European Parliament

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Plenary sitting

A9-0346/2021

10.12.2021

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 Italy – EGF/2021/002 IT/Air Italy

(COM(2021)0936 - C9-0400/2021 - 2021/0338(BUD))

Committee on Budgets

Rapporteur: Janusz Lewandowski

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PR_BUD_Funds

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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 Italy - EGF/2021/002 IT/Air Italy (COM(2021) - C9-0400/2021 - 2021/0338(BUD))

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2021)0936– C9-0400/2021),
- 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, 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 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 of the Committee on Employment and Social Affairs,
- having regard to the letter of the Committee on Regional Development,
- having regard to the report of the Committee on Budgets (A9-0346/2021),
- 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 on 15 July 2021 Italy submitted application EGF/2021/002 IT/Air Italy for a financial contribution from the European Globalisation Adjustment Fund (EGF), following the displacement of 466 workers in the company Air Italy SpA in the economic sector classified under the NACE Revision 2 Division 51 (Air transport), in the NUTS 2 region of Sardegna (ITG2) in Italy, within a reference period for the application from 1

¹ OJ L 153, 3.5.2021, p. 48.

² OJ L 433I, 22.12.2020, p. 11.

³ OJ L 433I, 22.12.2020, p. 28.

September 2020 to 1 January 2021;

- C. whereas the application relates to 466 displaced workers whose activity has ceased during the reference period in the company Air Italy SpA, while 145 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 (a), of the EGF Regulation, which requires the cessation of activity of at least 200 displaced workers over a reference period of four months in an enterprise in a Member State;
- E. whereas Air Italy had faced various difficulties⁴ since its inception in 2018 from the merger of Meridiana Fly and Air Italy, leading from losses of EUR 160 million in 2018 to losses of EUR 230 million in 2019;
- F. whereas on 11 February 2020, Air Italy's shareholders approved a voluntary liquidation and the cancellation of all operations as from 25 February 2020;
- G whereas the collective redundancy procedure for the 1 453 employees of Air Italy was put on hold until September 2020 because of the COVID-19 pandemic⁵;
- H. 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 the years 2021 to 2027⁶;
- 1. Agrees with the Commission that the conditions set out in Article 4(2), point (a), of the EGF Regulation are met and that Italy is entitled to a financial contribution of EUR 3 874 640 under that Regulation, which represents 85 % of the total cost of EUR 4 558 400, comprising expenditure for personalised services of EUR 4 376 000 and expenditure for implementing the EGF⁷ of EUR 182 400;
- 2. Notes that the Italian authorities submitted the application on 15 July 2021, and that the Commission finalised its assessment on 28 October 2021 and notified it to Parliament on the same day;
- 3. Notes that the total number of eligible and targeted beneficiaries is 611 and points out that almost half of the eligible persons are women (48,11 %);
- 4. Recalls that the social impacts of the redundancies are expected to be considerable for the Sardinian economy, which was also significantly affected by the COVID-19 crisis, and where employment numbers fell by 4,6 % in 2020 compared to a decrease of 2,0 % in

⁴ Such as disputes with Alitalia over routes between mainland Italy and Sardinia: www.quifinanza.it/soldi/air-italy; the opposition of three American carriers to the increase of Air Italy's nonstop flights between the U.S. and Europe: https://www.politico.com/f/?id=0000016a-26c5-d80c-a7ea-7fc56fae0000; or the grounding of three new Boeing 737 Max due to security flaws: www.quifinanza.it/soldi/air-italy.

⁵ Decreto Legge 17 marzo 2020, n.18. art. 46.

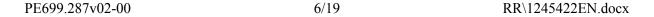
⁶ OJ L 433I, 22.12.2020, p. 11.

