



Plenary sitting

A9-0344/2021

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REPORT

on the proposal for a decision of the European Parliament and of the Council
on the mobilisation of the European Globalisation Adjustment Fund for
Displaced Workers following an application from Spain – EGF/2021/004 ES
Aragon automotive
(COM(2021)0683 – C9-0404/2021 – 2021/0356(BUD))

Committee on Budgets

Rapporteur: Esteban González Pons

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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 for Displaced Workers following an application from Spain – EGF/2021/004 ES/Aragón automotive (COM(2021)0683 – C9-0404/2021 – 2021/0356(BUD))

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2021)0683 – C9-0404/2021),
 - having regard to Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013¹ (“EGF Regulation”),
 - having regard to Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021-2027² (“MFF Regulation”), and in particular Article 8 thereof,
 - having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources³, and in particular point 9 thereof,
 - having regard to the letter from the Committee on Employment and Social Affairs,
 - having regard to the letter from the Committee on Regional Development,
 - having regard to the report of the Committee on Budgets (A9-0344/2021),
- A. whereas the Union has set up legislative and budgetary instruments to provide additional support to workers who are suffering from the consequences of globalisation and of technological and environmental changes, such as changes in world trade patterns, trade disputes, significant changes in the trade relations of the Union or the composition of the internal market and financial or economic crises, as well as the transition to a low-carbon economy, or as a consequence of digitisation or automation;
- B. whereas Spain submitted application EGF/2021/004 ES/Aragón automotive for a financial contribution from the European Globalisation Adjustment Fund (EGF), following the displacement of 592 workers in the economic sector classified under the NACE Revision 2 Division 29 (Manufacture of motor vehicles, trailers and semi-trailers), in the NUTS 2 region of Aragón (ES24) in Spain, within a reference period for

¹ OJ L 153, 3.5.2021, p. 48.

² OJ L 433 I, 22.12.2020, p. 11.

³ OJ L 433 I, 22.12.2020, p. 28.

the application from 1 November 2020 to 1 May 2021;

- C. whereas the application relates to 592 displaced workers whose activity has ceased during the reference period in fifty companies⁴, while 460 workers were displaced before or after the reference period as a consequence of the same events that triggered the cessations of activity of the displaced workers during the reference period and will thus also be considered eligible beneficiaries;
- D. whereas the application is based on the intervention criteria of Article 4(2), point (b), of the EGF Regulation, which requires the cessation of activity of at least 200 displaced workers over a reference period of six months in enterprises operating in the same economic sector defined at NACE Revision 2 division and located in one region or two contiguous regions defined at NUTS 2 level in a Member State;
- E. whereas the COVID-19 pandemic, the strict lockdown measures implemented in Q2 2020 in Spain⁵ and the subsequent shortage of semiconductors⁶ have adversely affected the automotive sector in the country, so that over January-June 2021, the production of vehicles in Spain (1,2 million units) was still lower by 21,6 % than the production in the same period of 2019⁷;
- F. whereas in Aragón, the automotive sectors represents 2,42 % of the net employment and about 6 % of the regional GDP⁸, and registered unemployment is now 26 % higher than pre-pandemic levels (75 578 job seekers in June 2021 compared to 60 000 in June 2019)⁹;
- G. whereas the EGF shall not exceed a maximum annual amount of EUR 186 million (in 2018 prices), as laid down in Article 8 of the MFF Regulation;

