# **European Parliament**

2019-2024



### Plenary sitting

A9-0154/2023

19.4.2023

# **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 (application from Spain – EGF/2022/003 ES/Alu Ibérica) (COM(2023)0129 – C9-0053/2023 – 2023/0068(BUD))

Committee on Budgets

Rapporteur: Eider Gardiazabal Rubial

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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 (application from Spain – EGF/2022/003 ES/Alu Ibérica) (COM(2023)0129 – C9-0053/2023 – 2023/0068(BUD))

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2023)0129 C9-0053/2023),
- 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 1309/2013<sup>1</sup> ("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 2021-2027<sup>2</sup>, and in particular Article 8 thereof,
- having regard to 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 resources<sup>3</sup>, ("IIA of 16 December 2020"), and in particular point 9 thereof,
- having regard to the trilogue procedure provided for in point 9 of the IIA of 16
  December 2020,
- having regard to the letters from the Committee on Employment and Social Affairs and from the Committee on Regional Development,
- having regard to the report of the Committee on Budgets (A9-0154/2023),
- A. whereas the Union has set up legislative and budgetary instruments to provide additional support to workers who are suffering from the consequences of major structural changes in world trade patterns or of the global financial and economic crisis, and to assist their reintegration into the labour market; whereas this assistance is made through a financial support given to workers and the companies for which they worked;
- B. whereas Spain submitted application EGF/2022/003 ES/Alu Ibérica for a financial contribution from the European Globalisation Adjustment Fund (EGF), following 303 redundancies<sup>4</sup> in the economic sector classified under the NACE Revision 2 division 24 (Manufacture of basic metals), within a reference period for the application from 10

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<sup>&</sup>lt;sup>1</sup> OJ L 347, 20.12.2013, p. 855.

<sup>&</sup>lt;sup>2</sup> OJ L 433I, 22.12.2020, p. 11.

<sup>&</sup>lt;sup>3</sup> OJ L 433I, 22.12.2020, p. 28.

<sup>&</sup>lt;sup>4</sup> Within the meaning of Article 3 of the EGF Regulation.

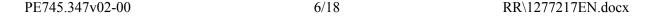
- May 2022 to 10 September 2022;
- C. whereas the application relates to 303 workers made redundant in the company Alu Ibérica LC S.L. (Alu Ibérica) in the Spanish region of Galicia following the company's bancruptcy;
- D. whereas the application is based on the intervention criteria of criteria of Article 4(2)(a) of the EGF Regulation, which requires at least 200 workers being made redundant over a reference period of four months in an enterprise in a Member State, including workers made redundant by suppliers and downstream producers and/or self-employed persons whose activity has ceased;
- E. whereas the COVID-19 pandemic and the Russian war of aggression against Ukraine have reduced economic competitiveness across the Union, including in Spain; whereas the margins of the enterprises in Spain and their competitiveness have furthermore been reduced by the current rise in inflation, in particular the higher prices of raw materials and energy;
- F. whereas the redundancies stem from the dissolution of Alu Ibérica and the opening of the liquidation procedure declared by the Commercial Court number 2 of A Coruña on 22 February 2022, following the company's voluntary bankruptcy since December 2021; whereas higher energy and raw material prices and downward pressure on world prices of aluminum resulting from production overcapacity in China contributed to the bankruptcy of Alu Ibérica;
- G. whereas the Regional Government of Galicia, in compliance with Article 7(4) of Regulation (EU) 2021/691, involved social partners in the preparation of the EGF application and drew up the co-ordinated package of personalised services in cooperation with them; whereas social partners will also be involved in the implementation of the services;
- H whereas financial contributions from the EGF should be primarily directed at active labour market policy measures and personalised services that aim to reintegrate beneficiaries rapidly into decent and sustainable employment within or outside their initial sector of activity, while preparing them for a greener and more digital European economy;
- I. 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) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027<sup>5</sup>;
- 1. Agrees with the Commission that the conditions set out in Article 4(2)(a) of the EGF Regulation are met and that Spain is entitled to a financial contribution of EUR 1 275 000 under that Regulation, which represents 85 % of the total cost of EUR 1 500 000, comprising expenditure for personalised services of EUR 1 429 400 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 70 600;

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<sup>&</sup>lt;sup>5</sup> OJ L 433I, 22.12.2020, p. 11.

