

2009 - 2014

Plenary sitting

A7-0232/2012

16.7.2012

REPORT

on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (application EGF/2011/008 DK/Odense Steel Shipyard from Denmark) (COM(2012)0272 – C7-0131/2012 – 2012/2110(BUD))

Committee on Budgets

Rapporteur: Bendt Bendtsen

RR\909552EN.doc PE491.300v02-00

PR_BUD_Funds

CONTENTS

	Page
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION	3
ANNEX: DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL	<u></u> 7
EXPLANATORY STATEMENT	9
ANNEX: LETTER OF COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS.	13
RESULT OF FINAL VOTE IN COMMITTEE	16

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (application EGF/2011/008 DK/Odense Steel Shipyard from Denmark)

(COM(2012)0272 - C7-0131/2012 - 2012/2110(BUD))

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2012)0272 C7-0131/2012),
- 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 management¹ (IIA of 17 May 2006), and in particular point 28 thereof,
- having regard to Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 on establishing the European Globalisation Adjustment Fund² (EGF Regulation),
- having regard to the trilogue procedure provided for in point 28 of the IIA of 17 May 2006,
- having regard to the letter of the Committee on Employment and Social Affairs,
- having regard to the report of the Committee on Budgets (A7-0232/2012),
- A. whereas the European Union has set up the appropriate legislative and budgetary instruments to provide additional support to workers who are suffering from the consequences of major structural changes in world trade patterns and to assist their reintegration into the labour market;
- B. whereas the scope of the EGF was broadened for applications submitted from 1 May 2009 to include support for workers made redundant as a direct result of the global financial and economic crisis;
- C. whereas the Union's financial assistance to workers made redundant should be dynamic and made available as quickly and efficiently as possible, in accordance with the Joint Declaration of the European Parliament, the Council and the Commission adopted during the conciliation meeting on 17 July 2008, and having due regard for the IIA of 17 May 2006 in respect of the adoption of decisions to mobilise the EGF;
- D. whereas Denmark has requested assistance for 981 redundancies, of which 550 are

-

¹ OJ C 139, 14.6.2006, p. 1.

² OJ L 406, 30.12.2006, p. 1.

- targeted for assistance, in the Odense Steel Shipyard primary enterprise and in four suppliers and downstream producers in Denmark within a four-month reference period;
- E. whereas the application fulfils the eligibility criteria laid down by the EGF Regulation;
- 1. Agrees with the Commission that the conditions set out in Article 2(a) of the EGF Regulation are met and that, therefore, Denmark is entitled to a financial contribution under that Regulation;
- 2. Notes that the Danish authorities submitted the application for EGF financial contribution on 28 October 2011 and that its assessment was made available by the Commission on 6 June 2012; urges the Commission to speed up the evaluation process, in particular in case of applications targeting sectors where EGF was already deployed on several occasions;
- 3. Notes that the direct losses at Odense Steel Shipyard covered by the two EGF applications (this one and EGF/2010/025 DK/Odense Steel Shipyard¹) amount to around 2 % of the local workforce, and together with indirect job losses, the shipyard closure is regarded as a major crisis in the regional economy;
- 4. Notes that the Danish authorities have indicated that, in their assessment, only 550 of 981 workers dismissed would choose to participate in the measures while others would either decide to retire or would find new employment themselves; calls on the Danish authorities to use the EGF support to its full potential;
- 5. Notes that the shipbuilding workforce in Europe, in accordance with the Community of European Shipyards' Associations (CESA) annual report for 2010-2011², declined by 23 % over the past three years, from 148 792 workers in 2007 to 114 491 workers in 2010; and that EGF assistance has already been mobilised in three cases in the shipbuilding sector over the past three years (EGF/2010/001 DK/Nordjylland³, EGF/2010/006 PL/H. Cegielski-Poznan⁴ and EGF/2010/025 DK/Odense Steel Shipyard);
- 6. Welcomes the fact that the municipalities of Odense and Kerteminde, which are heavily affected by the dismissals in the Odense Steel Shipyard, were closely involved in the application, which is a part of a strategy for new growth opportunities in the region formulated by a consortium of local, regional and national stakeholders following the announcement of the closure of the shipyard in 2009;
- 7. Welcomes the fact that, in order to provide workers with speedy assistance, the Danish authorities decided to start the implementation of the measures ahead of the final decision on granting the EGF support for the proposed coordinated package;
- 8. Notes that the Danish authorities propose a relatively expensive coordinated package of personalised services (EUR 11 737 of EGF support per worker); welcomes, however, the fact that the package consists of measures that are additional and innovative compared to

1

OJ L 195, 27.7.2011, p. 52.