⁴ Adieconti S.L., Lear Corporation Asientos S.L., Adient Automotive S.L., Lecitrailer Post Venta Zaragoza S.L., Adient Seating Spain S.L., Lecitrailer S.A., Af Aftermarket Iberica S.L., Magna Automotive Spain S.A.U., Android Industries Zaragoza S.L., Mahle Behr Spain S.A., Arcelormital Tailored Blanks Zaragoza S.L., Majorel Sp Solutions S.A.U., Carrocerías Moncayo S.L., Mann-Hummel Iberica S.A., Carrocerías Vicam S.L., Módulos Ribera Alta S.L.U., Carrocerías Vicente Salomon Sanz S.L., Opel España S.L.U., Casting Ros S.A., Proma Hispania S.A.Ad, Celulosa Fabril S.A., Remolques Jalon S.L., Cooper Estándar Automotive España Slu, Rhenus Automotive Systems Zaragoza, Copo Aragón S.L.U., Rigual S.A., Copo Zaragoza S.A., Ronal Iberica S.A. Unipersonal, Dana Automoción S.A., Schmitz Cargobull Iberica S.A., Faurecia Automotive España S.A., Seguridad De Servicio Movil S.L., Faurecia Sistemas de Escape, Talleres Emilio Montañes S.A., Flexngate Aragón S.L., Ti Group Automotive Systems S.A., Gestamp Aragón S.A., Traf Automotions S.L., Gestamp Manufacturing Autochasis S.L., Tristone Flowtech Spain S.A., Icer Brakes S.A., Union Tecnológica del Automóvil S.L., Ilunion Servicios Industriales Aragón S.L., Valeo Térmico S.A., Ilunion Servicios Industriales S.L., Zanini Epila S.L., Insonorizantes Pelzer S.A., ZF-Aftermarket Ibérica SL., Kdk-Dongkook Automotive Spain S.A., and Zfoam España SL.

⁵ According to data from Confemetal and Anfac, the pandemic had a significant impact on the activity and turnover of the enterprises operating in the automotive sector in Spain, which resulted in a decline in sales (32,3%) , production (18,9%), and turnover (11,3%) in 2020 compared to 2019: <https://anfac.com/wp-content/uploads/2021/07/Informe-Anual-ANFAC-2020.pdf>

⁶ At the beginning of 2021, the chip-crisis was forecast to lead to losses of approximately EUR 60 billion in the automotive sector. The figure has been revised upwards to over EUR 90 billion:

<https://www.consultancy.eu/news/6273/global-chip-shortage-costs-automotive-sector-90-billion>

⁷ https://cincodias.elpais.com/cincodias/2021/07/22/companias/1626961844_041144.html

⁸ <https://caaragon.com/>

⁹ <https://www.facebook.com/GobAragon/posts/6537004519658572>

1. Agrees with the Commission that the conditions set out in Article 4(2), point (b), of the EGF Regulation are met and that Spain is entitled to a financial contribution of EUR 1 404 863 under that Regulation, which represents 85 % of the total cost of EUR 1 652 780, comprising expenditure for personalised services of EUR 1 600 280 and expenditure for implementing the EGF¹⁰ of EUR 52 500; notes that all the procedural requirements were met;
2. Notes that the Spanish authorities submitted the application on 26 July 2021, and that the Commission finalised its assessment on 8 November 2021 and notified it to Parliament on the same day;
3. Notes that the application relates in total to 1 052 workers made redundant in the Spanish automotive sector; regrets that Spain expects that only 320 out of the total eligible beneficiaries will participate in the measures (targeted beneficiaries); encourages local authorities to more pro-actively motivate displaced people to take part in proposed actions;
4. Points out that a third of the targeted beneficiaries are women (34,1 %) and almost 40 % are over 54 years old (39,7 %);
5. Recalls that the social impacts of the redundancies are expected to be considerable for the economy of Aragón, where 60 % of the job seekers are women and 49% of all job seekers are over 50 years old¹¹; thus regrets that the dismissals will particularly affect two categories of workers who are already at a disadvantage on the regional labour market;
6. Notes that Spain started providing personalised services to the targeted beneficiaries on 15 October 2021 and that the period of eligibility for a financial contribution from the EGF will therefore be from 15 October 2021 until 24 months after the date of the entry into force of the financing decision;
7. Recalls that personalised services to be provided to the workers and self-employed persons consist of the following actions: general information and welcome sessions, occupational guidance, intensive job-search assistance, horizontal, re-skilling and up-skilling trainings, as well as monetary incentives; since 34,1 % of the targeted beneficiaries are women, encourages the authorities to focus more on programs and actions designed with the interests of women in mind;
8. Notes that the measures planned should be implemented in line with the Spanish Circular Economy Strategy based on non-toxic material cycles and that training measures should cater to the requirement of disseminating the skills required in the digital industrial age and in a resource-efficient economy, in line with Article 7(2) of the EGF Regulation;
9. Notes that Spain started incurring administrative expenditure to implement the EGF on 1 October 2021 and that expenditure on preparatory, management, information and publicity, control and reporting activities will therefore be eligible for a financial

¹⁰ In accordance with Article 7(5) of the EGF Regulation.

