

EUROPEAN PARLIAMENT

2004



2009

Session document

FINAL
A6-0385/2006

31.10.2006

*****I** **REPORT**

on the proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund (COM(2006)0091 – C6-0082/2006 – 2006/0033(COD))

Committee on Employment and Social Affairs

Rapporteur: Roselyne Bachelot-Narquin

Draftsman(*): Esko Seppänen, Committee on Budgets

(*): Enhanced cooperation between committees – Rule 47 of the Rules of Procedure

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- *** Assent procedure
*majority of Parliament's component Members except in cases
covered by Articles 105, 107, 161 and 300 of the EC Treaty and
Article 7 of the EU Treaty*
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission.)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	5
OPINION OF THE COMMITTEE ON BUDGETS	26
OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE	37
OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY	44
OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT	56
PROCEDURE.....	70

(*) Enhanced cooperation between committees - Rule 47

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund (COM(2006)0091 – C6-0082/2006 – 2006/0033(COD))

(Codecision procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2006)0091)¹,
 - having regard to Article 251(2) and Article 159(3) of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C6-0082/2006),
 - having regard to Rule 51 of its Rules of Procedure,
 - having regard to the report of the Committee on Employment and Social Affairs and the opinions of the Committee on International Trade and the Committee on Budgets (A6-0385/2006),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend the proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council and Commission.

Text proposed by the Commission

Amendments by Parliament

Amendment 1
Citation 2 a (new)

Having regard to the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management²,

¹ OJ C 139, 14.6.2006, p. 1.

¹ Not yet published in OJ.

Amendment 2

Recital 1

(1) Notwithstanding the **overall** positive **effect** of globalisation on growth and jobs in the Community, it is opportune to establish a European Globalisation adjustment Fund (hereinafter referred to as ‘the EGF’), through which the Community would show its solidarity towards workers affected by redundancies resulting from changes in world trade patterns;

(1) Notwithstanding the positive **effects** of globalisation on growth and jobs in the Community, it **may also have negative consequences for the most vulnerable and least qualified workers in some sectors. It is therefore** opportune to establish a European Globalisation adjustment Fund (hereinafter referred to as ‘the EGF’), through which the Community, **which conducts negotiations in the WTO**, would show its solidarity towards workers affected by redundancies resulting from changes in world trade patterns;

Amendment 3

Recital 1 a (new)

(1a) It is necessary to preserve European values and the European social model in foreign trade, promoting the development of a fair external market. The negative effects of globalisation should be tackled in the first instance by a long-term, sustainable Community strategy for trade policy aimed at high global social and ecological standards. The assistance provided by the EGF should be dynamic and capable of adapting to constantly changing and often unforeseen circumstances in the market.

Justification

Solidarity, the protection of social rights and an open yet fair market must be the corollaries of the EU's external trade policy, and must therefore be promoted in all the EU's interventions in world trade.

Amendment 4

Recital 1 b (new)

(1b) More extensive monitoring, research and reporting by the Commission on an ongoing basis is needed to understand better the full scope of offshoring, including an analysis of the extent to which offshore

competition is already affecting EU industries, adequate data collection programmes on trends in the quantity and sectoral composition of jobs that move offshore, a precise analysis of the economic costs of offshoring (including an assessment of the loss of tax revenue and the social expenditure necessary to support workers made redundant), data on the redeployment of workers and of their new wage levels, and an analysis of the wider effects on communities.

Justification

Early warning provisions and data evaluating the effects of off-shoring are necessary tools to develop appropriate Community policy responses.

Amendment 5

Recital 2

(2) The EGF should provide specific, one-off support to facilitate the re-integration into employment of workers in areas *or* sectors suffering the shock of serious economic disruption.

(2) The EGF should provide specific, one-off support to facilitate the re-integration into employment of workers in areas, sectors, ***territories, or labour market regions*** suffering the shock of serious economic disruption.

Justification

Some labour market regions can suffer serious economic disturbances even where there is no one industry which is particularly badly hit.

The consequences of globalisation may vary considerably from one territory to another, and not merely from one sector to another. Existing territorial disparities may be exacerbated by a dislocation related to globalisation: accordingly the territorial effect of such dislocations needs to be appreciated.

Amendment 6

Recital 3

(3) Actions under this Regulation should be defined according to strict intervention criteria relating to the scale of economic dislocation and its impact on a given sector or geographical area, to ensure that the financial contribution from the EGF is concentrated on the most seriously affected

(3) Actions under this Regulation should be defined according to strict intervention criteria relating to the scale of economic dislocation and its impact on a given sector or geographical area, to ensure that the financial contribution from the EGF is concentrated on ***workers in*** the most

parts of the Community.

seriously affected *regions and economic sectors* of the Community. *Such dislocation is not necessarily concentrated in a single Member State. In exceptional circumstances, Member States may therefore submit joint requests for assistance from the EGF.*

Amendment 7
Recital 4

(4) The activities of the EGF should be coherent and compatible with the other Community policies and comply with its *acquis*.

(4) The activities of the EGF should be coherent and compatible with the other Community policies and comply with its *acquis, especially the interventions of the structural funds, while making a genuine contribution to the Community's social policies.*

Justification

The EGF must serve to promote the European social model.

Amendment 8
Recital 4 a (new)

(4a) The Interinstitutional Agreement of 17 May 2006 is binding from 1 January 2007 and point 28 determines the budgetary framework of the EGF;

Justification

As the budgetary frames of the EGF are, to a large extent, defined in the IIA, the regulation would be more precise if it clearly referred to it.

Amendment 9
Recital 5

(5) *An* action funded under this Regulation should not receive financial assistance from other Community financial instruments.

(5) *A specific* action funded under this Regulation should not receive financial assistance from other Community financial instruments. *However, coordination with existing or planned modernisation and restructuring measures in the framework of*

regional development is necessary, albeit that such coordination should not result in the creation of parallel or additional management structures for actions funded by the EGF.

Amendment 10

Recital 6

(6) Community aid should only be given upon application of the affected Member State. The Commission should ensure equal treatment of the requests submitted by the Member States.

(6) Community aid should only be given upon application of the affected Member State **or States**. The Commission should ensure equal treatment of the requests submitted by the Member States, **without, however, establishing a quota system.**

Justification

We should allow for the possibility of dealing with cross-border issues.

Amendment 11

Recital 8

(8) The Member State should remain responsible for the implementation of the financial contribution and for the management and control of the actions supported by Community financing, in accordance with Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities. The **Member State** should justify the use made of the financial contribution received

(8) The Member State **or, in cross-border actions, the Member States**, should remain responsible for the implementation of the financial contribution and for the management and control of the actions supported by Community financing, in accordance with Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities. The **Member State(s)** should, **in all circumstances**, justify the use made of the financial contribution received **and should, where possible, analyse the performance of the actions and the results achieved.**

Justification

It is important that there should be follow-up to the EGF's actions, particularly in order to ascertain whether the allocation is sufficient.

Amendment 12
Recital 8 a (new)

(8a) The European Observatory of Change, based in Dublin, publishes studies that are useful for a better understanding of the economic and social mutations in Europe. Its work also focuses on sectoral expertise together with expected, foreseen or envisaged changes in trade structures. The Observatory may assist the European Commission and the Member States concerned with qualitative and quantitative analyses in order to help in the evaluation of an application from the EGF.

Amendment 13
Recital 9

(9) Since the objectives of the action to be taken, cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale and effects, be better achieved at Community level, the Community may adopt measures, in accordance with the principles of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives

(9) Since the ***intended*** objectives of ***solidarity can be better achieved at EU level than at national or regional level alone***, by reason of the ***European*** scale of ***redundancies*** and ***the effects of that action in response to a serious economic and social crisis***, the Community may adopt measures, in accordance with the principles of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives

Justification

The initial response to the impact of major changes in the structure of world trade must of course come from the authorities of each Member State, at national, regional or local level. But the Fund will focus on cases of redundancies with a European dimension, because of their seriousness and their impact on the area where the industry (or industries) suffering job losses is situated. The Fund therefore represents a sign of European solidarity and complements the efforts of the Member States. Support from the Fund should help to make European solidarity more visible to the workers affected and more generally to EU citizens.

Amendment 14
Article 1, paragraph 1

1. This Regulation establishes a European Globalisation adjustment Fund, hereinafter

1. With the aim of stimulating economic growth and creating more jobs in the

referred to as ‘the EGF’, to enable the Community to provide support for workers made redundant as a result of major structural changes in world trade patterns where these redundancies have a significant adverse impact on the regional or local economy.

European Union, this Regulation establishes a European Globalisation adjustment Fund, hereinafter referred to as ‘the EGF’, to enable the Community to provide support for workers made redundant as a result of major structural changes in world trade patterns **due to globalisation** where these redundancies have a significant adverse impact on **the secondary and tertiary sectors of the trans-national, national**, regional or local economy.

Justification

For the agricultural sector specific CAP instruments should be used.

Amendment 15

Article 1, paragraph 1, subparagraph 1 a (new)

x

Its period of applications shall be linked to the Financial Framework for 2007 to December 2013.

Justification

There is no reference to the duration of the fund. Article 20 refers only to a review.

The EGF will be included in the overall review of EU expenditure and resources (in the financial framework) envisaged in the interinstitutional agreement on budgetary discipline and sound financial management of 17 May 2006.

Amendment 16

Article 1, paragraph 2

2. This Regulation lays down rules regarding the operation of the EGF in order to facilitate re-integration into employment of workers affected by **trade-related** redundancies.

2. This Regulation lays down rules regarding the operation of the EGF in order to facilitate re-integration into employment of workers affected by **globalisation-related** redundancies.

Amendment 17

Article 2

A financial contribution from the EGF shall be provided where major structural changes in world trade patterns lead to a serious economic disruption, notably a **massive** increase of imports into the EU, or a

A financial contribution from the EGF shall be provided where major structural changes in world trade patterns lead to a serious economic disruption, notably a **substantial** increase of imports into the EU, or a **sharp**

progressive decline of the EU market share in a given sector or a delocalisation to third countries, which results in:

(a) at least 1000 redundancies in an enterprise, including workers made redundant in its suppliers or downstream producers, *in a region where unemployment, measured at NUTS III level, is higher than the EU or national average,*

or

(b) at least 1000 redundancies, over a period of **6 months**, in one or more enterprises *in a sector, measured at NACE 2 level, which represents at least 1% of regional employment measured at NUTS II level.*

and rapid decline of the EU market share in a given sector or a delocalisation to third countries, which results in:

(a) at least 1000 redundancies in an enterprise, including workers made redundant in its suppliers or downstream producers,

or

(b) at least 1000 redundancies, over a period of **12 months**, in one or more enterprises, *particularly small or medium-sized enterprises, in a NACE 2 sector in a region at NUTS II level;*

(ba) in small labour markets or in exceptional circumstances, duly substantiated by the Member State(s) concerned, an application for a contribution from the EGF may be considered admissible even if the conditions laid down in paragraphs (a) or (b) are not entirely met, when redundancies, not less than 500, have a serious impact on employment and the local economy. The aggregated amount of contributions for exceptional circumstances may not exceed 20% of the EGF in any given year.

Amendment 18

Article 3, introductory wording

A financial contribution under this Regulation shall be made for *actions, as* part of a coordinated package of personalised services designed to re-integrate redundant workers into the labour market, including:

A *European Solidarity* financial contribution under this Regulation shall be made for *active labour market measures that may form* part of a coordinated package of personalised services designed to re-integrate redundant workers into the labour market, including *in particular*:

Amendment 19

Article 3, point (a)

(a) *active labour market measures, such as*

(a) job-search assistance, occupational

job-search assistance, occupational guidance, tailor-made training and re-training including ICT skills, outplacement assistance and entrepreneurship promotion or aid for self-employment;

guidance, tailor-made training and re-training including ICT skills **and certification of acquired experience**, outplacement assistance and entrepreneurship promotion or aid for self-employment, **for setting up cooperative projects, or for resuming business, and micro-credits**;

Amendment 20
Article 3, point (b)

(b) special in-work time-limited income supplements, such as job search allowances, mobility allowances, income support allowances to individuals participating in training activities; **and temporary wage supplements for workers of at least 50 years of age who accept to re-enter the labour market at a lower wage.**

(b) special in-work time-limited income supplements, such as job search allowances, mobility allowances, income support allowances to individuals participating in training activities;

(ba) incentives, including financial incentives, particularly for disadvantaged or older workers, to remain in the labour market.