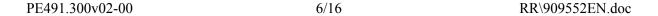
http://www.cesa.eu/presentation/publication/CESA_AR_2010_2011/pdf/CESA%20AR%202010-2011.pdf

³ OJ L 286, 04.11.2010, pag. 18.

OJ L 342, 28.12.2010, p. 19.

- those offered regularly by the employment agencies and which are adapted to assist highly skilled workers in a difficult employment market;
- 9. Recalls the importance of improving the employability of all workers by means of tailored training and recognition of skills and competences gained throughout the professional career; expects the training on offer in the coordinated package to be tailored not only to the needs of the dismissed workers but also of the actual business environment;
- 10. Notes that the target group of workers is already highly skilled, but in a field where the outlook for future employment looks bleak; therefore, the measures proposed for them will be more costly than would be the case for other workers in mass layoffs, which often concern people with relatively low skills;
- 11. Welcomes the fact that the coordinated package of personalised services offers also incentives and courses to start a new business which are foreseen for ten workers (including one start-up loan of EUR 26 000);
- 12. Welcomes the fact that a consortium of local, regional and national stakeholders has discussed and formulated a strategy for new growth opportunities in the Odense region, and that this strategy is guiding the choice of re-training measures in the application;
- 13. Notes, however, the proposed subsistence allowance of EUR 103 per worker per day of active involvement and that the amount foreseen for those allowances represent more than one-third of the total cost of the package; recalls that that EGF support should primarily be allocated to job search and training programmes rather than contributing directly to financial allowances which are the responsibility of Member States by virtue of the national law;
- 14. Welcomes the emphasis on new areas of potential growth and development in the regional economy such as energy technology, robotics and welfare technology, which are in line with both Lisbon goals of strong European competitiveness as well as Europe 2020 goals of smart, inclusive and sustainable growth;
- 15. Welcomes the fact that the EGF support in this case is coordinated by a newly set-up EGF Secretariat under the Odense Municipality and that a dedicated website was established and two conferences are planned to promote the outcome of the two EGF applications;
- 16. Requests the institutions involved to make the necessary efforts to improve procedural and budgetary arrangements in order to accelerate the mobilisation of the EGF; appreciates the improved procedure put in place by the Commission, following Parliament's request for accelerating the release of grants, aimed at presenting to the budgetary authority the Commission's assessment on the eligibility of an EGF application together with the proposal to mobilise the EGF; hopes that further improvements in the procedure will be integrated in the new Regulation on the European Globalisation Adjustment Fund (2014–2020) and that greater efficiency, transparency and visibility of the EGF will be achieved;
- 17. Recalls the institutions' commitment to ensuring a smooth and rapid procedure for the adoption of the decisions on the mobilisation of the EGF, providing one-off, time-limited

- individual support geared to helping workers who have been made redundant as a result of globalisation and the financial and economic crisis; emphasises the role that the EGF can play in the reintegration of workers made redundant into the labour market;
- 18. Deplores the fact that, despite several successful Danish mobilisations of the EGF under both the trade-related and the crisis-related criteria, Denmark is among the countries undermining the future of the EGF after 2013, blocking the extension of the crisis derogation and decreasing the financial allocation to the Commission for technical assistance for the EGF for 2012;
- 19. Stresses that, in accordance with Article 6 of the EGF Regulation, it should be ensured that the EGF supports the reintegration of individual redundant workers into employment; further stresses that the EGF assistance can co-finance only active labour market measures which lead to long-term employment; reiterates that assistance from the EGF must not replace actions which are the responsibility of companies by virtue of national law or collective agreements, nor measures restructuring companies or sectors; deplores the fact that the EGF might provide an incentive for companies to replace their contractual workforce with a more flexible and short-term one;
- 20. Notes that the information provided on the coordinated package of personalised services to be funded from the EGF includes information on the complementarity with actions funded by the Structural Funds; reiterates its call to the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect of the existing regulations and that no duplication of Union-funded services can occur;
- 21. Welcomes the fact that following requests from Parliament, the 2012 budget shows payment appropriations of EUR 50 000 000 on the EGF budget line 04 05 01; recalls that the EGF was created as a separate specific instrument with its own objectives and deadlines and that it therefore deserves a dedicated allocation, which will avoid there being transfers from other budget lines, as happened in the past, which could be detrimental to the achievement of the policy objectives of the EGF;
- 22. Regrets the decision of the Council to block the extension of the "crisis derogation", which allows provision of financial assistance to workers made redundant as a result of the current financial and economic crisis in addition to those losing their job because of changes in global trade patterns, and which allows an increase in the rate of Union co-financing to 65% of the programme costs, for applications submitted after the 31 December 2011 deadline, and calls on the Council to reintroduce this measure without delay;
- 23. Approves the decision annexed to this resolution;
- 24. Instructs its President to sign the decision with the President of the Council and to arrange for its publication in the *Official Journal of the European Union*;
- 25. Instructs its President to forward this resolution, including its annex, to the Council and the Commission.