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

- Italy as a whole⁸; further notes that another ongoing EGF application concerns displacements in Porto Canale in Sardegna;
- 5 Stresses that because of the pandemic, the number of Sardinian households without labour income increased up to 16,5 % in 2020 (+3,5 pp from 2019);
- 6. Points out that most of the displaced workers have an upper secondary or post-secondary education (93,3 %) and have between 30 and 54 years (69,23 %); notes that the second largest age group is over 54 years (30,77 %), which may face additional challenges in reintegrating into the labour market;
- 7. Notes that Italy started providing personalised services to the targeted beneficiaries on 4 November 2020 and that the period of eligibility for a financial contribution from the EGF will therefore be from 4 November 2020 until 24 months after the date of the entry into force of the financing decision;
- 8. Recalls that personalised services to be provided to the workers consist of the following actions: general information and vocational guidance, job search assistance, training, tutoring for business creation, financial contribution to business startup, as well as incentives and contribution to specific costs;
- 9. Welcomes the possibility for special time-limited measures within the coordinated package including, inter alia, to pay childcare allowances, as provided in Article 7(2), point (b), of the EGF Regulation in order to facilitate job seekers' participation in the activities proposed and their transition to work;
- 10. Considers it to be a social responsibility of the European Union to provide displaced workers with the necessary qualifications for the ecological and just transformation in line with the European Green Deal, especially for employees with qualifications relevant for sectors that are currently highly carbon intensive; welcomes, therefore, that training will focus on the green economy, blue economy, personal services, health and social services, promotion of cultural heritage and cultural activities;
- 11. Notes that Italy started incurring administrative expenditure to implement the EGF on 4 November 2020 and that expenditure on preparatory, management, information and publicity, control and reporting activities will therefore be eligible for a financial contribution from the EGF from 4 November 2020 until 31 months after the date of the entry into force of the financing decision;
- 12. Welcomes that the measures were planned to be in line with the Italian National Strategy for Sustainable Development (SNSvS) and that the co-ordinated package of personalised services was discussed between ASPAL, the regional public employment services, the Regione Sardegna and the relevant trade unions; notes that the social partners were fully involved in planning the measures;
- 13. Stresses that the Italian authorities have confirmed that the eligible actions do not receive assistance from other Union funds or financial instruments;

⁸ Banca d'Italia. L'economia della Sardegna. Rapporto annuale, giugno 2021.

- 14. 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;
- 15. Notes that all the procedural requirements were met;
- 16. Approves the decision annexed to this resolution;
- 17. 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*;
- 18. 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

on the mobilisation of the European Globalisation Adjustment Fund for Displaced Workers following an application from Italy – EGF/2021/002 IT/Air Italy

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 1309/2013¹, 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 resources², 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) 2020/2093³.
- (3) On 15 July 2021, Italy submitted an application to mobilise the EGF, in respect of workers' displacements in Air Italy SpA in Italy. It was supplemented by additional information provided in accordance with Article 8(5) of Regulation (EU) 2021/691. That application complies with the 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 3 874 640 in respect of the application submitted by Italy.
- (5) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

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OJ L 153, 3.5.2021, p. 48.

² OJ L 433 I, 22.12.2020, p. 29.

³ 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).

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 3 874 640 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,

For the European Parliament The President For the Council The President

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^{*} 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 2021-2027⁴ and of Article 15 of Regulation (EU) No 2021/691⁵, 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 resources⁶, 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. Italy's application and the Commission's proposal

On 15 July 2021, Italy submitted an application EGF/2021/002 IT/Air Italy for a financial contribution from the EGF, following 466 displacements in the economic sector classified under the NACE Revision 2 division 51 (Air transport) in the NUTS 2 region of Sardegna (ITG2) in Italy.

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 28 October, the Commission adopted a proposal for a decision on the mobilisation of the EGF to support the reintegration in the labour market of 611 targeted beneficiaries, i.e. 466 displaced workers during the reference period of 1 September 2020 till 1 January 2021 and 145 displaced workers before or after the reference period.

The Commission deemed the application admissible under the intervention criteria of Article 4(2)(a) of the EGF Regulation, which requires the cessation of activity of at least 200 displaced workers over a reference period of four months in an enterprise in a Member State.