Amendment 21
Article 3, paragraph 1 a (new)

The EGF shall not finance passive social protection measures.

Justification

The text that was initially proposed gives the impression that passive protection measures may be financed. Document SEC(2006) 314 indicates that this is not the case, and the amendment seeks to make that clear.

Amendment 22
Article 5, paragraph 2, point (a)

(a) A reasoned analysis of the link between the redundancies and the major structural changes in world trade patterns; demonstration of the number of redundancies; **and an explanation of the unforeseeable nature of these**

(a) A reasoned analysis of the link between the **planned** redundancies and the major structural changes in world trade patterns **and a** demonstration of the number of redundancies;

redundancies;

Amendment 23

Article 5, paragraph 2, point (b)

(b) The identification of the dismissing enterprises (national or multi-national); and the categories of workers to be targeted;

(b) The identification of the dismissing enterprises (national or multi-national), ***suppliers or downstream producers, sectors,*** and the categories of workers to be targeted;

Justification

In terms of monitoring movement and developments in the economy, it is more important to identify whole sectors affected by the changes rather than individual enterprises.

Amendment 24

Article 5, paragraph 2, point (c)

(c) The expected impact of the redundancies as regards local, regional ***or national*** employment;

(c) ***A description of the territory concerned and its regional or local authorities and other stakeholders,*** and the expected impact of the redundancies as regards local ***or*** regional employment;

Amendment 25

Article 5, paragraph 2, point (d)

(d) The ***specific actions*** to be funded and a breakdown of ***their*** estimated cost, including ***their*** complementarity with actions financed by the Structural Funds;

(d) The ***coordinated package of personalised services*** to be funded and a breakdown of ***its*** estimated cost, including ***its*** complementarity with actions financed by the Structural Funds ***as well as information on actions which are mandatory by virtue of national law or pursuant to collective agreements;***

Amendment 26

Article 5, paragraph 2, point (d a) (new)

(da) An account of wage conditions and of the period for which it is planned to pay any income subsidies;

Amendment 27

Article 5, paragraph 2, point (f)

(f) *The procedures followed for consulting* the social partners;

(f) *A reply to the consultation from* the social partners;

Amendment 28
Article 5, paragraph 3

3. Having regard to the actions implemented by the Member State and the enterprises concerned by virtue of national law or collective agreements, and paying particular attention to actions funded by the European Social Fund, hereinafter referred to as "the ESF", the information provided under paragraph 2 shall include a summary description of the actions taken and planned by the national authority and enterprises concerned, including an estimate of their cost.

3. Having regard to the actions implemented by the Member State, ***the region, the social partners*** and the enterprises concerned by virtue of national law or collective agreements, and paying particular attention to actions funded by the European Social Fund, hereinafter referred to as "the ESF", the information provided under paragraph 2 shall include a summary description of the actions taken and planned by the national authority and enterprises concerned, including an estimate of their cost.

Justification

Special reference is made to the region since, as the regulation under review states, it lies at the heart of the present arrangement (for instance, in recital 3: '... the financial contribution from the EGF is concentrated on the most seriously affected parts of the Community').

Amendment 29
Article 5, paragraph 4

4. The ***Member State*** shall also provide statistical and other information, at the most appropriate ***geographical*** level, which the Commission requires to assess the fulfilment of the intervention criteria.

4. The ***Member State(s) concerned*** shall also provide statistical and other information, at the most appropriate ***territorial*** level, which the Commission requires to assess the fulfilment of the intervention criteria.

Amendment 30
Article 5, paragraph 5

5. On the basis of the information referred to in paragraph 2, the Commission shall assess, in ***co-operation*** with the Member State, whether the conditions for making a financial contribution under this Regulation are met.

5. On the basis of the information referred to in paragraph 2, the Commission shall assess, in ***consultation*** with the Member State, whether the conditions for making a financial contribution under this Regulation are met.

Justification

There should be a good spread of responsibilities. As guardian of the treaties and the general Community interest, the Commission checks whether the conditions for granting aid are fulfilled, then the two arms of the budgetary authority must take a decision. The Member States submit the cases .

Amendment 31
Article 5, paragraph 6

6. The Commission shall ensure equal treatment of applications ***presented by Member States.***

6. The Commission shall ensure equal treatment of applications ***referred to in paragraph 1 without, however, establishing a quota system.***

Justification

It should be made clear that equal treatment depends on the substance of the applications, not pressure from the Member States or the country of origin of the applications. At all events, the budgetary authority will always have the last word and be able to take action if applications originate too often from the same Member States.

Amendment 32
Article 6, paragraph 2

2. Assistance from the EGF shall complement actions of the Member States at national, regional and local level.

2. Assistance from the EGF shall complement ***and not replace*** actions of the Member States at national, regional and local level. ***They may include, in accordance with paragraph 5, actions co-financed by structural funds.***

Justification

Complementarity and co-ordination with actions co-financed by structural funds can enhance the coherence of the EGF assistance and other community policies as indicated in recitals 4 and 5.

Amendment 33
Article 6, paragraph 3

3. ***Actions in receipt of a financial contribution*** from the EGF shall ***be compatible with the Treaty and acts adopted according to its provisions.***

3. ***Assistance*** from the EGF shall ***provide solidarity and support for individual workers made redundant as a result of structural changes in world trade patterns. The EGF shall not finance the restructuring of companies or sectors.***

Amendment 34
Article 6, paragraph 5

5. The Member State shall ensure that the specific actions receiving a contribution under the EGF ***shall not also receive*** assistance from other Community financial instruments.

5. The Member State shall ensure that the specific actions receiving a contribution under the EGF ***may complement*** assistance from other Community financial instruments, ***in particular the European Social Fund.***

Amendment 35
Article 6, paragraph 5 a (new)

5a. No additional tier of administration shall be required to implement assistance from the EGF.

Justification

To avoid adding to bureaucracy, it is suggested that the existing ESF machinery be used to implement the EGF.

Amendment 36
Article 7

7. The Commission and the Member States shall ***promote*** equality between men and women, ***and ensure non-discrimination on the basis of sex, race, ethnic origin, religion or belief, disability, age or sexual orientation in accessing support from the EGF.***

7. The Commission and the Member States shall ***ensure that*** equality between men and women ***and the integration of the gender perspective is promoted during the various stages of implementation of the EGF.***

The Commission and the Member States shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the various stages of implementation of and, in particular, in the access to, the EGF.

Justification

This amendment aligns this non-discrimination clause on the formulation of Article 16 of the Council Regulation laying down general provisions on the ERDF, the ESF and the Cohesion Fund.

Amendment 37
Article 8, paragraph 1

1. At the initiative of the Commission, subject to a ceiling of 0.35% of the financial resources available for that year, the EGF may be used to finance monitoring, information, administrative and technical support, audit, control and evaluation activities necessary to implement this Regulation.

1. At the initiative of the Commission, subject to a ceiling of 0.35% of the financial resources available for that year, the EGF may be used to finance monitoring, information, administrative and technical support, audit, control and evaluation activities necessary to implement this Regulation. ***The EGF shall also be used to set up a European one-stop Internet shop, providing wide access to information about the EGF and guidance on the submission of applications, as well as up-to-date information on accepted and refused applications, and highlighting the role of the budgetary authority.***

Amendment 38
Article 9

The Member State shall ***provide information on and publicise the funded actions. The information shall be addressed to redundant workers and the wider public. It shall highlight the role of the Community and ensure that the contribution from the EGF is visible.***

The Member State shall ***inform the workers concerned, the local and regional associations and authorities, the social partners, the media and organised civil society, about the EGF and about the Community origins of this fund. The European Commission shall ensure that the requirement for the Member State to provide such information constitutes an obligation specified and detailed in its decision on a financial contribution pursuant to Article 12(3).***

Amendment 39
Article 10, paragraphs 1 and 2

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 5(5) particularly taking into account the number of ***redundancies***, the proposed actions and the estimated costs, ***determine*** as quickly as possible the amount of financial contribution, if any, ***to*** be made within the limits of the resources available.

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 5(5) particularly taking into account the number of ***workers to be supported***, the proposed actions and the estimated costs, ***evaluate and propose*** as quickly as possible the amount of 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 5.2.(d).

2. Where, on the basis of the assessment carried out in accordance with Article 5(5), the Commission has concluded that the conditions for a financial contribution under this Regulation are met; it shall initiate the procedure set out in Article 12 *as soon as possible*.

The amount may not exceed 50% of the total of the estimated costs referred to in Article 5.2.(d).

2. Where, on the basis of the assessment carried out in accordance with Article 5(5), the Commission has concluded that the conditions for a financial contribution under this Regulation are met; it shall initiate the procedure set out in Article 12 *immediately*.

Amendment 40
Article 11

Expenditure shall be eligible for a contribution from the EGF from the *date* on which a Member State starts to provide personalised services to the workers *affected following the announcement of collective redundancies*.

Expenditure shall be eligible for a contribution from the EGF from the *date(s)* on which a Member State starts to provide personalised services to the *affected* workers, *as set out in Article 5(e)*.

Amendment 41
Article 11 a (new)

Article 11a

Budget procedure

1. The arrangements for the EGF shall comply with the provisions of Article 28 of the Interinstitutional Agreement of 17 May 2006 and any revisions of that Article.

2. Appropriations for the EGF shall be entered in the general budget of the European Union as a provision through the normal budgetary procedure as soon as the Commission has identified sufficient margins and/or cancelled commitments. The amounts shall be drawn in the following order:

- cancelled commitment appropriations from year N-2,*
- any margin existing under the global expenditure ceiling of year N-1,*
- cancelled commitment appropriations from year N-1.*

Amendment 42
Article 12, Title

Budget procedure

Awarding procedure

Justification

The new title better reflects the content of the article (in line with amendment n°8)

Amendment 43
Article 12, paragraphs 1 and 2

1. Where the Commission has concluded that a financial contribution should be made from the EGF, it shall submit to the budgetary authority a proposal to authorise appropriations corresponding to the amount determined in accordance with Article 10.

A proposal according to paragraph 1 shall include the following:

- (a) the assessment carried out in accordance with Article 5(5), together with a summary of the information on which that assessment is based;
- (b) evidence that the criteria laid down in **Article 2** are met;
- (c) the reasons justifying the amounts proposed.

2. The Commission shall **submit the proposals in batches to the budgetary authority**.

On **1st July** each year, at least one quarter of the annual maximum amount of the EGF shall remain available in order to cover needs arising until the end of the year.

1. Where the Commission has concluded that a financial contribution should be made from the EGF, it shall submit to the budgetary authority a proposal to authorise appropriations corresponding to the amount determined in accordance with Article 10 **and a request for the transfer of the amount to the EGF budget line. Proposals may be grouped into batches.**

Transfers concerning the EGF shall be carried out pursuant to Article 24(4) of Regulation (EC) No 1605/2002.

A proposal according to paragraph 1 shall include the following:

- (a) the assessment carried out in accordance with Article 5(5), together with a summary of the information on which that assessment is based;
- (b) evidence that the criteria laid down in **Articles 2 and 6** are met;
- (c) the reasons justifying the amounts proposed.

2. **At the same time as it presents its proposal**, the Commission shall **initiate a trilogue procedure, possibly in simplified form, to seek the agreement of both arms of the budgetary authority on the need to use the EGF and the amount required.**

2a. On **1 September** each year, at least one quarter of the annual maximum amount of the EGF shall remain available in order to cover needs arising until the end of the year.

Amendment 44
Article 12, paragraph 3 a (new)

3a. If the annual maximum amount earmarked for the EGF has not been exhausted and the requirement set out in paragraph 2a is met, the provisions of paragraph 3 must always be observed, strictly in compliance with this Regulation.