ANNEX: DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of XXXX

on the mobilisation of the European Globalisation Adjustment Fund in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (application EGF/2011/008 DK/Odense Steel Shipyard from Denmark)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management¹, and in particular point 28 thereof,

Having regard to Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 establishing the European Globalisation Adjustment Fund², and in particular Article 12(3) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund (EGF) was established to provide additional support for workers made redundant as a result of major structural changes in world trade patterns due to globalisation and to assist them with their reintegration into the labour market.
- (2) The scope of the EGF was broadened for applications submitted from 1 May 2009 to 30 December 2011 to include support for workers made redundant as a direct result of the global financial and economic crisis.
- (3) The Interinstitutional Agreement of 17 May 2006 allows the mobilisation of the EGF within the annual ceiling of EUR 500 million.
- (4) Denmark submitted an application on 28 October 2011 to mobilise the EGF in respect of redundancies in the enterprise Odense Steel Shipyard, and supplemented it by additional information up to 8 March 2012. This application complies with the requirements for determining the financial contributions as laid down in Article 10 of

-

OJ C 139, 14.6.2006, p. 1.

² OJ L 406, 30.12.2006, p. 1.

Regulation (EC) No 1927/2006. The Commission, therefore, proposes to mobilise an amount of EUR 6 455 104.

(5) The EGF should, therefore, be mobilised in order to provide a financial contribution for the application submitted by Denmark,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the European Union for the financial year 2012, the European Globalisation Adjustment Fund shall be mobilised to provide the sum of EUR 6 455 104 in commitment and payment appropriations.

Article 2

This Decision shall be published in the *Official Journal of the European Union*. Done at ,

For the European Parliament The President For the Council The President

EXPLANATORY STATEMENT

I. Background

The European Globalisation Adjustment Fund has been created in order to provide additional assistance to workers suffering from the consequences of major structural changes in world trade patterns.

According to the provisions of point 28 of the Interinstitutional Agreement of 17 May 2006 on budgetary discipline and sound financial management 1 and of the Article 12 of Regulation (EC) No 1927/20062, the Fund may not exceed a maximum amount of EUR 500 million, drawn from any the margin under the global expenditure ceiling from the previous year, and / or from the cancelled commitment appropriations from the previous two years, excluding those related to Heading 1b. The appropriate amounts are entered into the budget as a provision as soon as the sufficient margins and/or cancelled commitments have been identified.

As concerns the procedure, in order to activate the Fund the Commission, in case of a positive assessment of an application, presents to the budgetary authority a proposal for mobilisation of the Fund and, at the same time, a corresponding request for transfer. In parallel, a trialogue could be organised in order to find an agreement on the use of the Fund and the amounts required. The trialogue can take a simplified form.

II. State of play: Commission's proposal

On 4 June 2012 the Commission adopted a new proposal for a decision on the mobilisation of the EGF in favour of Denmark in order to support the reintegration in the labour market of workers made redundant due to the global financial and economic crisis.

This is the fourth application to be examined under the 2012 budget and refers to the mobilisation of a total amount of EUR 6 455 104 from the EGF for Denmark. It concerns 981 redundancies, of which 550 targeted for assistance, in Odense Steel Shipyard as the primary enterprise and four suppliers and downstream producers in Denmark during the four-month reference period from 1 May 2011 to 31 August 2011.