This is the second application of 2021 and the seventh 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 2027) and the IIA

⁴ OJ L 433I, 22.12.2020, p. 15.

⁵ OJ L 153, 3.5.2021, p. 48.

⁶ OJ L 433I, 22.12.2020, p. 28.

⁷ OJ L 433I, 22.12.2020, p. 11.

of 16 December 2020. This is also the second EGF application to be examined under the new EGF Regulation⁸.

The number of 466 displaced workers has been calculated from the date on which the employer, in accordance with Article 3(1) of Council Directive 98/59/EC⁹, notified the competent public authority in writing of the projected collective redundancies. In addition, the eligible beneficiaries include 145 displaced workers whose activity ceased before or after the reference period of four months. In line with Article 6 (b) of the EGF Regulation, all these workers ceased their activity within the six months before the start of the reference period on 1 September 2020 and/or between the end of the reference period and the day before the adoption of this proposal. A clear causal link can be established with the event that triggered the cessations of activity of the displaced workers during the reference period.

The application thus concerns a targeted 611 displaced workers and refers to the mobilisation of a total amount of EUR 3 874 640 from the EGF for Italy 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 automation¹⁰.

The company Air Italy, born in 2018 from the merger of Air Italy and Meridiana Fly, and owned by AQA Holding¹¹, was created with the ambition of covering a wide range of destinations in Italy, and boosting intercontinental flights from the airline's international hub at Milan Malpensa airport¹². It was confronted to the concurrence of Alitalia concerning routes between mainland Italy and Sardegna¹³, the political opposition of three American airline companies to its expansion due to Qatar Airways being its second shareholder, and the grounding of three Boing 737 Max it had purchased. Due to these difficulties, Air Italy's losses grew from EUR 160 million in 2018 to EUR 230 million in 2019, i.e. 70% of turnover¹⁴, and shareholders decided the cancellation of all operations and approved a voluntary liquidation.

These displacements have taken place in the context of a deteriorated and small Sardinian labour market. While the number of people in employment in Sardegna was increasing over 2018-19, the COVID-19 crisis led to a sharp fall of 4.6% in 2020 and a negative difference of 6000 between job creation and job destruction. Furthermore, the Sardinian economy is not only

⁸ OJ L 153, 3.5.2021, p. 48.

⁹ Council Directive 98/59/EC of 20 July 1998 on the approximation of the laws of the Member States relating to collective redundancies (OJ L 225, 12.8.1998, p. 16).

¹⁰ Regulation (EU) 2021/691.

¹¹ AQA Holding shareholders are Alisarda with 51% of the shares and Qatar Airways with 49%. Alisarda is an industrial group, which also holds the majority of the shares in Olbia airport.

¹² https://www.ilsole24ore.com/art/air-italy-quel-piano-ambizioso-gatar-airways-mai-decollato-ACS5ggIB

¹³ www.quifinanza.it/soldi/air-italy

¹⁴ https://www.ilsole24ore.com/art/air-italy-quel-piano-ambizioso-qatar-airways-mai-decollato-ACS5ggIB

suffering from the negative impact of the displacements in Air Italy but also from the displacements in Porto Canale, subject of another ongoing EGF application.