Justification

When the eligibility criteria are fully satisfied, legitimate expectations need to be safeguarded by invariably providing the funding to match them.

Amendment 45
Article 13, paragraph 1

1. Following adoption of the decision in accordance with Article 12(3), the Commission shall pay the financial contribution to the Member State in a single instalment.

1. Following adoption of the decision in accordance with Article 12(3), the Commission shall pay the financial contribution to the Member State in a single instalment, ***in principle, within 15 days.***

Justification

It is important that EGF assistance be provided very promptly, given the difficult situations for which funding is to be made available. A short time limit of 15 days seems appropriate. A 15-day deadline for action has also been proposed by Parliament in its report on the Solidarity Fund (1st reading, Berend report, A6-123/2006).

Amendment 46
Article 15, paragraph 1

1. No later than six months after the ***expiration*** of the period specified in Article 13(2), the Member State shall present a report to the Commission on the execution of the financial contribution, including information on the type of actions and main outcomes, together with a statement justifying the expenditure and indicating, whenever appropriate, the complementarity of actions with those funded by the ESF.

1. No later than six months after the ***expiry*** of the period specified in Article 13(2), the Member State shall present a report to the Commission on the execution of the financial contribution, including information on the type of actions and main outcomes ***as well as on the number of people who have secured lasting employment as a result of contributions from the EGF***, together with a statement justifying the expenditure and indicating, whenever appropriate, the complementarity of actions with those funded by the ESF.

Amendment 47
Article 15, paragraph 1 a (new)

1a. The Member State shall implement an evaluation system that makes it possible from the start of the subsidy period to monitor the impact of the various measures.

Amendment 48
Article 16, paragraph 1

1. For the first time in 2008 and before 1 July of each year, the Commission shall present to the European Parliament and to the Council a report on the activities under this Regulation in the previous year. The report shall in particular contain information relating to applications submitted, Decisions adopted, actions funded and the winding-up of financial contribution made.

1. For the first time in 2008 and before 1 July of each year, the Commission shall present to the European Parliament and to the Council a ***quantitative and qualitative*** report on the activities under this Regulation in the previous year. 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 the Structural Funds, notably the ESF,*** and the winding-up of financial contribution made. ***It shall also document those requests which have been refused owing to a lack of sufficient appropriations or to non-eligibility.***

Amendment 49
Article 16, paragraph 2

2. The report will be transmitted, for information, to the social partners.

2. The report will be transmitted, for information, to the ***European Economic and Social Committee, the Committee of the Regions and the*** social partners.

Justification

In this sector it is important to maintain a wide degree of consensus and to show transparency towards the European institutions and social partners directly involved in the success of the project.

Amendment 50
Article 17, paragraph 1, introductory part

The Commission shall carry out at its own initiative and in close co-operation with the Member States:

The Commission shall carry out at its own initiative and in close co-operation with **the European Parliament**, the Member States **and the social partners**:

Amendment 51
Article 17, paragraph 1, point (b)

(b) an ex-post evaluation.

(b) an ex-post evaluation **by 31 Dec 2014 with the assistance of external experts, to measure the impact of the EGF and its added value.**

Justification

The European added value of the EGF should be a key element in the project's evaluation.

Amendment 52
Article 17, paragraph 2

2. The results of the evaluation will be transmitted, for information, to the **budgetary authority** and to the social partners.

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

Amendment 53
Article 18, paragraph 1

1. Without prejudice to the Commission's responsibility for implementing the general budget of the European Communities, Member States shall take responsibility in the first instance for the management of actions supported by the Fund and the financial control of the actions. To that end, the measures they take shall include

(a) verifying that management and control arrangements have been set up and are being implemented in such a way as to ensure that Community funds are being used efficiently and correctly, in accordance with the principles of sound financial management;

(b) verifying that the financed actions have

1. Without prejudice to the Commission's responsibility for implementing the general budget of the European Communities, Member States shall take responsibility in the first instance for the management of actions supported by the Fund and the financial control of the actions. To that end, the measures they take shall include

(a) verifying, **in due time**, that management and control arrangements have been set up and are being implemented in such a way as to ensure that Community funds are being used efficiently and correctly, in accordance with the principles of sound financial management;

(b) verifying, **in due time**, that the financed

been properly carried out;

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

(d) preventing, detecting and correcting irregularities and recovering amounts unduly paid together with interest on late payments where appropriate. They shall notify these to the Commission, and keep the Commission informed of the progress of administrative and legal proceedings.

actions have been properly carried out;

(c) ensuring, ***in due time***, that expenditure funded are based on verifiable supporting documents, are correct and regular;

(d) preventing, detecting and correcting irregularities and recovering amounts unduly paid together with interest on late payments where appropriate. They shall notify these to the Commission, ***in due time***, and keep the Commission informed of the progress of administrative and legal proceedings.

Amendment 54

Article 18, paragraph 3, subparagraph 1

3. The Commission, in its responsibility for the implementation of the general budget of the European Communities, 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, in compliance with the provisions of Council Regulation (EC, Euratom) No 1605/2002. ***It shall particularly ensure that Member States have smoothly functioning management and control systems.***

3. The Commission, in its responsibility for the implementation of the general budget of the European Communities, 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, in compliance with the provisions of Council Regulation (EC, Euratom) No 1605/2002. ***It is the responsibility of each Member State to ensure it has smoothly functioning management and control systems; it is the responsibility of the Commission to verify that such systems are indeed in place.***

Amendment 55

Article 20, paragraph 1 a (new)

Furthermore, the Commission may, when preparing its report pursuant to Declaration No 1 to the Interinstitutional Agreement of 17 May 2006 by the end of 2009, submit a proposal to amend the provisions of the Interinstitutional Agreement relating to the EGF.

Amendment 56

Article 20, paragraph 2

The European Parliament and the Council shall ***in any case*** review this Regulation by

The European Parliament and the Council shall review this Regulation by 31

31 December 2013.

December 2013 *and shall renew it if necessary.*

Justification

The renewal of the fund and its conditions will depend on the content of the next financial perspectives which will come into force in 2014.

(COD)

14.9.2006

OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund
(COM(2006)0091 – C6-0082/2006 – 2006/0033(COD))

Draftsman(*): Esko Seppänen

(*) Enhanced cooperation between committees - Rule 47 of the Rules of Procedure

am

SHORT JUSTIFICATION

Decisions of the Council and provisions of the IIA concerning the EGF

The decision on the establishment of the European Globalisation Adjustment Fund was taken by the Council in December 2005, which also decided that the maximum amount cannot exceed EUR 500 million and that it *should be financed through under-spending against the budget ceilings (...) and/or from funds which are de-committed.*

Budgetary aspects of the establishment of the European Globalisation adjustment Fund (EGF) were further defined by the new Interinstitutional Agreement on budgetary discipline and sound financial management of 17 May 2006¹ (IIA), which will come into force on 1 January 2007. As the respective provisions have not been taken over by the proposal for the Regulation, it is necessary to refer to it in order to explain the budgetary framework of the EGF.

Point 28 of the Interinstitutional Agreement specifies that:

- the Fund cannot exceed the maximum annual amount of EUR 500 million which can be drawn from any margin existing under the global expenditure ceiling of the previous year, and/or from cancelled commitment appropriations from the previous two years, excluding those related to heading 1B,
- as concerns the procedure:
 1. as soon as the Commission has identified the sufficient margins and/or cancelled

¹ OJ C 139, 14.6.2006, p. 1.

commitments, the appropriations will be entered in the general budget as a provision through the normal budgetary procedure;

2. after the conditions for mobilising the Fund are fulfilled, the Commission will present to the two arms of the budgetary authority: (i) a proposal to deploy the Fund, (ii) a proposal for a transfer to the relevant budgetary lines;

3. at the same time as it presents its proposal for a decision to deploy the Fund, the Commission will initiate a trilogue procedure, to secure agreement of the two arms of the budgetary authority on the need to use the Fund and on the amount required.

Notion of de-committed appropriations

The definition of unspent appropriations under the Financial Regulation covers unused appropriations and de-committed appropriations.

Unused appropriations: Article 9(1) states that *"appropriations which have not been used at the end of the financial year for which they were entered shall be cancelled."*

De-committed appropriations: Article 11 states that *"where amounts are de-committed as a result of total or partial non-implementation of the actions for which they were earmarked, in any financial year after that in which the appropriations were entered in the budget, the appropriations concerned shall be cancelled."*

On the basis of the level of implementation in recent years (see table below), it appears that the EGF can be financed at its maximum only with unspent appropriations, should no margin be left.

Cancelled commitment appropriations of the budget 2000-2005*								
		2000	2001	2002	2.003.00	2004	2005*	Total
1	Agriculture	246.537.977,98	1.841.360.104,36	1.053.229.479,33	361.181.235,14	311.940.802,99	147.259.108,25	3.961.508.708,65
2	Structural Operations	33.127.919,21	21.124.328,39	3.024.191,88	20.411.436,38	96.657.731,34	45.625.744,88	219.971.352,08
3	Internal Policies	129.058.080,25	153.849.059,05	143.998.247,84	137.210.491,14	200.626.974,68	323.518.839,69	1.088.261.692,65
4	External Policies	187.510.411,82	44.441.599,82	43.395.917,46	32.602.579,61	48.770.676,01	41.037.479,03	397.758.663,75
5	Administration	69.299.562,04	46.093.789,46	33.718.819,69	28.842.864,56	129.785.893,13	106.336.444,71	414.077.373,59
6	Reserves	849.709.500,00	658.824.000,00	331.510.000,00	171.080.000,00	260.125.000,00	95.890.000,00	2.367.138.500,00
7	Pre-Accession Strategy	13.295.588,41	3.530.407,00	6.072.741,27	6.984.969,97	29.281.124,03	127.243.412,35	186.408.243,03
8	Compensation							
	Total	1.258.539.039,71	2.769.223.288,08	1.614.949.397,47	758.313.576,80	1.077.188.202,18	886.911.029,51	8.635.124.533,75

*Difference between commitment appropriations budgeted and actually committed in the course of the budgetary year, excluding transfers and carry-overs to following years

** Provisional data for 2005 (by 1.2.2006)

Source: Definitive consolidated annual accounts 2000-2002, final accounts for 2003 and 2004

Budget procedure

Practical implementation of the provisions of the IIA, according to the revised Legislative Financial Statement of 20 June 2006 provided by the Commission, would lead to the

following procedure.

Use of the "margin existing under the global expenditure ceiling of the previous year" (difference between the global ceiling for commitment appropriations set in the financial framework for the year n-1 and the commitment appropriations entered in the budget for that year), and "cancelled commitment appropriations from the previous two years" required by the IIA has important consequences for the procedure applying to the EGF. Provisions can only be entered in the budget if and when the amounts of the unused margin and cancelled commitments appropriations are known, which is:

- Spring of the year n-1 for the cancelled commitment appropriations of the year n-2,
- Autumn of the year n-1 for the margin under the global ceiling for the year n-1,
- Spring of the year n for the cancelled commitment appropriations of the year n-1.

Accordingly, budgetary procedure for the use of EGF would be as follows.

In spring of the year n-1, the Commission, having identified the cancelled commitment appropriations of year n-2, will be able to propose entering corresponding amounts (subject to the ceiling of EUR 500 million) in the Preliminary Draft Budget (PDB) of the year n or, at the latest, in the Letter of Amendment to the PDB, into Title 40 'Reserves' (40 02 43 - 'Reserve for the European Globalisation adjustment Fund'). If the level of the cancelled commitment appropriations in year n-2 is lower than EUR 500 million, adding further appropriations to the reserve line would be possible in autumn of the year n-1, at the stage of the second reading of the draft budget for the year n (once the margin available for the year n-1 is known). Finally, if the level of EUR 500 million has still not been reached, the shortfall can be filled in spring of the year n by an Amending Budget, after the level of cancelled commitment appropriations of the year n-1 has been identified.