- 2. Notes that the Spanish authorities submitted the application on 30 November 2022, and that, following the provision of additional information by Spain, the Commission finalised its assessment on 16 March 2023 and notified it to Parliament on the same day;
- 3. Notes that the application relates to 303 workers made redundant in the company Alu Ibérica;
- 4. Highlights that Alu Ibérica was among the 0,1 % of businesses in Galicia with more than 250 employees; underlines the significant impact of the displacement on the local labour market and economy of A Coruña, a city which has been marked by a high unemployment rate well exceeding the Union average (9,5 % in Q3/2022); takes note of the estimation of Spanish authorities that the liquidation of Alu Ibéria will trigger the loss of 312 jobs in ancillary enterprises, which would bring the total number of job losses to 615, equalling 8,2 % of the manufacturing jobs in A Coruña; points out the large mobilisations that the decision caused in the city of A Coruña; stresses the loss of jobs and livelihood in Galicia;
- 5. Considers that the displaced workers will need additional support to find new employment in the labour market, taking into account that 35 % of them belong to the age group 45+ and may experience additional reemployment challenges;, notes that this age group makes up 60 % of the registered job seekers in A Coruña, and that Alu Ibérica is exempted from the legal obligation to provide redeployment support given its bankruptcy;
- 6. Notes that Spain started providing personalised services to the targeted beneficiaries on 2 March 2023 and that the period of eligibility for a financial contribution from the EGF will therefore be from 2 March 2023 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: information services, intensive job-search assistance, including identifying job perspectives in other regions or Member States, occupational guidance and outplacement assistance, trainings (inter alia: horizontal competencies, re-skilling, up-skilling and internships), retraining, vocational training, and support towards and contribution to business creation, as well as incentives and allowances; including payments for the participation in agreed reintegration measures, contributions to expenses for commuting and caring of dependents;
- 8. Recalls that the implementation of the services will be coordinated by the Regional Government of Galicia and calls for due transparency in the final execution of the actions in collaboration with the social partners that participate in the Social Dialogue in Galicia; notes that the digital and green transformation will also have an effect on the labour market; welcomes that priority was given to skills needed in digitalisation, robotisation and for the transition to a green economy when designing the training offer.
- 9. Reiterates in this context the important role the Union should play in providing the necessary qualifications for the just transformation in line with the European Green Deal; strongly supports the fact that, during the 2021-2027 MFF period, the EGF will continue to show solidarity with all persons affected, without discrimination, and maintain the focus on the impact of restructuring on workers; and calls for future applications to maximise policy coherence;

- 10. Notes that the digital and green transformation will also have an effect on the labour market; welcomes that priority was given to skills needed in digitalisation, robotisation and for the transition to a green economy when designing the training offer.
- 11. Notes that Spain started incurring administrative expenditure to implement the EGF on 1 March 2023 and that expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 1 March 2023 until 31 months after the date of the entry into force of the Financing Decision;
- 12. Welcomes that the co-ordinated package of personalised services was drawn up by Spain in consultation with social partners;
- 13. Stresses that the Spanish authorities have confirmed that the eligible actions do not receive assistance from other Union funds or financial instruments, and that the principles of equality of treatment and non-discrimination will be respected in the access to the proposed actions and their implementation;
- 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 displaced workers, to ensure full additionality of the allocation;
- 15. Approves the decision annexed to this resolution;
- 16. 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*;
- 17. 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 Spain – EGF/2022/003 ES/Alu Ibérica

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 1309/2013<sup>6</sup>, and in particular Article 15(1), first subparagraph, 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 resources<sup>7</sup>, 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 workers made redundant 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) 2020/2093<sup>8</sup>.
- (3) On 30 November 2022, Spain submitted an application to mobilise the EGF, in respect of worker's displacements in Alu Ibérica LC S.L. 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 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 1 275 000 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,

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<sup>&</sup>lt;sup>6</sup> OJ L 153, 3.5.2021, p. 48.

<sup>&</sup>lt;sup>7</sup> OJ L 433 I, 22.12.2020, p. 28.

<sup>&</sup>lt;sup>8</sup> Council Regulation (EU, Euratom) 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 2023, the European Globalisation Adjustment Fund for Displaced Workers shall be mobilised to provide the amount of EUR 1 275 000 in commitment and payment appropriations.

### Article 2

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

Done at Brussels,

For the European Parliament The President For the Council The President

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<sup>\*</sup> Date to be inserted by the Parliament before the publication in OJ.

#### **EXPLANATORY STATEMENT**

### I. Background

The European Globalisation Adjustment Fund (EGF) was created to provide additional assistance to workers suffering from the consequences of major structural changes in world trade patterns. According to Article 8(1) of Council Regulation (EU, Euratom) No 2020/2093 laying down the multiannual financial framework for the years 2021-2027<sup>9</sup> and of Article 16 of Regulation (EU) 2021/691<sup>10</sup>, the Fund may not exceed a maximum annual amount of EUR 186 million (in 2018 prices).