¹¹ <http://www.aragon.es/iaest> (Registered unemployment, June 2021)

contribution from the EGF from 1 October 2021 until 31 months after the date of the entry into force of the financing decision;

10. Welcomes that the co-ordinated package of personalised services was drawn up in consultation with the social partners (UGT¹², CCOO¹³, CEPYME¹⁴ and CEOE¹⁵);
11. Stresses that the Spanish authorities have confirmed that the eligible actions do not receive assistance from other Union funds or financial instruments;
12. Reiterates that assistance from the EGF must not replace actions which are the responsibility of companies, by virtue of national law or collective agreements, or any allowances or rights of the recipients of the EGF allocation to ensure full additionality of the allocation;
13. Approves the decision annexed to this resolution;
14. Instructs its President to sign the decision with the President of the Council and arrange for its publication in the *Official Journal of the European Union*;
15. Instructs its President to forward this resolution, including its annex, to the Council and the Commission.

¹² <http://www.ugt.es>

¹³ <https://www.ccoo.es>

¹⁴ <https://www.cepyme.es>

¹⁵ <https://www.ceoe.es>

ANNEX: DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund for Displaced Workers following an application from Spain – EGF/2021/004 ES / Aragón automotive

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 Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013¹⁶, and in particular Article 15(1) thereof,

Having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources¹⁷, and in particular point 9 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund for Displaced Workers (EGF) aims to demonstrate solidarity and promote decent and sustainable employment in the Union by providing support for displaced workers and self-employed persons whose activity has ceased in the case of major restructuring events and assisting them in returning to decent and sustainable employment as soon as possible.
- (2) The EGF is not to exceed a maximum annual amount of EUR 186 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) 2020/2093¹⁸.
- (3) On 26 July 2021, Spain submitted an application to mobilise the EGF, in respect of workers' displacements in the economic sector classified under the Statistical classification of economic activities in the European Community ('NACE')¹⁹ Revision 2 division 29 (Manufacture of motor vehicles, trailers and semi-trailers) in the Nomenclature of Territorial Units for Statistics ('NUTS')²⁰ level 2 region of Aragón (ES24) in Spain. It was supplemented by additional information provided in accordance with Article 8(5) of Regulation (EU) 2021/691. That application complies with the

¹⁶ OJ L 153, 3.5.2021, p. 48.

¹⁷ OJ L 433 I, 22.12.2020, p. 29.

¹⁸ Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 433 I, 22.12.2020, p. 11).

¹⁹ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).

²⁰ Commission Delegated Regulation 2019/1755 of 8 August 2019 amending the Annexes to Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS). OJ L 270, 24.10.2019, p. 1.

conditions for a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) 2021/691.

- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 1 404 863 in respect of the application submitted by Spain.
- (5) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the Union for the financial year 2021, the European Globalisation Adjustment Fund for Displaced Workers shall be mobilised to provide the amount of EUR 1 404 863 in commitment and payment appropriations.

Article 2

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

Done at Brussels,

For the European Parliament
The President

For the Council
The President

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

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 Article 8(1) of Council Regulation (EU, Euratom) No 2020/2093 laying down the multiannual financial framework for the years 2021-2027²¹ and of Article 15 of Regulation (EU) No 2021/691²², the Fund may not exceed a maximum annual amount of EUR 186 million (2018 prices).

As concerns the procedure, according to point 9 of the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management as well as on new own resources, including a roadmap towards the introduction of new own resources²³, 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.

II. Spain's application and the Commission's proposal

On 26 July 2021, Spain submitted an application EGF/2021/004 ES/Aragón automotive for a financial contribution from the EGF, following 592 displacements in the economic sector classified under the NACE Revision 2 division 29 (Manufacture of motor vehicles, trailers and semi-trailers) in the NUTS 2 region of Aragón (ES24) in Spain.