Making actual use of the Fund, once the appropriations are entered on the reserve line and the conditions for deploying it are fulfilled, requires a decision to mobilise the Fund. This has to be taken jointly by the two arms of budgetary authority, on a proposal from the Commission. In the event of a positive decision, the corresponding transfers are decided upon (from the reserve line to line 04 05 01 *European Globalisation Adjustment Fund*) in accordance with Article 24(4) of the Financial Regulation.

As stated in the IIA, the Commission, at the same time that it presents the proposal to deploy the Fund, initiates a trilogue procedure to secure the agreement of the budgetary authority on mobilising the Fund and on the amounts.

A part of the amendments proposed are therefore the result of the necessity to adapt the proposal to the provisions of the IIA and include a reference to them in the text of the regulation to make it clearer and more precise.

AMENDMENTS

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

Amendment 1
Recital 1

(1) Notwithstanding the **overall** positive **effect** of globalisation on growth and jobs in the Community, it is opportune to establish a European Globalisation adjustment Fund (hereinafter referred to as "the EGF"), through which the Community would show its solidarity towards workers affected by redundancies resulting from changes in world trade patterns;

(1) Notwithstanding the positive **effects** of globalisation on growth and jobs in the Community, it **undeniably also entails disadvantages for the most vulnerable and least qualified workers in some sectors. It is therefore** opportune to establish a European Globalisation adjustment Fund (hereinafter referred to as "the EGF"), through which the Community, **which has to conduct negotiations in the World Trade Organisation**, would show its solidarity towards workers affected by redundancies resulting from changes in world trade patterns;

Justification

Under Articles 131-134 of the Treaty, the European Community directs the common commercial policy and is thus responsible for negotiations in the WTO. This common commercial policy may engender imbalances within the EU, i.e. more work and jobs in one sector or region, and a corresponding rise in job losses, and unemployment in another sector or region.

Amendment 2
Recital 4 a (new)

(4a) The Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management¹ will be binding as of 1 January 2007. Point 28 of this Agreement determines the budgetary framework of the European Globalisation

¹ Not yet published in OJ.

Adjustment Fund;

¹ *OJ C 139, 14.6.2006, p. 1.*

Justification

As the budgetary frames of the EGF are, to a large extent, defined in the IIA, the regulation would be more precise if it clearly referred to it.

Amendment 3 Article 2, paragraph, 1 a (new)

However, even where the quantitative criteria referred to in points (a) and (b) are not met, the Commission may, in exceptional and duly justified circumstances, consider that a Member State can request the intervention of the EGF.

Justification

It is important that the Regulation should include a political criterion for assessing the eligibility of applicants so that the strict conditions associated with laying down a particular figure do not make it impossible for the EGF to intervene in situations where the other conditions prescribed are met.

Amendment 4 Article 8, paragraph 1

1. At the initiative of the Commission, subject to a ceiling of **0.35%** of the financial resources available for that year, the EGF may be used to finance monitoring, information, administrative and technical support, audit, control and evaluation activities necessary to implement this Regulation.

1. At the initiative of the Commission, subject to a ceiling of **0.30%** of the financial resources available for that year, the EGF may be used to finance monitoring, information, administrative and technical support, audit, control and evaluation activities necessary to implement this Regulation.

Justification

The percentage allowed for EGF administrative costs is 0.25%. The EGF has a much smaller financial allocation but its administration is also shared.

Amendment 5
Article 9

The Member State shall *provide information on and publicise the funded actions. The information shall be addressed to redundant workers and the wider public. It shall highlight the role of the Community and ensure that the contribution from the EGF is visible.*

The Member State shall *undertake to inform workers benefiting from the EGF, and the public in the region concerned, about the role of the Community in assisting them.*

Justification

The notion of information appears more appropriate to the situation of workers in difficulty than that of 'publicising', which has commercial connotations.

Amendment 6
Article 9, paragraph 1 a (new)

The Commission shall ensure that that undertaking by the Member State to provide information is a requirement set out in the award decision referred to in Article 12(3).

Justification

Member States must comply with the principles, laid down in the Regulation, that information must be provided about Community actions. The Community's role must be sufficiently clear and visible; that must be ensured by the Member State benefiting from the fund.

Amendment 7
Article 10

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 5(5) particularly taking into account the number of redundancies, the proposed actions and the estimated costs, determine *as quickly as possible* the amount of financial contribution, if any, to 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

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 5(5) particularly taking into account the number of redundancies, the proposed actions and the estimated costs, determine, *within two months following receipt of the Member State application referred to in Article 5(1)*, the amount of financial contribution, if any, to 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

5.2.(d)

2. Where, on the basis of the assessment carried out in accordance with Article 5(5), the Commission has concluded that the conditions for a financial contribution under this Regulation are met; it shall initiate the procedure set out in Article 12 *as soon as possible*.

3. Where, on the basis of the assessment carried out in accordance with Article 5(5), the Commission has concluded that the conditions for a financial contribution under this Regulation are not met, it shall notify the Member State concerned *as soon as possible*.

5.2.(d)

2. Where, on the basis of the assessment carried out in accordance with Article 5(5), the Commission has concluded that the conditions for a financial contribution under this Regulation are met; it shall initiate the procedure set out in Article 12 *within two months following receipt of the Member State application referred to in Article 5(1)*.

3. Where, on the basis of the assessment carried out in accordance with Article 5(5), the Commission has concluded that the conditions for a financial contribution under this Regulation are not met, it shall notify the Member State concerned *within two months following receipt of the Member State application referred to in Article 5(1)*.

Justification

It is important to set precise time limits so that applications are not processed with too great a delay. This complements and strengthens Amendment 7 by the rapporteur.

Amendment 8
Article 11 a (new)

Article 11a
Budget procedure

- 1. The maximum amount of EUR 500 million can be drawn from cancelled commitment appropriations from the previous two years, excluding those related to heading 1B of the financial framework, and from any margin existing under the global expenditure ceiling of the previous year, in the following order:
- from cancelled commitment appropriations from the year N-2,
- from any margin existing under the global expenditure ceiling of the year N-1,
- from cancelled commitment appropriations from the year N-1.*
- 2. When presenting the preliminary draft*

budget (PDB) for the year N, in April-May of the year N-1, after evaluating the amount of cancelled appropriations for the year N-2, the Commission shall enter a provisional amount of commitments in the PDB.

3. In November of the year N-1 and before the second reading of the budget by the European Parliament and the Council, the Commission may supplement the provisional amount if necessary with unused commitment appropriations available under the global ceiling of expenditure for the year N-1 if possible through a Letter of Amendment.

4. If the amount of EUR 500 million is not reached, the Commission may propose to enter in the budget the remaining additional amount necessary to reach EUR 500 million from cancelled appropriations of the year N-1, through an Amending Budget.

5. Together with its proposal for a decision to deploy the Fund, the Commission shall present to the two arms of the budgetary authority a proposal for a transfer in accordance with Article 24(4) of the Financial Regulation, as laid down by Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002¹.

¹ OJ L 248, 16.9.2002, p. 1.

Justification

Amendment aims at specifying the consecutive steps of the budget procedure applying to EGF and at ensuring that the cancelled commitments from year N-2 are used in first place.

Amendment 9
Article 12, Title

Budget procedure

Awarding procedure

Justification

The new title better reflects the content of the article (in line with amendment n°8)

Amendment 10

Article 12, paragraph 2, subparagraph 1

2. The Commission shall submit **the proposals in batches** to the budgetary authority.

2. The Commission shall submit to the budgetary authority **its proposal to mobilise the Fund within two months of receiving a complete application from a Member State. At the same time, it shall also present any proposal for budgetary transfers.**

Justification

Deadlines defined in the Regulation would help avoiding excessive delays in consideration of the complete applications and awarding financial support.

Amendment 11

Article 12, paragraph 2, subparagraph 2

On 1st **July** each year, at least one quarter of the annual maximum amount of the EGF shall remain available in order to cover needs arising until the end of the year.

On 1st **September** each year, at least one quarter of the annual maximum amount of the EGF shall remain available in order to cover needs arising until the end of the year.

Justification

Leaving only one quarter of the appropriations for the second semester of the year seems to be insufficient. The amendment aims at ensuring the availability of the financial means at the end of the year.

Amendment 12

Article 13, paragraph 1

1. Following adoption of the decision in accordance with Article 12(3), the Commission shall pay the financial contribution to the Member State in a single instalment.

1. Following adoption of the decision in accordance with Article 12(3), the Commission shall pay the financial contribution to the Member State in a single instalment **within 15 days.**

Justification

It is important that EGF assistance be provided very promptly, given the difficult situations for which funding is to be made available. A short time limit of 15 days seems appropriate. A 15-day deadline for action has also been proposed by Parliament in its report on the Solidarity Fund (1st reading, Berend report, A6-123/2006).

Amendment by Brigitte Douay

Amendment 13

Article 16, paragraph 1, subparagraph 1a (new)

That report may be accompanied by a proposal to amend this Regulation, in particular with regard to its budget allocation.

Justification

The amount of the fund could be adjusted upwards in the light of needs established in preceding financial years. Revision of the Regulation must therefore be allowed for.

PROCEDURE

Title	Proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund
References	COM(2006)0091 – C6-0082/2006 – 2006/0033(COD)
Committee responsible	EMPL
Opinion by Date announced in plenary	BUDG 16.3.2006
Enhanced cooperation – date announced in plenary	6.7.2006
Drafts(wo)man Date appointed	Esko Seppänen 25.4.2006
Previous drafts(wo)man	
Discussed in committee	12.9.2006 13.9.2006
Date adopted	12.9.2006
Result of final vote	+: 32 -: 0:
Members present for the final vote	Laima Liucija Andrikienė, Reimer Böge, Paulo Casaca, Gérard Deprez, Brigitte Douay, Bárbara Dührkop Dührkop, Hynek Fajmon, Szabolcs Fazakas, Markus Ferber, Salvador Garriga Polledo, Ingeborg Gräßle, Louis Grech, Nathalie Griesbeck, Catherine Guy-Quint, Jutta D. Haug, Ville Itälä, Anne E. Jensen, Zbigniew Krzysztof Kuźmiuk, Alain Lamassoure, Janusz Lewandowski, Vladimír Maňka, Gérard Onesta, Giovanni Pittella, Antonis Samaras, Esko Seppänen, Nina Škottová, László Surján, Yannick Vaugrenard, Kyösti Virrankoski, Ralf Walter
Substitute(s) present for the final vote	Libor Rouček, José Albino Silva Peneda
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	...

12.9.2006

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund
(COM(2006)0091 – C6-0082/2006 – 2006/0033(COD))

Draftsman: Giulietto Chiesa

am

SHORT JUSTIFICATION

The Committee on International Trade gives a qualified welcome to the draft regulation establishing the European Globalisation adjustment Fund.

The social effects of globalisation have been underestimated by the Commission, which has long preferred to highlight its benefits, while simultaneously keeping silent about its drawbacks. The widespread opening up of markets undoubtedly brings benefits, but it has extremely serious social implications, especially for the most vulnerable population groups in Europe.

The European institutions and the Member States therefore need to act in concert, each in its own sphere of responsibility, in order to provide an effective and timely response to the public's legitimate expectations. Short-term policies will certainly not enable Europe, which most Europeans already feel is 'distant' and which is frequently accused of pandering to the interests of big business, to regain the prestige and popularity that it seems to have lost along the way. More needs to be done, and there must be greater emphasis on creating a social Europe based on solidarity, at the expense of the Europe of multinationals.

Having said that, your draftsman considers that the EGF also has positive aspects. Despite its obvious limitations the fund represents a first appreciable step towards a social policy designed to combat the short- and medium-term effects of globalisation. The Commission proposal is also timely because it conveys a positive message to the public. After all, the problem of globalisation doesn't just affect a single worker, a single industry or a single Member State; on the contrary: this is a European issue which has to be addressed and resolved at Community level, too, by taking an approach based on solidarity.

