an application from Finland – EGF/2016/001 FI/Microsoft

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,


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\textsuperscript{15}, and in particular point 13 thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) The European Globalisation Adjustment Fund (EGF) aims to provide support for workers made redundant and self-employed persons whose activity has ceased as a result of major structural changes in world trade patterns due to globalisation, as a result of a continuation of the global financial and economic crisis, or as a result of a new global financial and economic crisis, and to assist them with their reintegration into the labour market.

(2) The EGF is not to exceed a maximum annual amount of EUR 150 million (2011 prices), as laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013\textsuperscript{16}.

(3) On 11 March 2016 Finland submitted an application to mobilise the EGF, in respect of redundancies in Microsoft (Microsoft Mobile Oy) and 8 suppliers and downstream producers. It was supplemented by additional information provided in accordance with Article 8(3) of Regulation (EU) No 1309/2013. That application complies with the requirements for determining a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) No 1309/2013.

(4) In accordance with Article 4(2) of Regulation (EU) No 1309/2013, the application from Finland is considered admissible since the redundancies have a serious impact on employment and the local, regional and national economy.

(5) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 5 364 000,00 in respect of the application submitted by Finland.

(6) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

HAVE ADOPTED THIS DECISION:

Article 1
For the general budget of the Union for the financial year 2016, the European Globalisation Adjustment Fund shall be mobilised to provide the amount of EUR 5 364 000 in commitment and payment appropriations.

Article 2
This Decision shall enter into force on the day of its publication in the Official Journal of the European Union. It shall apply from [the date of its adoption]*.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

* Date to be inserted by the Parliament before the publication in OJ.