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

On 8 November, the Commission adopted a proposal for a decision on the mobilisation of the EGF to support the reintegration in the labour market of 320 targeted beneficiaries, out of the 592 displaced workers during the reference period of 1 November 2020 till 1 May 2021 and 460 displaced workers before or after the reference period.

The Commission deemed the application admissible under the intervention criteria of Article 4(2)(b) of the EGF Regulation, which requires the cessation of activity of at least 200 displaced workers over a reference period of six months in enterprises operating in the same economic sector defined at NACE Revision 2 division and located in one region or two contiguous regions defined at NUTS 2 level in a Member State.

This is the fourth application of 2021 and the ninth to be examined under the 2021 budget, including the new MFF (Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027²⁴) and the

²¹ OJ L 433I, 22.12.2020, p. 15.

²² OJ L 153, 3.5.2021, p. 48.

²³ OJ L 433I, 22.12.2020, p. 28.

²⁴ OJ L 433I, 22.12.2020, p. 11.

IIA of 16 December 2020. This is also the fourth EGF application to be examined under the new EGF Regulation²⁵.

The cessation of activities of all displaced workers during the reference period has been calculated from the date of the de facto termination of the contract of employment or its expiry.

The application refers to the mobilisation of a total amount of EUR 1 404 863 from the EGF for Spain representing 85% of the total costs of the proposed actions.

The objectives of the EGF are to demonstrate solidarity and promote decent and sustainable employment in the Union by offering assistance in the case of major restructuring events, in particular those caused by challenges related to globalisation, such as changes in world trade patterns, trade disputes, significant changes in the trade relations of the Union or the composition of the internal market and financial or economic crises, as well as the transition to a low-carbon economy, or as a consequence of digitisation or automation²⁶.

The Covid-19 pandemic has caused an economic crisis. The strict lockdown measures implemented in Spain in Q2 2020 resulted the temporary closure of car dealers commercial activity and car production, which hit the automotive sector hard. According to data from Confemetal²⁷ and Anfac²⁸, the pandemic had a significant impact on the activity and turnover of the enterprises operating in the automotive sector in Spain, which resulted in a decline in sales (32,3%)²⁹, production (18,9%), and turnover (11,3%) in 2020 compared to 2019, with negative consequences on employment and on the liquidity of enterprises (payment defaults, access to credit, etc.)³⁰. According to Anfac, the worldwide shortage of semiconductors is putting additional stress in the car sector and causing a significant decline in car production.

In Aragón, the automotive sectors represents 2,42% of the net employment and about 6% of the regional GDP³¹. In June 2021, the regional unemployment rate was 10,7%³² that is 3,6 pp higher than the EU average (7,1%)³³. Of all job seekers in Aragón, 60% are women (the percentage rises to 65% if only the group of long-term unemployed is considered). In addition, 52% of the registered job seekers are long-term unemployed (>12 months), of which 49% are over 50 years old³⁴. Given that 40% of the targeted beneficiaries belong to the 54+ age group and that a third of the redundant workers are women, the dismissals will have a particular impact on these two categories of workers who are already at a disadvantage on the regional labour market.

The five types of actions to be provided to redundant workers, for which EGF co-funding is requested consist of:

²⁵ OJ L 153, 3.5.2021, p. 48.

²⁶ Regulation (EU) 2021/691.

²⁷ Confemetal is the Spanish Confederation of Metal Business Organizations, which represents about 220,000 enterprises and more than one and a half million workers.

²⁸ Anfac is the association of Spanish car manufacturers.

²⁹ <https://anfac.com/wp-content/uploads/2021/07/Informe-Anual-ANFAC-2020.pdf>

³⁰ Confemetal. Newsletter 'Metal en cifras' n° 199, July 2021

³¹ <https://caaragon.com/>

³² <https://datosmacro.expansion.com/paro-epa/espana-comunidades-autonomas/aragon>

³³ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Unemployment_statistics

³⁴ <http://www.aragon.es/iaest> (Registered unemployment, June 2021)