The application was presented to the Commission on 28 October 2011 and supplemented by additional information up to 8 March 2012. The application cites 509 redundancies in Odense Steel Shipyard during the reference period from 1 May 2011 to 31 August 2011 as well as a further eight from G4S, 67 from YIT, and one from BM Steel Construction, making a total of 585 redundancies from Odense Steel Shipyard and its suppliers. In addition, 396 workers from these four companies as well as Persolit were made redundant before and after the reference period. All of these redundancies were calculated in accordance with the first indent of the second paragraph of Article 2 of Regulation (EC) No 1927/2006.

² OJ L 406, 30.12.2006, p. 1.

OJ C 139, 14.6.2006, p. 1.

The Commission has concluded that the application meets the conditions for deploying the EGF as set out in Article 2(a) of Regulation (EC) No 1927/2006, and was submitted within the deadline of 10 weeks referred to in Article 5 of that Regulation.

One of the criteria for Commission's assessment was the evaluation of the link between the redundancies and major structural changes in world trade patterns or the financial crisis.

Denmark argues that shipyards in Europe over the last decades have been losing substantial market shares to Asia. The global financial and economic crisis then further affected the global shipbuilding market, such that, according to the Community of European Shipyards' Associations (CESA), the European orderbook dropped from 13,692 million CGT to 9,470 million CGT between 2008 and 2009, and further to 6,394 million CGT in 2010.

The CESA annual report shows that the shipbuilding workforce in Europe declined by 23 % over the past three years, from 148 792 in 2007 to 114 491 in 2010. The workforce on new buildings dropped even more sharply, by 33 %, from 93 832 in 2007 to 62 854 in 2010.

The decision to close Odense Steel Shipyard was taken on 10 August 2009, and a programme was agreed with all employees regarding the ships that would still be finished at the yard and thus, the timing of the redundancies required. A first application for EGF funding in support of the first wave of 1 356 redundant workers was made by the Danish authorities on 6 October 2010 and, following approval of the Commission's proposal² by the Council and the European Parliament, the funds were paid out on 2 August 2011. It was understood at the time of the first application that a second would follow, to take care of the later and final wave of redundancies, also including the workers made redundant by some of the suppliers to the shipyard.

According to the Danish authorities, the general employment situation has deteriorated sharply in Denmark during 2009 and 2010. Unemployment rose from a record low of 3,4 % for the year 2008 to a new high of 7,6 % in 2010 (source: Eurostat³).

The industrial structure of the local economy is characterised by a high share of employment in manufacturing, particularly in metallurgy. Many jobs in this industry have already been lost to other countries with lower wages. The shipyard workers being dismissed have a high technical expertise which is difficult to apply in other industries in Funen or even the whole of Denmark. Many of them have worked in the shipyard all their lives and their parents may have worked there too.

In addition, the shipyard is being wound down in stages, with groups of workers being dismissed as the final ship orders are completed. The previous wave of redundancies, preceding this cohort, is currently aspiring to the potentially suitable new jobs being created. Without significant retraining, it will be even harder for this second wave of redundant workers to find new employment.

http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do?dvsc=9



Compensated Gross Tonnage (CGT) is an indicator of the amount of work that is necessary to build a given ship and is calculated by multiplying the tonnage of a ship by a coefficient, which is determined according to type and size of a particular ship (http://en.wikipedia.org/wiki/Compensated gross tonnage)

² COM(2011)251 final

The co-ordinated package of personalised services to be funded, including its compatibility with actions funded by the Structural Funds, includes measures for the reintegration of the 550 targeted workers into employment, such as a basic course and clarification of objectives, vocational training in energy technology, construction and landscaping, robotics, welfare technology, general education, teaching in enterprises, stimulating entrepreneurship, screening of ideas, courses in entrepreneurship, product development, advertisement and branding, market analysis and feasibility studies, business start-up cases, mentoring, start uploan and subsistence allowance (per diem).

According to Danish authorities, all the aforementioned measures combine to form a coordinated package of personalised services aimed at re-integrating the workers into the labour market. These personalised services started on 31 October 2011.