However, the resources made available are insufficient to cover the ambitious targets that the fund sets itself, and the number of workers which it will be possible to help (35 000 – 50 000)

appears to fall short of real needs. While noting the expenditure limits imposed by the Council, your draftsman invites the Commission to undertake a social policy which will tackle the problems associated with the economic decline of a growing number of European industrial regions in depth, and not just symbolically. Your draftsman also considers that it makes sense for the Commission itself, in its final report and in the light of the positive results which may be achieved, to put forward proposals to the Council and Parliament to extend the scope of the EGF.

The Commission's working document also recognises that the victims of globalisation are to be found among those groups of workers who are naturally disadvantaged. These are women, older workers and those with limited qualifications for whom it is therefore more difficult to find new jobs on the labour market. The Commission explains that there are economic sectors which are more vulnerable to globalisation and that the concentration of industries at risk is greater in some Member States than in others. The Commission's proposed intervention criteria could be improved. They should ensure that the EGF provides limited but genuine help for the groups of workers referred to. Your draftsman therefore considers it advisable to modify them to make them more flexible, by focusing more on workers in small and medium-sized firms and on local realities.

Where the proposed amendments are concerned, these generally aim to ensure a balanced disbursement of the aid provided for workers, taking into account the economic, social and territorial characteristics of all the Member States. A provision has also been introduced whereby, if applications exceed the funding allocated, priority will be given to the most disadvantaged regions of Europe which have been hit harder by the effects of globalisation.

Finally, your draftsman stresses the need for the Member States to keep in mind the purpose of the instrument, and in particular to ensure appropriate publicity for the EGF and for the message of solidarity that it embodies.

AMENDMENTS

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

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1
Recital -1 (new)

(-1) Globalisation may have serious social effects on the economy and on employment in the European Union. The negative effects of globalisation have a major impact on the Community's less-developed regions

¹ Not yet published in OJ.

and hit those groups of workers who are naturally disadvantaged, such as women, older workers and those with limited qualifications for whom it is therefore more difficult to find new jobs on the labour market. Some sectors are more vulnerable to globalisation, and the concentration of industries at risk is greater in some Member States than in others. There is also a mismatch between the positive impact of globalisation and its negative effects, such as job losses in regions which are already depressed.

Amendment 2
Article 2, introductory part

A financial contribution from the EGF shall be provided where major structural changes in world trade patterns lead to a serious economic disruption, notably a massive increase of imports into the EU, or *a progressive* decline of the EU market share in a given sector or a delocalisation to third countries, which results in:

A financial contribution from the EGF shall be provided where major structural changes in world trade patterns lead to a serious economic disruption, notably a massive increase of imports into the EU, or *an accelerated* decline of the EU market share in a given sector or a delocalisation to third countries, which results in:

Amendment 3
Article 2, point (a)

(a) at least 1000 redundancies in an enterprise, including workers made redundant in *its* suppliers or downstream producers, *in a region* where unemployment, measured at NUTS III level, is higher than the EU or national average, or

(a) at least 1000 redundancies in an enterprise *or group of connected enterprises*, including workers made redundant in suppliers or downstream producers, where unemployment, measured at NUTS III level, is higher than the EU or national average, or

Justification

It is necessary to make a distinction between (a) the enterprise where what counts are employees and (b) the sector which is defined in terms of jobs. Furthermore, it is proposed to delete the regional localisation criterion in Article 2(a) so as to allow an interregional approach.

Amendment 4
Article 2, point (b)

(b) at least 1 000 **redundancies**, over a period of **6 months, in one or more enterprises** in a sector, measured at NACE 2 level, which represents at least 1% of regional employment measured at NUTS II level.

(b) at least 1 000 **job losses**, over a period of **12 months**, in a sector, measured at NACE 2 level, which represents at least 1% of regional employment **or a fall in regional employment of at least 10%**, measured at NUTS II level.

Justification

In Article 2(b) it is proposed to widen the scope of the regulation to sectors where regional employment has fallen by at least 10% without necessarily representing 1% of regional employment.

Amendment 5
Article 5, paragraph 2, point (b)

(b) **The** identification of the dismissing enterprises (national or multi-national); and the categories of workers to be targeted;

(b) **Detailed** identification of the dismissing enterprises (national or multi-national), and the categories of workers to be targeted; **for groups, an organisational chart shall be provided showing the links between the various entities making up the group;**

Amendment 6
Article 5, paragraph 6

6. The Commission shall ensure equal treatment of applications presented by Member States.

6. The Commission shall ensure equal treatment of applications presented by Member States. **It shall also ensure that the EGF disburses funding in a balanced manner, taking adequate account of the economic, social and territorial characteristics of all Member States.**

Amendment 7
Article 5, paragraph 6 a (new)

6a. In the event of the value of applications submitted exceeding the amount of funding available, priority shall be given to applications for areas which have been

more seriously affected by changes in market conditions and where the documentation provided by the Member States shows that there are substantial difficulties with re-employing the surplus workers.

Amendment 8
Article 6, paragraph 2

2. Assistance from the EGF shall complement actions of the Member States at national, regional and local level.

2. Assistance from the EGF shall complement ***and not replace*** actions of the Member States at national, regional and local level.

Amendment 9
Article 9

The Member State shall provide information on and publicise the funded actions. The information shall be addressed to redundant workers and the wider public. It shall highlight the role of the Community and ensure that the contribution from the EGF is visible.

The Member State shall provide ***appropriate*** information on and publicise the funded actions. The information shall be addressed to redundant workers and the wider public. It shall highlight the role of the Community and ensure that the contribution from the EGF is visible.

Amendment 10
Article 12, paragraph 2, subparagraph 2

On *1st* July each year, at least ***one quarter*** of the annual maximum amount of the EGF shall remain available in order to cover needs arising *until* the end of the year.

On *1* July each year, at least ***one third*** of the annual maximum amount of the EGF shall remain available in order to cover needs arising *up to* the end of the year.

Amendment 11
Article 15, paragraph 1

1. No later than six months after the *expiration* of the period specified in Article 13(2), the Member State shall present a report to the Commission on the execution of the financial contribution, including information on the type of actions and main outcomes, together with a statement justifying the expenditure and

1. No later than six months after the *expiry* of the period specified in Article 13(2), the Member State shall present a report to the Commission on the execution of the financial contribution, including information on the type of actions and main outcomes ***as well as on the number of people who have secured lasting employment as a result of***

indicating, whenever appropriate, the complementarity of actions with those funded by the ESF.

contributions from the EGF, together with a statement justifying the expenditure and indicating, whenever appropriate, the complementarity of actions with those funded by the ESF.

Amendment 12
Article 15, paragraph 1 a (new)

1a. The Commission may make recommendations designed to improve and extend the application of the EGF.

Amendment 13
Article 20, paragraph 1

On the basis of the first annual report provided for in Article 16, the European Parliament and the Council may review this Regulation, on the basis of a proposal by the Commission, to ensure that the solidarity objective of the EGF is met and that its provisions adequately take into account the economic, social and territorial characteristics of all Member States.

On the basis of the first annual report provided for in Article 16, the European Parliament and the Council may review this Regulation, on the basis of a proposal by the Commission, to ensure that the solidarity objective of the EGF is met ***and, possibly, extended,*** and that its provisions adequately take into account the economic, social and territorial characteristics of all Member States.

PROCEDURE

Title	Proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund
References	COM(2006)0091 – C6-0082/2006 – 2006/0033(COD)
Committee responsible	EMPL
Opinion by Date announced in plenary	INTA 16.3.2006
Enhanced cooperation – date announced in plenary	
Drafts(wo)man Date appointed	Giulietto Chiesa 21.3.2006
Previous drafts(wo)man	
Discussed in committee	30.5.2006 12.7.2006
Date adopted	12.9.2006
Result of final vote	+: 20 -: 3 0: 0
Members present for the final vote	Jean-Pierre Audy, Daniel Caspary, Giulietto Chiesa, Christofer Fjellner, Béla Glattfelder, Jacky Henin, Erika Mann, Helmuth Markov, Alain Lipietz, Caroline Lucas, Georgios Papastamkos, Godelieve Quisthoudt-Rowohl, Tokia Saïfi, Peter Šťastný, Johan Van Hecke, Daniel Varela Suanzes-Carpegna, Zbigniew Zaleski,
Substitute(s) present for the final vote	Margrietus van den Berg, Jorgo Chatzimarkakis, Robert Goebbels, Antolín Sánchez Presedo, Mauro Zani
Substitute(s) under Rule 178(2) present for the final vote	Filip Kaczmarek
Comments (available in one language only)	

4.10.2006

OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund
(COM(2006)0091 – C6-0082/2006 – 2006/0033(COD))

Draftsman: Vladimír Remek

SHORT JUSTIFICATION

We do not need to study globalisation in any great depth in order to realise that the phenomenon has both desirable results and undesirable side-effects. The EU is naturally trying to respond appropriately but although it has taken a variety of steps, the policies and measures which it is currently pursuing have not been entirely successful in eliminating the unwanted aspects. If we agree with the view that the most effective response to upheavals in the structure of world trade and to the effects that they have on workers is to take pro-active steps such as investment in the creation of new jobs, support and encouragement for business enterprise, increased funding for science and research and greater flexibility on the job market (which will create the conditions for an overall increase in Europe's competitiveness), we should welcome the proposal to set up a European Globalisation Adjustment Fund (EGF) - which, for a number of reasons, should be brought into existence straight away.

If one of the Commission's aims is to send out a positive signal that the EU bodies and Member States wish to share in the task of solving the problems associated with changes in international trade and alleviating the undesirable effects which those changes have on workers, such an initiative may be supported - although we must be aware that the EGF's potential is to some extent restricted and we must insist that the rules and the criteria relating to the Fund must be established both transparently and as simply as possible, so as to ensure that even in its restricted form the Fund has at least some effect. Furthermore, we must bear in mind the many factors which influence the impact which the EGF will have and the way in which the Fund will be perceived: for example, equal access, identical terms, conditions and opportunities for all Member States (both large and small), and the ability to draw upon resources in the event of problems affecting not only large but in particular small and medium-sized businesses, which suffer most when fluctuations occur in the pattern of world trade but which at the same time form the overwhelming majority of businesses and constitute the basis of the employer structure in the EU.

These and other considerations are the reason for the proposed amendments and improvements to the original text submitted by the Commission in connection with the EGF project.

Contentious issues include in particular the eligibility criteria for EGF funding. The Commission proposal prompts fears that the principle of equal treatment irrespective of a Member State's size and of the size of the businesses entitled to seek EGF assistance may be contravened. For example, it should be borne in mind that 99% of businesses in Europe are small and medium-sized (SMEs) and that 92% of them have fewer than 10 employees. Hence the condition concerning recourse to the EGF in the case of businesses with at least 1000 employees should ideally be amended, since this (and other criteria) would make it very difficult for the smaller Member States - which have already expressed reservations in the course of the discussions - to secure access to the Fund.

No less controversial is the principle whereby the EGF could be called upon when manufacturing is relocated to a non-EU country. The fact that the Fund could not be used in cases involving job losses within the EU following a company relocation in search of more favourable manufacturing conditions would result in the creation of several 'layers' of the unemployed. Furthermore, the problem would only worsen if the proposed further enlargement of the EU (most immediately to include Bulgaria and Romania) were to come about. There is also the danger that businesses will prefer to attempt the relocation of manufacturing out of the EU, which is definitely not in the latter's interests. If the EGF is to be a fund which enables a rapid response to be made to unforeseen and unexpected economic changes, the criteria should be simple and the procedure for approving applications and making resources available should be as swift as possible. These principles cannot be easily incorporated into the Commission proposal, even though some of the amendments tabled by the ITRE committee point in precisely that direction.

In the rapporteur's view, active participation involving employers, the individual Member States' institutions and the social partners must be an important part of the process of creating the EGF and getting it to work, and following consultation those parties' views should be taken into account in the decision-making process. Particular consideration should be given to the category of workers who on account of their age come up against more serious problems on the job market - all the more so, since that category is constantly expanding within the EU. People aged around 50 experience difficulty in finding employment and this applies in equal measure to those who wish to change jobs. In the rapporteur's view, however, 50 should not be established as a precise dividing line, since the spectrum of problems associated with the change or the loss of employment affects people in a broader age range on either side of that line. This reflects the specific characteristics of various occupations in which the age limit for so-called older and less useful workers is lower than normal. One of the amendments to the original text constitutes an attempt to take into account the arrangements prevailing in individual Member States - concerning retirement, for example.