- a. General information and welcome sessions: the information session is the first measure to be offered to all targeted beneficiaries and includes general information on available counselling, training programmes and incentives. The individual information sessions includes the profiling of the participant and the allocation of the counsellor who will accompany the worker along the process to reemployment.
- b. Occupational guidance will be provided through collective and individual sessions. The workers interested in become self-employed will be provided with tutoring sessions, which might cover planning, carrying out feasibility studies, preparing business plans, help with identifying financing possibilities, etc.
- c. Intensive job-search assistance: through biweekly sessions, workers will receive information on job search techniques and hiring processes. This measure also includes the active search for local and regional employment opportunities and job matching.
- d. Training: this will include (1) Horizontal training, such as soft skill and digital skills. (2) Re-skilling vocational training for those who choose to redirect their vocational career outside the automotive sector, such as logistics, welding, industry 4.0 tools in production environments (basic elements, problems and implementation process of automated guided vehicle (AGV), augmented reality and Virtual Reality (AR/VR) and COBOTS in production), or Lean Six Sigma (project management). (3) Up-skilling vocational training to cater for the skills at request in the automotive sector, such as risks prevention when working with HEV batteries; cyber security automation and threat detection; automotive quality internal auditor; or the AIAG Core Tools, which are necessary tools to implement a Quality Management System for the Automotive Industry, and include Advanced Product Quality Planning & Control Plan (APQP), Production Part Approval Process (PPAP), Failure Mode and Effects Analysis (FMEA), Statistical Process Control (SPC) and Measurement System Analysis (MSA); etc.
- e. Incentives: (1) Participation incentive: The workers completing all the measures included in their agreed back to employment plan will receive a lump sum of EUR 500 (EUR 700 for participants with care responsibilities); (2) Outplacement incentive: beneficiaries who return to employment with a contract of at least three months will receive a lump sum of EUR 300. The incentive is designed to encourage quick reemployment and stimulate elderly workers to remain in the labour market; (3) Contribution to commuting expenses: the beneficiaries can get public transport costs reimbursement or EUR 0,19/kilometre when they commute by private car to participate in the measures.

According to the Commission, the described measures constitute active labour market measures within the eligible actions set out in Article 7 of the EGF Regulation and do not substitute passive social protection measures.

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

Procedure

In order to mobilise the Fund, the Commission has submitted to the Budgetary Authority a request to transfer a global amount of EUR 1 404 863 from the EGF reserve (30 04 02) to the EGF budget line (16 02 02).

According to an internal agreement, the Employment and Social Affairs and Regional Development Committees should be associated to the process, in order to provide constructive support and contribute to the assessment of the applications from the Fund.

LETTER FROM THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

Mr Johan Van Overtveldt
Chair
Committee on Budgets
BRUSSELS

Subject: Opinion on mobilisation of the European Globalisation Adjustment Fund –
EGF/2021/004 ES/Aragón automotive - Spain (2021/0356(BUD))

Dear Mr Chair,

Under the procedure referred to above, the Committee on Employment and Social Affairs has been asked to submit an opinion to your committee. At its meeting of 11 November 2021, the committee decided to send the opinion in the form of a letter.

The Committee on Employment and Social Affairs considered the matter at its meeting of 22 November 2021. At that meeting, it decided to call on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution.