As regards the criteria contained in Article 6 of Regulation (EC) No 1927/2006, the Danish authorities in their application:

- confirmed that the financial contribution from the EGF does not replace measures which are the responsibility of companies by virtue of national law or collective agreements;
- demonstrated that the actions provide support for individual workers and are not to be used for restructuring companies or sectors;
- confirmed that the eligible actions referred to above do not receive assistance from other EU financial instruments.

Concerning management and control systems, Denmark has notified the Commission that the financial contribution will be managed and controlled by the same bodies as the European Social Fund, which also has the Danish Enterprise and Construction Authority as Managing Authority. The Certifying Authority will be vested in a different department of the same body. The Auditing Authority will be the EU Controllerfunction in the Danish Enterprise and Construction Authority.

In accordance with Commission's assessment, the application fulfils the eligibility criteria set up by the EGF Regulation and recommends to the Budget Authority to approve the applications.

In order to mobilise the Fund, the Commission has submitted to the Budget Authority a transfer request for a global amount of EUR 6 455 104 from the EGF reserve (40 02 43) in commitments to the EGF budget line (04 05 01).

The IIA allows the mobilisation of the Fund within the annual ceiling of EUR 500 million.

This is fourth first proposal for the mobilisation of the Fund submitted to the Budget Authority in 2012. Therefore, deducing from the appropriations available the current amount requested (EUR 6 455 104) an amount of EUR 489 541 301 remains available until the end of 2012. This will leave more than 25% of the maximum annual amount earmarked for the EGF available for allocations during the last four months of 2012, as required by Article 12(6) of the EGF Regulation.

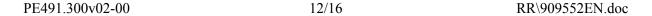
III. Procedure

The Commission has presented a transfer request in order to enter specific commitment appropriations in the 2011 budget, as required in Point 28 of the Interinstitutional Agreement of 17 May 2006.

The trilogue on the Commission's proposal for a Decision on the mobilisation of the EGF could take a simplified form, as provided for in Article 12(5) of the legal base, unless there is no agreement between the Parliament and the Council.

According to an internal agreement, the Employment and Social Affairs Committee (EMPL) is associated to the process, in order to provide constructive support and contribution to the assessment of the applications from the Fund. EMPL has decided to table amendments, in addition to drafting the traditional letter of opinion, to the report reflecting their position and input.

The Joint Declaration of the European Parliament, the Council and the Commission, adopted during the conciliation meeting on 17 July 2008, has confirmed the importance of ensuring a rapid procedure with due respect of the Interinstitutional Agreement for the adoption of decisions on the mobilisation of the Fund.





ANNEX: LETTER OF COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

EK/jm D(2012)32985

> M. Alain Lamassoure President of the Committee on budgets ASP 13E158

Subject: Opinion on the mobilisation of the European Globalisation Adjustment Fund (EGF) for the case EGF/2011/008 DK/Odense Steel Shipyard 2 (COM(2012)0272)

Dear Mr Lamassoure,

The Committee on Employment and Social Affairs (EMPL) as well as its Working Group on the EGF examined the mobilisation of the EGF for the case EGF/2011/008 DK/Odense Steel Shipyard 2 and adopted the following opinion.

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

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

- A) Whereas this application is based on Article 2 (a) of the EGF regulation and targets 550 out of 981 redundancies that occurred before, during and after the reference period between 1 May and 31 August 2011 in relation to the second wave of dismissals caused by the closure of the Odense Steel Shipyard and in four of its suppliers;
- B) Whereas Denmark establishes a link between the redundancies and the financial and economic crisis resulting in cancelled orders and a considerable decrease in new orders concerning the standard cargo ships segments, like tankers, container ships and bulk carriers;
- C) Whereas the Community of European Shipyards' Association (CESA) further states that due to these developments, about 23% of the jobs at European shipyards had been affected in the last three years and that the coming two years will remain very difficult for the industry as only few new orders are expected in 2012;
- D) Whereas this application constitutes the fourth EGF case¹ in the shipbuilding sector and is the second application targeting workers dismissed from the Odense Steel Shipyard;
- E) Whereas it was understood at the tome of the first application that a second would follow to take care of the later and the final wave of redundancies;
- F) Whereas the Danish authorities argue that the closure of the Odense Steel Shipyards was unforeseen as heavy investments took place until 2009 and as it was one of the biggest and

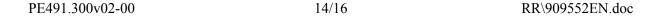
-

 $^{^1}$ EGF/2010/001 DK/Nordjylland, EGF/2010/006 PL/H. Cegielski-Poznan, EGF/2010/025 DK/Odense Steel Shipyard