Your draftsman firmly believes that two major conditions governing the existence and the application of the EGF must be a thorough, objective assessment of the EGF's effectiveness in relation to the purpose which it was originally intended to serve and appropriate adjustments to the criteria (including the size of the budget) on the basis of acquired experience, so as to ensure that the EGF does not become just a formal, administratively burdensome affair serving no useful purpose for the EU Member States and their inhabitants.

AMENDMENTS

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

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1 Recital 1

(1) Notwithstanding the overall positive effect of globalisation on growth and jobs in the Community, it is opportune to establish a European Globalisation adjustment Fund (hereinafter referred to as "the EGF"), through which the Community would show its solidarity towards workers affected by redundancies resulting from changes in world trade patterns;

(1) Notwithstanding the overall positive effect of globalisation on growth and jobs in the Community, it is opportune to establish a European Globalisation adjustment Fund (hereinafter referred to as "the EGF"), through which the Community would, ***in an equitable manner***, show its solidarity towards workers affected by redundancies resulting from changes in world trade patterns;

Justification

It is essential that EGF assistance for European workers be both fair and seen to be fair.

Amendment 2 Recital 1 a (new)

(1a) More extensive monitoring, research and reporting by the Commission on a long-term basis is needed to fully understand the various aspects of off-shoring. The Commission's work should include data on the current effect of off-shore competition on EU industries, the quantity and sectoral composition of jobs that move off-shore, the economic costs of off-shoring (including lost tax revenue and the social expenditure necessary to support workers made redundant), the redeployment of workers and their new wage levels, and the wider effects on communities;

¹ Not yet published in OJ.

Justification

Early warning provisions and data evaluating the effects of off-shoring are necessary tools to develop appropriate Community policy responses.

Amendment 3

Recital 4

(4) The activities of the EGF should be coherent and compatible with the other Community policies and comply with its acquis.

(4) The activities of the EGF should be coherent and compatible with the other Community policies ***and especially with actions taken under the Structural Funds*** and comply with its acquis.

Amendment 4

Recital 5

(5) An action funded under this Regulation should not receive financial assistance from other Community financial instruments.

(5) An action funded under this Regulation should not receive financial assistance from other Community financial instruments. ***However, coordination with existing or planned modernisation and restructuring measures in the framework of regional development is necessary, albeit that such coordination should not result in the creation of parallel or additional management structures for actions funded by the EGF.***

Amendment 5

Article 2, point (a)

(a) at least ***1000*** redundancies in an enterprise, including workers made redundant in its suppliers or downstream producers, in a region where unemployment, measured at NUTS III level, is higher than the EU or national average,

(a) at least ***500*** redundancies in an enterprise, including workers made redundant in its suppliers or downstream producers ***or amongst the providers of services to that enterprise***, in a region where unemployment, measured at NUTS III level, is higher than the EU or national average,

Justification

The condition that 1000 workers must be made redundant would be difficult to impose without subjecting small and medium-sized businesses to unfair treatment. This criterion is also too restrictive, especially for the smaller EU Member States.

Amendment 6
Article 2, point (b)

(b) at least **1000** redundancies, over a period of 6 months, in one or more enterprises in a sector, measured at NACE 2 level, **which represents at least 1% of regional employment measured at NUTS II level.**

(b) at least **500** redundancies, over a period of 6 months, in one or more enterprises in a sector, measured at NACE 2 level.

Justification

To ensure that small and medium-sized firms also have the access to funding to which they are entitled, the critical number of redundancies should be reduced. It would be very hard to satisfy the second criterion, given the situation on the ground in the small Member States, and consequently it should be dropped.

Amendment 7
Article 2, paragraph 1 a (new)

Even where the quantitative criteria referred to in points (a) and (b) of paragraph 1 are not met the Commission may admit an application for EGF assistance that is duly justified by special circumstances within the Member State concerned.

Justification

It is important for the regulation to include a discretionary criterion for assessing the admissibility of applications so that the strictly numerical limits do not constitute a bar to EGF assistance where the other stipulated conditions are met. Malta or Cyprus for example cannot be made subject to the same quantitative criteria as Germany, the United Kingdom or other large Member States since this would effectively confine assistance from the fund to a limited number of Member States.

Amendment 8
Article 3

A financial contribution under this Regulation shall be made for actions, as part of a coordinated package of personalised services designed to re-integrate redundant workers into the labour market, including:

A financial contribution under this Regulation shall be made for:

(a) actions, as part of a coordinated package of personalised services designed to re-integrate redundant workers into the labour market, including:

(a) active labour market measures, such as job-search assistance, occupational guidance, tailor-made training and re-training including ICT skills, **outplacement assistance** and entrepreneurship promotion or aid for self-employment;

(b) special in-work time-limited income supplements, such as job search allowances, mobility allowances, income support allowances to individuals participating in training activities; and temporary wage supplements for workers **of at least 50 years of age who accept to re-enter the labour market at a lower wage.**

- active labour market measures, such as job-search assistance, occupational guidance, tailor-made training, **advanced training** and re-training including ICT skills and entrepreneurship promotion or aid for self-employment, **including micro-credits guarantees and other accompanying measures**;

- special in-work time-limited income supplements, such as job search allowances, mobility allowances, income support allowances to individuals participating in training activities, and temporary wage supplements for **disadvantaged** workers, **taking into account their professional and national circumstances.**

(b) the provision of micro-finance and measures for social inclusion which reinforce the Competitiveness and Innovation Programme (CIP) and the Joint European Resources for Micro to Medium-sized Enterprises (JEREMIE) scheme operated by the European Investment Fund.

Justification

Part of the contributions of the EGF should be used to reinforce existing measures aimed at facilitating the adaptation to structural change.

Amendment 9 Article 5, paragraph 1

1. The Member State shall submit an application for a contribution from EGF to the Commission within a period of **10 weeks** from the date on which the conditions set out in Article 2 for mobilising the EGF are met

1. The Member State shall submit an application for a contribution from EGF to the Commission within a period of **12 weeks** from the date on which the conditions set out in Article 2 for mobilising the EGF are met **and in any event within 12 weeks of the last redundancy.**

Justification

It is necessary to extend the deadline so as to give sufficient time for the comprehensive and analytical information required under Article 5 to be obtained. In any case, the time from which the deadline is set to run must be made clear.

Amendment 10
Article 5, paragraph 2, point (a)

(a) A reasoned analysis of the link between the redundancies and the major structural changes in world trade patterns; demonstration of the number of redundancies; **and an explanation of the unforeseeable nature of these redundancies;**

(a) A reasoned analysis of the link between the redundancies and the major structural changes in world trade patterns **and** demonstration of the number of redundancies;

Justification

It is very hard to ascertain whether structural changes were foreseeable or not. Moreover, even foreseeable massive structural changes have serious social consequences.

Amendment 11
Article 5, paragraph 5

5. On the basis of the information referred to in paragraph 2, the Commission shall assess, in co-operation with the Member State, whether the conditions for making a financial contribution under this Regulation are met.

5. On the basis of the information referred to in paragraph 2, the Commission shall assess, **within thirty days of receiving the application and** in co-operation with the Member State, whether the conditions for making a financial contribution under this Regulation are met.

Justification

It is important that the regulation should state the period within which the Commission should assess the application for a financial contribution.

Amendment 12
Article 6, paragraph 2

2. Assistance from the EGF shall complement actions of the Member States at national, regional and local level.

2. Assistance from the EGF shall complement actions of the Member States at national, regional and local level, **and also structural assistance provided from other Community financial instruments.**

Justification

The original wording does not adequately reflect the intention that the EGF should complement the Community's existing policies and financial instruments, the purpose of which is to respond to changes in the world economy.

Amendment 13
Article 6, paragraph 5

5. The Member State shall ensure that the specific actions receiving a contribution under the EGF *shall* not also receive assistance from other Community financial instruments

5. The Member State shall ensure that the specific actions receiving a contribution under the EGF, ***with the exception of the actions specified in Article 3 point (b), do*** not also receive assistance from other Community financial instruments

Justification

See justification to the proposed amendment to Article 3.

Amendment 14
Article 7

The Commission and the Member States shall ***promote*** equality between men and women, and ***ensure non-discrimination on the basis of sex, race, ethnic origin, religion or belief, disability, age or sexual orientation in accessing support from*** the EGF.

The Commission and the Member States shall ***ensure that*** equality between men and women and ***the integration of the gender perspective are promoted during the various stages of implementation of*** the EGF.

The Commission and the Member States shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the various stages of implementation of the EGF and, in particular, insofar as concerns access to it.

Justification

This amendment aligns this non-discrimination clause on the formulation of Article 16 of the Council Regulation laying down general provisions on the ERDF, the ESF and the Cohesion Fund.

Amendment 15
Article 8, paragraph 1

1. At the initiative of the Commission, subject to a ceiling of ***0.35%*** of the financial resources available for that year, the EGF may be used to finance monitoring, information, administrative and technical support, audit, control and evaluation

1. At the initiative of the Commission, subject to a ceiling of ***0.30%*** of the financial resources available for that year, the EGF may be used to finance monitoring, information, administrative and technical support, audit, control and evaluation

activities necessary to implement this Regulation.

activities necessary to implement this Regulation.

Justification

The proposed figure seems excessively high, given that for the coming period the amount of technical assistance available from the Commission has been set at 0.25% in the case of the Structural Funds and at 0.20% in the case of the Solidarity Fund.

Amendment 16

Article 10, paragraph 1, subparagraph 1

The Commission shall, on the basis of the assessment carried out in accordance with Article 5(5) *particularly* taking *into* account the number of redundancies, the proposed actions and the estimated costs, determine as quickly as possible the amount of financial contribution, if any, to be made within the limits of the resources available.

The Commission shall, on the basis of the assessment carried out in accordance with Article 5(5), taking *particular* account of the number of redundancies, the proposed actions and the estimated costs, determine as quickly as possible ***and at the latest within 30 days of the assessment carried out in accordance with Article 5(5)*** the amount of the financial contribution, if any, to be made within the limits of the resources available.

Justification

The point of establishing a time limit for a Commission decision is to speed up the procedure for considering applications for EGF assistance.

Amendment 17

Article 20, paragraph 1

On the basis of the first annual report provided for in Article 16, the European Parliament and the Council may review this Regulation, on the basis of a proposal by the Commission, to ensure that the solidarity objective of the EGF is met and that its provisions adequately take into account the economic, social and territorial characteristics of all Member States.

On the basis of the first annual report provided for in Article 16, the European Parliament and the Council may review this Regulation, on the basis of a proposal by the Commission, to ensure that the solidarity objective of the EGF is met and that its provisions adequately take into account the economic, social and territorial characteristics of all Member States. ***Should it emerge that EGF objectives are not being met with the available annual appropriations the Commission shall recommend that they be adjusted.***

Justification

It is necessary to assess how well the fund is operating in order to establish to what extent the available appropriations are adequate to meet the objectives for which it was set up.