Yours sincerely,

Lucia Ďuriš Nicholsonová

SUGGESTIONS

- A. Whereas on 26 July 2021, Spain submitted an application EGF/2021/004 ES/Aragón to mobilise the EGF in respect of 592 displaced workers whose activity has ceased in the economic sector classified under the NACE Revision 2 division 29 (Manufacture of motor vehicles, trailers and semi-trailers located in the NUTS 2 region of Aragón (ES24), within a reference period for the application from 1 November 2020 to 1 May 2021; whereas in total 50 enterprises are concerned;
- B. Whereas the Commission deemed the application admissible under the intervention criteria of Article 4(2)(b) of the EGF Regulation, which requires the cessation of activity of at least 200 displaced workers over a reference period of six months in enterprises operating in the same economic sector defined at NACE Revision 2 division and located in one region or two contiguous regions defined at NUTS 2 level in a Member State;
- C. Whereas on 8 November, the Commission adopted a proposal for a decision on the mobilisation of the EGF to support the reintegration in the labour market of 320 targeted beneficiaries, out of the 592 displaced workers during the reference period of 1 November 2020 till 1 May 2021 and 460 displaced workers before or after the reference period;
- D. Whereas the Covid-19 pandemic has caused an economic crisis; whereas the strict lockdown measures implemented in Spain in Q2 2020 resulted the temporary closure of car dealers commercial activity and car production, which hit the automotive sector hard; whereas, according to data from Confemetal³⁵ and Anfac³⁶, the pandemic had a significant impact on the activity and turnover of the enterprises operating in the automotive sector in Spain, which resulted in a decline in sales (32,3%)³⁷, production (18,9%), and turnover (11,3%) in 2020 compared to 2019, with negative consequences on employment and on the liquidity of enterprises (payment defaults, access to credit, etc.)³⁸; whereas, also, according to Anfac, the worldwide shortage of semiconductors is putting additional stress in the car sector and causing a significant decline in car production;
- E. Whereas in Aragón, the automotive sectors represents 2,42% of the net employment and about 6% of the regional GDP³⁹, and registered unemployment is now 26% higher than pre-pandemic levels (75 578 job seekers in June 2021 compared to 60 000 in June 2019)⁴⁰;
- F. Whereas the EGF shall not exceed a maximum annual amount of EUR 186 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for

³⁵ Confemetal is the Spanish Confederation of Metal Business Organizations, which represents about 220,000 enterprises and more than one and a half million workers.

³⁶ Anfac is the association of Spanish car manufacturers.

³⁷ <https://anfac.com/wp-content/uploads/2021/07/Informe-Anual-ANFAC-2020.pdf>

³⁸ Confemetal. Newsletter 'Metal en cifras' n° 199, July 2021

³⁹ <https://caaragon.com/>

⁴⁰ <https://www.facebook.com/GobAragon/posts/6537004519658572>

the years 2021 to 2027.

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:

1. Agrees with the Commission that the conditions set out in Article 4(2), point (b), of the EGF Regulation are met and that Spain is entitled to a financial contribution of EUR 1 404 863 under that Regulation, which represents 85 % of the total cost of EUR 1 652 780, comprising expenditure for personalised services of EUR 1 600 280 and expenditure for implementing the EGF⁴¹ of EUR 52 500;
2. Notes that all the procedural requirements were met;
3. Stresses that the Spanish authorities have confirmed that the eligible actions do not receive assistance from other Union funds or financial instruments;
4. Welcomes the personalised services that are going to be provided to the workers and self-employed persons consisting of the following actions: general information and welcome sessions, occupational guidance, intensive job-search assistance, horizontal, re-skilling and up-skilling trainings, as well as participation and outplacement incentives as well as a contribution to commuting expenses ; notes that the measures were planned in line with the Spanish Circular Economy; recalls the possibility for special time-limited measures within the coordinated package including, inter alia, to pay childcare allowances, as provided in Article 7.2 b of the new EGF regulation in order to facilitate job seekers' participation in the activities proposed and their transition to work;
5. Encourages the authorities to focus more on programs and actions designed with the interests of both older workers and women in mind, since 39,7% of the targeted beneficiaries belong to the 54+ age group and 34,1 % of the targeted beneficiaries are women, with both these groups of workers already disproportionally affected within the overall unemployment rate in the region;
6. Reiterates that assistance from the EGF must not replace actions which are the responsibility of companies, by virtue of national law or collective agreements;
7. Welcomes the fact that the social partners were consulted in the drawing up of the co-ordinated package of personalised services and calls for social partners' involvement in its implementation and evaluation.

⁴¹ In accordance with Article 7(5) of the EGF Regulation.

LETTER FROM THE COMMITTEE ON REGIONAL DEVELOPMENT

Mr Johan VAN OVERTVELDT
Chair of the Committee on Budgets
WIE 05U012

Subject: Mobilisation of the European Globalisation Adjustment Fund –
EGF/2021/004 ES / Aragón automotive

Dear Mr Van Overtveldt,

The European Commission has transmitted to the European Parliament its proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund following an application from Spain (COM(2021)0683) following displacements in the region of Aragón in Spain.

I understand that it is intended that a report on this proposal will be soon adopted in the Committee on Budgets.