- most modern shipyards in Europe that was known for designing and building innovative vessels that apply the newest technology in design and equipment;
- G) Whereas 96,5 % of the workers targeted by the measures are men; whereas 17,1 % of the workers are older than 55 years and 4,5 % younger than 24 years;
- H) Whereas 71,7% of the redundant workers are technicians and associated professionals and 12,7% fall under the category of elementary occupations;

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

- 1. Agrees with the Commission that the conditions set out in Article 2 (a) of the EGF regulation (1927/2006) are met and that, therefore, Denmark is entitled for a financial contribution under this regulation;
- 2. Notes that the Danish authorities submitted the application for EGF financial contribution on 28 October 2011 and that its assessment was made available by the European Commission on 6 June 2012; urges the Commission to speed up the evaluation process, in particular in case of applications targeting sectors where EGF was already deployed on several occasions;
- 3. Notes that the Danish authorities inform that in their assessment only 550 of 981 workers dismissed would choose to participate in the measures while others would either decide to retire or would find new employment themselves; calls on the Danish authorities to use the EGF support to its full potential;
- 4. Welcomes the fact that the municipalities of Odense and Kerteminde, which are heavily affected by the dismissals in the Odense Steel Shipyard, were closely involved in the application, which is a part of a strategy for new growth opportunities in the region formulated by a consortium of local, regional and national stakeholders following the announcement of the closure of the shipyard in 2009;
- 5. Notes that the Danish authorities propose a relatively expensive coordinated package of personalised services (EUR 11 737 of EGF support per worker); welcomes, however, the fact that the package consists of measures that are additional and innovative compared to those offered regularly by the employment agencies and which are adapted to assist highly skilled workers in a difficult employment market;
- 6. Welcomes the fact that the vocational training courses target new areas of strong growth or where strong public commitments are to be implemented in coming years, namely Energy Technology, Construction and Landscaping, Robotics and Welfare Technology;
- 7. Welcomes the fact that the coordinated package of personalised services offers also incentives and courses to start a new business which are foreseen for ten workers (including one start up loan of EUR 26 000), especially in the region where entrepreneurship is weak;
- 8. Notes, however, the proposed subsistence allowance of EUR 103 per worker per day of active involvement and that the amount foreseen for those allowances represent more then





one third of the global cost of the package; recalls that that the EGF support should primarily be allocated to job search and training programs instead of contributing directly to financial allowances which are the responsibility of Member States by virtue of national law;

- 9. Welcomes the fact that the EGF support in this case is coordinated by a newly set-up EGF Secretariat under the Odense Municipality and that a dedicated website was established and two conferences are planned to promote the outcomes of the two EGF applications;
- 10. Stresses that Danish authorities recognise the advantages of the EGF and its unique capacity to assist dismissed workers immediately with specific tailored measures; notes that in view of the Danish authorities those measures could have been deployed neither in the framework of the European Social Fund nor of the European Regional Development Fund;
- 11. Deplores the fact that, despite several successful Danish mobilisations of the EGF under both the trade-related and the crisis related criteria, Denmark is among the countries undermining the future of the Fund after 2013, blocking the extension of the crisis derogation and decreasing the financial allocation to the European Commission for the technical assistance for EGF for 2012.

Yours sincerely,

Pervenche Berès

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	12.7.2012
Result of final vote	+: 28 -: 4 0: 0
Members present for the final vote	Marta Andreasen, Richard Ashworth, Jean Louis Cottigny, Jean-Luc Dehaene, Isabelle Durant, James Elles, Göran Färm, José Manuel Fernandes, Eider Gardiazábal Rubial, Salvador Garriga Polledo, Lucas Hartong, Jutta Haug, Anne E. Jensen, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, Barbara Matera, Claudio Morganti, Juan Andrés Naranjo Escobar, Nadezhda Neynsky, Dominique Riquet, Alda Sousa, Helga Trüpel
Substitute(s) present for the final vote	Alexander Alvaro, Bendt Bendtsen, Frédéric Daerden, Leonardo Domenici, Gerben-Jan Gerbrandy, Lidia Joanna Geringer de Oedenberg, Jutta Steinruck, Theodor Dumitru Stolojan, Nils Torvalds