PROCEDURE

Title	Proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund		
References	COM(2006)0091 – C6-0082/2006 – 2006/0033(COD)		
Committee responsible	EMPL		
Opinion by Date announced in plenary	ITRE 16.3.2006		
Enhanced cooperation – date announced in plenary	No		
Drafts(wo)man Date appointed	Vladimír Remek 25.4.2006		
Previous drafts(wo)man			
Discussed in committee	12.7.2006	11.9.2006	3.10.2006
Date adopted	3.10.2006		
Result of final vote	+: 44 –: 0 0: 0		
Members present for the final vote	Šarūnas Birutis, Jerzy Buzek, Jorgo Chatzimarkakis, Giles Chichester, Gianni De Michelis, Den Dover, Nicole Fontaine, Adam Gierek, Umberto Guidoni, András Gyürk, David Hammerstein Mintz, Rebecca Harms, Erna Hennicot-Schoepges, Ján Hudacký, Romana Jordan Cizelj, Werner Langen, Anne Laperrouze, Vincenzo Lavarra, Pia Elda Locatelli, Eugenijus Maldeikis, Eluned Morgan, Reino Paasilinna, Umberto Pirilli, Miloslav Ransdorf, Vladimír Remek, Teresa Riera Madurell, Mechtild Rothe, Paul Rübig, Andres Tarand, Patrizia Toia, Catherine Trautmann, Claude Turmes, Nikolaos Vakalis, Alejo Vidal-Quadras Roca, Dominique Vlasto		
Substitute(s) present for the final vote	Alexander Alvaro, Jean-Pierre Audy, María del Pilar Ayuso González, Peter Liese, Lambert van Nistelrooij, Vittorio Prodi, John Purvis		
Substitute(s) under Rule 178(2) present for the final vote	Alessandro Battilocchio, Iles Braghetto		
Comments (available in one language only)			

20.9.2006

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund
(COM(2006)0091 – C6-0082/2006 – 2006/0033(COD))

Draftswoman: Jamila Madeira

am

SHORT JUSTIFICATION

Globalisation, a phenomenon which intensified at the end of the twentieth century, brought innumerable advantages, above all economic growth and rapid and less cumbersome access to a whole range of products. Whilst the externalisation of trade in goods and services led to the internationalisation and growth of the European market, it also brought with it a number of problems, since the opening-up of markets left Europe at the mercy of market liberalisation and the consequent pressures of competition.

Technological innovation, the knowledge society, broadband and developments in transport and communications are major factors for the economic growth of European undertakings and for achieving the objectives of the Lisbon Agenda by 2010, but they also imply changes which often have an adverse effect on workers, whose jobs are lost as a result of business restructuring and even relocation to countries that are more attractive in terms of labour costs or the tax and social advantages offered.

According to the most recent data, there are currently 19 million unemployed people in the European Union and this already high figure is likely to continue to rise. This is a disturbing trend in the 'global village' of 455 million inhabitants that is the European Union. It is vital to create conditions to help unemployed workers who have fallen victim to globalisation quickly to find a new job and gain new skills. The European social model, the common mould of the old continent, is inspired by a set of common values, particularly solidarity, and has an important role to play in this context.

The European Union must face the challenge of globalisation through innovation and modernisation of its economy and labour market. In so doing, it must focus on training, on knowledge, but also on helping workers who have lost their jobs owing to changes in global trade patterns acquire new skills, and providing them with unconditional support. It is essential to offer them training and rapid access to new jobs, instilling the idea of flexicurity,

but it is also crucial to provide an incentive for the spirit of initiative among unemployed workers, creating the conditions for the successful creation of small and medium-sized undertakings in the European area. This challenge also entails defining the criteria for entry into the market so as to make intra and extra-Union competition fairer and more transparent.

The creation of this Globalisation Adjustment Fund is to be welcomed, and attention must now be focused on the speedy, equitable and fair use of the funding available in order to preserve unemployed workers from the serious economic and social problems inherent in the scourge of unemployment.

The objective of ensuring the appropriate and rapid revision of the regulation in the event that it proves ineffective in achieving its goals is also to be welcomed. However, it should be stressed that the similar instrument which provided the inspiration for this regulation has almost twice the amount of annual funding with which to achieve its full objectives.

AMENDMENTS

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

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1

Recital 1

(1) Notwithstanding the overall positive effect of globalisation on growth and jobs in the Community, it is opportune to establish a European Globalisation adjustment Fund (hereinafter referred to as "the EGF"), through which the Community would show its solidarity towards workers affected by redundancies resulting from changes in world *trade patterns*.

(1) Notwithstanding the overall positive effect of globalisation on growth and jobs in the Community, ***it cannot be denied that it also has consequences for certain sectors and therefore*** it is opportune to establish a European Globalisation adjustment Fund (hereinafter referred to as "the EGF"), through which the Community would show its solidarity towards workers affected by redundancies resulting from ***structural*** changes in ***the world market in a fair manner***;

Justification

As its name indicates, the EGF is meant to be Europe's financial response to the consequences of globalisation, first and foremost job losses.

However, by equating it solely with world trade liberalisation, the proposal fails to encompass the globalisation phenomenon. It ignores the liberalisation of capital movements and deregulation.

Because it covers liberalisation and deregulation of markets in goods and services, as well as financial and labour markets, the expression 'world market' is more commensurate with the effects of globalisation and with the spirit underlying the Fund.

Amendment 2

Recital 1 a (new)

¹ OJ C ... /Not yet published in OJ.

(1a) It is necessary to preserve European values and the European social model in foreign trade, promoting the development of a fair external market. The negative effects of globalisation should be tackled in the first instance by a long-term, sustainable Community strategy for trade policy aimed at global high social and ecological standards. The assistance provided by the EGF should be dynamic and capable of adapting to constantly changing and often unforeseen circumstances in the market.

Justification

Solidarity, the protection of social rights and an open yet fair market must be the corollaries of the EU's external trade policy, and must therefore be promoted in all the EU's interventions in world trade.

Amendment 3
Recital 2

(2) The EGF should provide specific, one-off support to facilitate the re-integration into employment of workers in areas **or** sectors suffering the shock of serious economic disruption.

(2) The EGF should provide specific, one-off support to facilitate the re-integration into employment of workers in areas, sectors **or territories** suffering the shock of serious economic disruption.

Justification

The consequences of globalisation may vary considerably from one territory to another, and not merely from one sector to another. Existing territorial disparities may be exacerbated by a dislocation related to globalisation: accordingly the territorial effect of such dislocations needs to be appreciated.

Amendment 4
Recital 3

(3) Actions under this Regulation should be defined according to strict intervention criteria relating to the scale of economic dislocation and its impact on a given sector or geographical area, to ensure that the financial contribution from the EGF is concentrated on the most seriously affected **parts of the Community**.

(3) Actions under this Regulation should be defined according to strict intervention criteria relating to the scale of economic dislocation and its impact on a given sector or geographical area, to ensure that the financial contribution from the EGF is concentrated on **workers in the regions and economic sectors** most seriously affected by globalisation. **The social partners should be involved for the purpose of determining how the EGF is to be implemented.**

Amendment 5

Recital 4

(4) The activities of the EGF should be coherent and compatible with the other Community policies and comply with its acquis.

(4) The activities of the EGF should be coherent and compatible with the other Community policies and comply with its acquis, ***especially with the interventions of the Structural Funds.***

Amendment 6

Recital 5

(5) An action funded under this Regulation should not receive financial assistance from other Community financial instruments.

An action funded under this Regulation should not receive financial assistance from other Community financial instruments, ***although complementary actions may be financed by the European Social Fund.***

Justification

Further clarification on the distinction between the actions taken under the EGF and the ESF should be provided, taking also into consideration that in some cases the actions proposed may be complementary.

Amendment 7

Recital 6

(6) Community aid should only be given upon application of the affected Member State. The Commission should ensure equal treatment of the requests submitted by the Member States.

(6) Community aid should only be given upon application of the affected Member State. The Commission should ensure equal ***and rapid*** treatment of the requests submitted by the Member States. ***Once the EGF has come into operation, its capacity to achieve its objectives should be assessed and suitable adjustments made to the annual funding available to the Fund to ensure its effectiveness.***

Justification

An assessment should be made of the Fund's operation with a view to analysing whether the amount provided is sufficient to tackle the objectives for which it was created.

Amendment 8

Recital 9

(9) Since the objectives of the action to be taken, cannot be sufficiently achieved by the

(9) Since the objectives of the action to be taken, cannot be sufficiently achieved by the

Member States and can therefore, by reason of the scale and effects, be better achieved at Community level, the Community may adopt measures, in accordance with the principles of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.

regions or Member States and can therefore, by reason of the scale and effects, be better achieved at Community level, the Community may adopt measures, in accordance with the principles of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.

Amendment 9
Article 1, paragraph 1

1. This Regulation establishes a European Globalisation adjustment Fund, hereinafter referred to as "the EGF", to enable the Community to provide support for workers made redundant as a result of major structural changes in world *trade patterns* where these redundancies have a significant adverse impact on the regional or local economy.

1. This Regulation establishes a European Globalisation adjustment Fund, hereinafter referred to as "the EGF", to enable the Community to provide support for workers made redundant as a result of major structural changes in *the world market* where these redundancies have a significant adverse impact on the *national*, regional or local economy *or on a specific sector of the economy*.

Justification

Structural changes may be spread across a whole Member State in the case of undertakings with a number of production units, and only an analysis at national level will show their true impact.

Amendment 10
Article 1, paragraph 2

2. This Regulation lays down rules regarding the operation of the EGF in order to facilitate re-integration into employment of workers affected by *trade-related* redundancies.

2. This Regulation lays down rules regarding the operation of the EGF in order to facilitate re-integration into employment of workers affected by *globalisation-related* redundancies.

Amendment 11
Article 2, introductory part

A financial contribution from the EGF shall be provided where major structural changes in world *trade patterns* lead to a serious economic disruption, notably a massive

A financial contribution from the EGF shall be provided where major structural changes in *the world market* lead to serious economic disruption, notably a massive

increase of imports into the EU, or a progressive decline of the EU market share in a given sector or a delocalisation to third countries, which results in:

increase of imports into the EU, or a progressive decline of the EU market share in a given sector or a delocalisation to third countries, **including candidate countries**, which results in:

Justification

The delocalisation to states, which have the candidate status, may have a direct effect to the national, regional or local economy of Member States, and therefore should be clarified that such cases will also be examined.

Amendment 12 Article 2, point (a)

(a) at least **1000** redundancies in **an enterprise**, including workers made redundant in **its** suppliers or downstream **producers**, in a **region** where unemployment, measured at NUTS III level, is higher than the EU or national average,

(a) at least **500** redundancies in **one or more enterprises in a given sector**, including workers made redundant in **enterprises which are** suppliers of, or **operate** downstream **from, those enterprises**, in a **territory** where unemployment, measured at NUTS III level, is higher than the EU or national average,

Amendment 13 Article 2, point (b)

(b) at least **1000** redundancies, over a period of **6 months**, in one or more enterprises in a sector, measured at NACE 2 level, which represents at least 1% of regional employment measured at NUTS II level.

(b) at least **500** redundancies, over a period of **12 months**, in one or more enterprises in a sector, measured at NACE 2 level, which represents at least 1% of regional employment, **or in which regional employment has fallen by at least 10%**, measured at NUTS II level.

Justification

The repercussions, as described in the introductory paragraph of Article 2, which globalisation entails for workers in the enterprises affected are very often spread over time and consequently impossible to measure within as short a space as six months. If the period in question were lengthened to 12 months, they could be gauged more adequately.

A sudden fall in employment in a given part of Union territory can likewise severely damage the regional economy.

Amendment 14 Article 2, paragraph 1 a (new)

Nevertheless, even where the quantitative criteria referred to in points (a) and (b) are not met, the Commission may, in exceptional and duly justified circumstances, admit an application for EGF intervention.

A flexible approach should be taken to applications from Member States which, due to their size, population or market structure, are unable to satisfy the conditions laid down in points (a) and (b) of the first paragraph.

Amendment 15
Article 3, point (a)

(a) active labour market measures, such as job-search assistance, occupational guidance, tailor-made training and re-training including ICT skills, outplacement assistance and entrepreneurship promotion or aid for self-employment;

(a) active labour market measures, such as job-search assistance, occupational guidance, tailor-made training and re-training including ICT skills, outplacement assistance and entrepreneurship promotion or aid for self-employment, *including micro-credits and support measures to enable workers to continue the operations of enterprises which relocate and leave machinery in place;*

Amendment 16
Article 3, point (b)

(b) special in-work time-limited income supplements, such as job search allowances, mobility allowances, income support allowances to individuals participating in training activities; and temporary wage supplements for workers of at least **50 years** of age who accept to re-enter the labour market at a lower wage.