The application relates to 592 displaced workers whose activity has ceased in the economic sector classified under the NACE Revision 2 division 29 (Manufacture of motor vehicles, trailers and semi-trailers) located in the NUTS 2 region of Aragón. In addition to the workers already referred to, the eligible beneficiaries include 460 displaced workers whose activity ceased before or after the reference period of six months. The total number of eligible beneficiaries is therefore 1 052.

The events giving rise to these displacements are the impact on the Spanish automotive sector of the COVID-19 pandemic and the shortage of semiconductors. According to Anfac (Spanish Association of Automobile and Truck Manufacturers), the worldwide shortage of semiconductors is putting additional stress in the car sector and causing a significant decline in car production. The chip-crisis has been forecast to lead to losses of over EUR 90 billion. The sector expects this issue to continue throughout the first half of 2022.

The personalised services to be provided to displaced workers consist of the following measures: General information and welcome sessions; Occupational guidance; Intensive job-search assistance; Training; Incentives.

The estimated total costs are EUR 1 652 780, comprising expenditure for personalised services of EUR 1 600 280 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 52 500. The total financial contribution requested from the EGF is EUR 1 404 863 (85 % of total costs). The national pre-financing and co-funding is provided by funds of Aragón's public employment service (INAEM).

The rules applicable to financial contributions from the European Globalisation Adjustment

Fund for Displaced Workers (EGF) are laid down in Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013.

The committee coordinators have assessed this proposal, and asked me to write to you reporting that the majority of this committee has no objection to this mobilisation of the EGF to allocate the above-mentioned amount as proposed by the Commission.

Yours sincerely,

Younous OMARJEE

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

| | |
|---|--|
| Date adopted | 9.12.2021 |
| Result of final vote | +: 40 -: 1 0: 0 |
| Members present for the final vote | Rasmus Andresen, Robert Biedroń, Anna Bonfrisco, Olivier Chastel, Lefteris Christoforou, David Cormand, Paolo De Castro, Andor Deli, José Manuel Fernandes, Eider Gardiazabal Rubial, Alexandra Geese, Vlad Gheorghe, Valentino Grant, Elisabetta Gualmini, Valérie Hayer, Eero Heinäluoma, Niclas Herbst, Monika Hohlmeier, Moritz Körner, Joachim Kuhs, Zbigniew Kuźmiuk, Hélène Laporte, Pierre Larrouturnou, Janusz Lewandowski, Silvia Modig, Siegfried Mureşan, Victor Negrescu, Andrey Novakov, Jan Olbrycht, Dimitrios Papadimoulis, Karlo Ressler, Bogdan Rzońca, Nicolae Ştefănuţă, Nils Torvalds, Nils Ušakovs, Johan Van Overtveldt, Rainer Wieland, Angelika Winzig |
| Substitutes present for the final vote | Jonás Fernández, Mario Furore, Henrike Hahn |

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

| 40 | + |
|-----------|--|
| ECR | Zbigniew Kuźmiuk, Bogdan Rzońca, Johan Van Overtveldt |
| ID | Anna Bonfrisco, Valentino Grant, Hélène Laporte |
| NI | Andor Deli, Mario Furore |
| PPE | Lefteris Christoforou, José Manuel Fernandes, Niclas Herbst, Monika Hohlmeier, Janusz Lewandowski, Siegfried Mureșan, Andrey Novakov, Jan Olbrycht, Karlo Ressler, Rainer Wieland, Angelika Winzig |
| Renew | Olivier Chastel, Vlad Gheorghe, Valérie Hayer, Moritz Körner, Nicolae Ștefănuță, Nils Torvalds |
| S&D | Robert Biedroń, Paolo De Castro, Jonás Fernández, Eider Gardiazabal Rubial, Elisabetta Gualmini, Eero Heinäluoma, Pierre Larrourou, Victor Negrescu, Nils Ušakovs |
| The Left | Silvia Modig, Dimitrios Papadimoulis |
| Verts/ALE | Rasmus Andresen, David Cormand, Alexandra Geese, Henrike Hahn |

| 1 | - |
|----|--------------|
| ID | Joachim Kuhs |

| 0 | 0 |
|---|---|
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Key to symbols:

+ : in favour

- : against

0 : abstention