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

- a. General information, and vocational guidance: after general information on available measures, vocational guidance (including profiling) is provided to all the workers. Profiling is designed to foster a process of personal awareness aimed at identifying areas of interest, skills, capabilities and competences, and areas for improvement. The outcome of this process will be the worker's personalised pathway for reintegration into employment.
- b. <u>Job search assistance</u>, including the active search for local and regional employment opportunities, and job-matching.
- c. <u>Training:</u> to avoid the downgrading of their professional profiles, pilots, flight attendants and aircraft maintenance technicians will follow the required training to retain their licences. The workers, who are short-listed for a job offer following job-matching, will receive training to address any skill shortages identified by the potential employer. Priority will be given to the most vulnerable groups of workers, particularly those aged over 55). Training will focus on the green economy, blue economy, personal services, health and social services, promotion of cultural heritage and cultural activities. Training on digital skills (up to 90 hours) and on vocational qualifications included in the national or regional catalogues are also part of the training offer.
- d. <u>Support for business creation</u>: workers interested in becoming self-employed will receive group/individual tutoring sessions, which might cover planning, carrying out feasibility studies, preparing business plans, help with identifying financing possibilities, etc. The tool for entrepreneurial skills 'WeRentrepreneur' will be at their disposal.
- e. <u>Contribution to business start-up</u>: beneficiaries who start a business or an activity as self-employed persons will receive a contribution up to EUR 22 000 per each, to help them with setting-up costs.
- f. Incentives and contribution to specific costs: (1) Hiring incentives. Enterprises recruiting former Air Italy workers will receive EUR 3 500 for full-time permanent contract and EUR 1 500 for fixed-term contracts (2) Reimbursement of mobility costs. To support the geographical mobility of the workers in the case of re-employment in an enterprise in a different region or at 200 km or more from the place of residence of the worker, a reimbursement of the moving expenses is foreseen. (3) Contribution to the accommodation and traveling cost incurred when participating in licencing training. (4) Job-search allowance. The workers will receive an allowance equivalent to one day of the Italian subsistence allowance 'CIGS' for each day of participation.

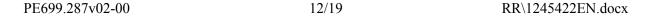
According to the Commission, the described measures constitute active labour market measures within the eligible actions set out in Article 7 of the EGF Regulation and do not substitute passive social protection measures.

Italy 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 3 874 640 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 OF 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/2021/002 IT/Air Italy - Italy (2021/0338(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

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

- A. Whereas on 15 July 2021 Italy submitted application EGF/2021/002 IT/Air Italy for a financial contribution from the European Globalisation Adjustment Fund (EGF), following the displacement of 466 workers in the company Air Italy SpA in the economic sector classified under the NACE Revision 2 Division 51 (Air transport), in the NUTS 2 region of Sardegna (ITG2) in Italy, within a reference period for the application from 1 September 2020 to 1 January 2021;
- В. Whereas the Commission deemed the application admissible under the intervention criteria of Article 4(2)(a) of the EGF Regulation, which requires the cessation of activity of at least 200 displaced workers over a reference period of four months in an enterprise in a Member State;
- C. Whereas on 28 October 2021, the Commission adopted a proposal for a decision on the mobilisation of the EGF to support the reintegration in the labour market of 611 targeted beneficiaries, i.e. 466 displaced workers during the reference period of 1 September 2020 till 1 January 2021 and 145 displaced workers before or after the reference period;
- Whereas Air Italy had faced various difficulties¹ since its inception in 2018 from the D. merger of Meridiana Fly and Air Italy, leading from losses of EUR 160 million in 2018 to losses of EUR 230 million in 2019; whereas on 11 February 2020, Air Italy's shareholders approved a voluntary liquidation and the cancellation of all operations as from 25 February 2020; whereas the collective redundancy procedure for the 1 453 employees of Air Italy was put on hold until September 2020 because of the COVID-19 pandemic²;
- E. Whereas these displacements have taken place in the context of a deteriorated and small Sardinian labour market; whereas while the number of people in employment in Sardinia was increasing over 2018-19, the COVID-19 crisis led to a sharp fall of 4.6% in 2020 and a negative difference of 6000 between job creation and job destruction; whereas, furthermore, the Sardinian economy is not only suffering from the negative impact of the displacements in Air Italy but also from the displacements in Porto Canale, subject of another ongoing EGF application;
- 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 the years 2021 to 2027³.

Therefore, the Committee on Employment and Social Affairs calls on the Committee on

¹ Such as disputes with Alitalia over routes between mainland Italy and Sardinia: www.quifinanza.it/soldi/airitaly; the opposition of three American carriers to the increase of Air Italy's nonstop flights between the U.S. and Europe: https://www.politico.com/f/?id=0000016a-26c5-d80c-a7ea-7fc56fae0000; or the grounding of three new Boeing 737 Max due to security flaws: www.quifinanza.it/soldi/air-italy.