(b) special in-work time-limited income supplements, such as job search allowances, mobility allowances, income support allowances to individuals participating in training activities; and temporary wage supplements for workers of at least **45 years** of age who accept to re-enter the labour market at a lower wage, *without prejudice to the wage laws of the Member States.*

Amendment 17
Article 5, paragraph 1

The Member State shall submit an application for a contribution from EGF to the Commission within a period of **10 weeks** from the date on which the conditions set out in Article 2 for mobilising the EGF are met.

The Member State shall submit an application for a contribution from EGF to the Commission within a period of **12 weeks** from the date on which the conditions set out in Article 2 for mobilising the EGF are met, *after consulting the social partners at national, regional, and local level.*

Justification

With regard to the detailed information requested by the Commission in Article 5, paragraph 2, the period of submission should be extended to 12 weeks.

Amendment 18
Article 5, paragraph 2, point (a)

(a) A reasoned analysis of the link between the redundancies and the major structural changes in world **trade patterns**; demonstration of the number of redundancies; and an explanation of the unforeseeable nature of these redundancies;

(a) A reasoned analysis of the link between the redundancies and the major structural changes in **the world market**; demonstration of the number of redundancies; and an explanation of the unforeseeable nature of these redundancies;

Justification

See justification for Amendment 1

Amendment 19
Article 5, paragraph 2, point (b)

(b) The identification of the dismissing enterprises (national or multi-national); and the categories of workers to be targeted;

(b) The identification of the dismissing enterprises (national or multi-national) **and sectors**; and the categories of workers to be targeted;

Justification

In terms of monitoring movement and developments in the economy, it is more important to identify whole sectors affected by the changes rather than individual enterprises.

Amendment 20
Article 5, paragraph 2, point (f)

(f) The procedures followed for consulting the social partners.

(f) The procedures followed for consulting the social partners **and relevant municipalities and regions**;

Justification

Municipalities and regions very often play a crucial part in the employment policy. They are also the ones that have to solve the unemployment problem. Thus their active involvement in the situation is a must in line with the principle of subsidiarity, which should be described in the request.

Amendment 21
Article 5, paragraph 4

The Member State shall also provide statistical and other information, at the most appropriate geographical level, which the Commission requires to assess the fulfilment of the intervention criteria. ***deleted***

Justification

The information provided by the Member States under Article 5, paragraphs 2 and 3 should be sufficient for the Commission to be able to assess the application as well as the actions taken and planned.

Amendment 22
Article 6, paragraph 5 a (new)

5a. An action funded by the European Social Fund may, exceptionally, receive extra temporary financial assistance under the present Regulation where the ESF action is targeted at the same territory and subject-matter as the proposed EGF action. Depending on the importance and scope of the EGF action, there may be exemptions to the rule against double Community funding sources.

Justification

Other Structural Funds will not be able to contribute to EGF funding. However, the European Social Fund is an exception as it prioritises anticipation, adaptation and positive management of change through increasing adaptability of workers and enterprises, enhancing access to employment and participation in the labour market etc.. The EGF from it's side, complements existing policies and financial instruments, including the Community policies aiming at anticipating and accompanying restructuring and does this in combining a territorial dimension with specific and targeted assistance, focused exclusively on personalised support for the re-integration into employment of workers adversely affected by the evolution of international trade patterns.

Seen from the concerned citizens, administrative temporary funding of the same action is no duplication of actions carried out under other Community policies, and this therefore has to be the one exemption on the rule on excluding double financing. It will explicitly provide for co-ordination of the assistance from the various Community funding sources and would not substitute for unemployment or pre-pension payments by Member States.

Amendment 23
Article 6, paragraph 5 b (new)

5b. No additional tier of administration is needed to implement EGF assistance;

Justification

To avoid adding to bureaucracy, it is suggested that the existing ESF machinery be used to implement the EGF.

Amendment 24
Article 8, paragraph 1

1. At the initiative of the Commission, subject to a ceiling of 0.35% of the financial resources available for that year, the EGF may be used to finance monitoring, information, administrative and technical support, audit, control and evaluation activities necessary to implement this Regulation.

1. At the initiative of the Commission, subject to a ceiling of 0.35% of the financial resources available for that year, the EGF may be used to finance monitoring, information, administrative and technical support, audit, control and evaluation activities necessary to implement this Regulation. ***The EGF may also be used to create a European Internet site and to strengthen the role of the european monitoring centre on change (EMCC).***

Justification

EU citizens should be provided with wide-ranging information on the EGF so that it can be applied responsibly and in a spirit of solidarity vis-à-vis citizens affected by redundancy and in a precarious situation. Strengthening the research role of the European Monitoring Centre on Change will make it possible to anticipate many of the regional and sectoral problems arising from globalisation.

Amendment 25
Article 9

The Member State shall provide information on and publicise the funded actions. The information shall be addressed to redundant workers and the wider public. It shall highlight the ***role*** of the Community and ensure that the contribution from the EGF is visible.

The Member State shall provide information on and publicise the funded actions. The information shall be addressed to redundant workers and the wider public. It shall highlight the ***roles of both*** the Community ***and the Member State*** and ensure that the contribution from the EGF is visible.

Justification

Actions towards redundant workers will be dealt with by both the Member State and the Community. In order to provide workers with correct information this co-operation should be mentioned in information and publications on the EGF.

Amendment 26
Article 10, paragraph 2

2. Where, on the basis of the assessment carried out in accordance with Article 5(5), the Commission has concluded that the conditions for a financial contribution under this Regulation are met; it shall initiate the procedure set out in Article 12 ***as soon as possible***.

2. Where, on the basis of the assessment carried out in accordance with Article 5(5), the Commission has concluded that the conditions for a financial contribution under this Regulation are met; it shall initiate the procedure set out in Article 12.

Justification

The procedure should be initiated immediately and should not be subject to the arbitrary decision implied by the expression 'as soon as possible'.

Amendment 27
Article 12, paragraph 3 a (new)

3a. If, where a proposal has been submitted pursuant to Article 5, the remaining financial resources available for the EFG in that year are not sufficient to cover the amount of financial assistance considered necessary, the Commission may propose to the European Parliament, which exercises budgetary control, that the difference be financed through additional EFG appropriations relating to the two following years.

Justification

Provision should be made for this mechanism in the light of the corresponding arrangements for the European Union Solidarity Fund.

Amendment 28
Article 16, paragraph 1

For the first time in 2008 and before 1 July of each year, the Commission shall present to the European Parliament and to the Council a report on the activities under this

For the first time in 2008 and before 1 July of each year, the Commission shall present to the European Parliament and to the Council a ***quantitative and qualitative*** report

Regulation in the previous year. The report shall in particular contain information relating to applications submitted, Decisions adopted, actions funded and the winding-up of financial contribution made.

on the activities under this Regulation in the previous year. The report shall in particular contain information relating to applications submitted, Decisions adopted, actions funded and the winding-up of financial contribution made ***as well as to the results achieved.***

Amendment 29
Article 20

On the basis of the first annual report provided for in Article 16, the European Parliament and the Council may review this Regulation, on the basis of a proposal by the Commission, to ensure that the solidarity objective of the EGF is met and that its provisions adequately take into account the economic, social and territorial characteristics of all Member States.

On the basis of the first annual report provided for in Article 16, the European Parliament and the Council may review this Regulation, on the basis of a proposal by the Commission, to ensure that the solidarity objective of the EGF is met and that its provisions adequately take into account the economic, social and territorial characteristics of all Member States. ***Where it is found that EGF objectives are not being met with the available annual amount, the Commission shall propose a readjustment.***

Justification

The performance of the Fund must be evaluated in order to establish to what extent the amount available is sufficient to meet the objectives for which this Fund was created.

PROCEDURE

Title	Proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund
References	COM(2006)0091 – C6-0082/2006 – 2006/0033(COD)
Committee responsible	EMPL
Opinion by Date announced in plenary	REGI 16.3.2006
Enhanced cooperation – date announced in plenary	
Drafts(wo)man Date appointed	Jamila Madeira 2.5.2006
Previous drafts(wo)man	-
Discussed in committee	22.6.2006 10.7.2006 11.7.2006
Date adopted	11.9.2006
Result of final vote	+: 34 -: 7 0: 3
Members present for the final vote	Stavros Arnautakis, Elspeth Attwooll, Jean Marie Beaupuy, Rolf Berend, Jana Bobošíková, Bernadette Bourzai, Bairbre de Brún, Gerardo Galeote Quecedo, Iratxe García Pérez, Ambroise Guellec, Pedro Guerreiro, Zita Gurmai, Gábor Harangozó, Marian Harkin, Konstantinos Hatzidakis, Mieczysław Edmund Janowski, Tunne Kelam, Constanze Angela Krehl, Jamila Madeira, Miroslav Mikolášik, Francesco Musotto, Lambert van Nistelrooij, Jan Olbrycht, Markus Pieper, Francisca Pleguezuelos Aguilar, Bernard Poignant, Elisabeth Schroedter, Grażyna Staniszevska, Margie Sudre, Oldřich Vlasák
Substitute(s) present for the final vote	Jan Březina, Ole Christensen, Brigitte Douay, Den Dover, Richard Falbr, Emanuel Jardim Fernandes, Louis Grech, Richard Seeber, László Surján, Paavo Väyrynen
Substitute(s) under Rule 178(2) present for the final vote	Joost Lagendijk, Bart Staes, Hannu Takkula, Thomas Wise
Comments (available in one language only)	-

PROCEDURE

Title	Proposal for a regulation of the European Parliament and of the Council establishing the European Globalisation adjustment Fund					
References	COM(2006)0091 – C6-0082/2006 – 2006/0033(COD)					
Date submitted to Parliament	1.3.2006					
Committee responsible Date announced in plenary	EMPL 16.3.2006					
Committee(s) asked for opinion(s) Date announced in plenary	BUDG 16.3.2006	INTA 16.3.2006	ITRE 16.3.2006	REGI 16.3.2006	ECON 16.3.2006	IMCO 16.3.2006
Not delivering opinion(s) Date of decision	ECON 3.10.2006	IMCO 18.4.2006				
Enhanced cooperation Date announced in plenary	BUDG 6.7.2006					
Rapporteur(s) Date appointed	Roselyne Bachelot-Narquin 15.3.2006					
Previous rapporteur(s)						
Simplified procedure – date of decision						
Legal basis disputed Date of JURI opinion						
Financial endowment amended Date of BUDG opinion						
European Economic and Social Committee consulted – date of decision in plenary						
Committee of the Regions consulted – date of decision in plenary						
Discussed in committee	19.4.2006	10.7.2006	12.9.2006	4.10.2006		
Date adopted	26.10.2006					
Result of final vote	+	37				
	–	3				
	0	2				
Members present for the final vote	Jan Andersson, Roselyne Bachelot-Narquin, Jean-Luc Bennahmias, Emine Bozkurt, Iles Braghetto, Philip Bushill-Matthews, Milan Cabrnock, Alejandro Cercas, Luigi Cocilovo, Jean Louis Cottigny, Proinsias De Rossa, Richard Falbr, Carlo Fatuzzo, Ilda Figueiredo, Joel Hasse Ferreira, Roger Helmer, Stephen Hughes, Karin Jöns, Sepp Kusstatscher, Jean Lambert, Raymond Langendries, Thomas Mann, Maria Matsouka, Ria Oomen-Ruijten, Csaba Óry, Marie Panayotopoulos-Cassiotou, Pier Antonio Panzeri, José Albino Silva Peneda, Jean Spautz, Anne Van Lancker					
Substitute(s) present for the final vote	Edit Bauer, Jean Marie Beaupuy, Mihael Brejc, Françoise Castex, Anne E. Jensen, Lasse Lehtinen, Jamila Madeira, Luca Romagnoli, Elisabeth Schroedter, Gabriele Stauner, Patrizia Toia, Anja Weisgerber					
Substitute(s) under Rule 178(2) present for the final vote						
Date tabled	31.10.2006					
Comments (available in one language only)	...					