² Decreto Legge 17 marzo 2020, n.18. art. 46.

OJ L 433I, 22.12.2020, p. 11.

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 (a), of the EGF Regulation are met and that Italy is entitled to a financial contribution of EUR 3 874 640 under that Regulation, which represents 85 % of the total cost of EUR 4 558 400, comprising expenditure for personalised services of EUR 4 376 000 and expenditure for implementing the EGF⁴ of EUR 182 400;
- 2. Notes that all the procedural requirements were met;
- 3. Stresses that the Italian authorities have confirmed that the eligible actions do not receive assistance from other Union funds or financial instruments;
- 4. Welcomes the personalised services to be provided to the workers consisting of the following actions: general information and vocational guidance, job search assistance, training, tutoring for business creation, financial contribution to business startup, as well as incentives and contribution to specific costs; notes that these measures were planned to be in line with the Italian National Strategy for Sustainable Development; 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. Points out that most of the displaced workers have an upper secondary⁵ or post-secondary education⁶ (93,3 %) and have between 30 and 54 years (69,23 %);
- 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 coordinated package of personalised services and calls for social partners' involvement in its implementation and evaluation.

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

⁵ ISCED 3

⁶ ISCED 4

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/2021/002 IT/Air Italy

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 Italy (COM(2021)0936) following displacements in in Air Italy SpA in Italy.

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 466 displaced workers whose activity has ceased in Air Italy SpA. This enterprise operated in the economic sector classified under the NACE Revision 2 division 51 (Air transport). The redundancies made by Air Italy are located in the NUTS 2 region of Sardegna (ITG2). In addition to the workers already referred to, the eligible beneficiaries include 145 displaced workers whose activity ceased before or after the reference period of four months. The total number of eligible beneficiaries is therefore 611.

On 11 February 2020, Air Italy announced that its shareholders had approved a voluntary liquidation and the cancellation of all operations as from 25 February 2020. Two days after the stop of all operations, Air Italy initiated a collective redundancy procedure concerning its whole workforce (1 453 employees). However, the procedure was put on hold until September 2020, because of the entry into force of the decree law preventing the displacement of workers during the early months of the pandemic.

The personalised services to be provided to displaced workers consist of the following measures: General information and vocational guidance; Job search assistance; Training; Support for business creation; Contribution to business start-up; Incentives and contribution to specific costs.

The estimated total costs are EUR 4 558 400, comprising expenditure for personalised services of EUR 4 376 000 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 182 400. The total financial contribution requested from the EGF is EUR 3 874 640 (85 % of total costs). The national pre-financing and cofounding is provided by Regione Sardegna.

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

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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 -: 0 0: 1
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 Larrouturou, Janusz Lewandowski, Silvia Modig, Siegfried Mureşan, Victor Negrescu, Andrey Novakov, Jan Olbrycht, Dimitrios Papadimoulis, Karlo Ressler, Bogdan Rzońca, Nicolae Ştefănuță, Nils Torvalds, Nils Ušakovs, Johan Van Overtveldt, Rainer Wieland, Angelika Winzig
Substitutes present for the final vote	Jonás Fernández, Mario Furore, Henrike Hahn

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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 Mureşan, Andrey Novakov, Jan Olbrycht, Karlo Ressler, Rainer Wieland, Angelika Winzig
RENEW	Olivier Chastel, Vlad Gheorghe, Valérie Hayer, Moritz Körner, Nicolae Ştefănuță, Nils Torvalds
S&D	Robert Biedroń, Paolo De Castro, Jonás Fernández, Eider Gardiazabal Rubial, Elisabetta Gualmini, Eero Heinäluoma, Pierre Larrouturou, Victor Negrescu, Nils Ušakovs
The Left	Silvia Modig, Dimitrios Papadimoulis
Verts/ALE	Rasmus Andresen, David Cormand, Alexandra Geese, Henrike Hahn

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1	0
ID	Joachim Kuhs

Key to symbols: + : in favour - : against 0 : abstention