In accordance with point 9 of the Interinstitutional Agreement of 16 December 2020<sup>11</sup>, the Commission is required, following the positive assessment of an application, to submit a proposal to mobilise the Fund to the budgetary authority and to complement it with a corresponding request for transfer to the relevant budget lines.

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

On 30 November 2022, Spain submitted an application EGF/2022/003 ES/Alu Ibérica for a financial contribution from the EGF, following 303 redundancies<sup>12</sup> in the company Alu Ibérica resulting from the liquidation of the company, following its voluntary bankruptcy attributed to a loss of competitiveness and rising prices of energy and raw materials. This is the third EGF application from a Member State in 2022 and the second to be examined under the 2023 budget.

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 16 March 2023, the Commission adopted a proposal for a decision on the mobilisation of the EGF in favour of Spain to support the reintegration in the labour market of 303 targeted beneficiaries, i.e. workers made redundant by Alu Ibérica during the reference period. In total, EUR 1 275 000 should be mobilised from the EGF for Spain, representing 85 % of the total costs of the proposed actions.

The Commission deemed the Spanish application admissible under the intervention criteria of Article 4(2)(a) of the EGF Regulation, which requires at least 200 workers being made redundant over a reference period of four months in an enterprise in a Member State, including workers made redundant by suppliers and downstream producers and/or self-employed persons whose activity has ceased.

EGF co-funding may be requested for the following six types of actions, to be provided to redundant workers:

a) <u>General information services and preparatory workshops:</u> All beneficiaries will be offered general information on available counselling and training programmes,

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<sup>&</sup>lt;sup>9</sup>OJ L 433I, 22.12.2020, p. 15.

<sup>&</sup>lt;sup>10</sup> OJ L 153, 3.5.2021, p. 48.

<sup>&</sup>lt;sup>11</sup> Interinstitutional agreement 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 resources, OJ L 433I, 22.12.2020, p. 28. <sup>12</sup> Within the meaning of Article 3 of the EGF Regulation.

- allowances and workers' profiling. Preparatory workshops providing more information on redeployment, sectors requiring certification or competences and soft skills as well as workshops on entrepreneurships are also foreseen.
- b) Occupational guidance towards employment or self-employment during the implementation period.
- c) <u>Training</u>. The training offer will include (1) training on key competences and horizontal competences; (2) recognition of prior learning; (3) re-skilling vocational training; and (4) up-skilling vocational training. Those aiming to take up self-employment will be provided training towards entrepreneurship.
- d) <u>Intensive job-search assistance</u>, including active search of the local and regional employment opportunities and job-matching.
- e) <u>Tutoring after reintegration into work</u>. To prevent possible problems linked to their new job, workers who take up employment again will receive guidance during the first months.
- f) Incentives. (1) Participation incentive. Workers participating in the measures and following the agreed pathway will receive up to EUR 400. (2) Contribution to commuting expenses. Workers are entitled to receive EUR 0,19/kilometre plus additional costs such as tolls and parking costs, when duly justified, and reimbursement of public transport costs; (3) Contribution to expenses of carers of dependent persons. Workers with caring responsibilities for children, elderly or disabled persons will receive up to EUR 20 for every day they participate in the measures. (4) Outplacement incentives. To incentivise workers, especially older ones, to remain in the labour market, workers returning to employment, either as dependent workers or self-employed, will receive EUR 200 per month, for up to six months.

Given that 35 % of the beneficiaries are fall into the age group 45+, which already faces difficulties finding a new job in the local job market, additional support is deemed important for their future employment.

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.

The rapporteur welcomes that Spain has provided the required information on actions that are mandatory for the enterprises concerned by virtue of national law or pursuant to collective agreements and 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 1 275 000 from the EGF reserve (budget line 30 04 02; commitment appropriations) to the EGF (budget line 16 02 02; commitment appropriations).

According to an internal agreement within the Parliament, the Employment and Social Affairs Committee and the Committee on Regional Policy 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 for

Displaced Workers – EGF/2022/003 ES/Alu Ibérica - Belgium

(2023/0068(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 and decided to send the opinion in the form of a letter.

The Committee on Employment and Social Affairs considered the matter and at its meeting of 22 March 2023 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,

Dragos Pîslaru

#### **SUGGESTIONS**

- A. Whereas on 30 November 2022, Spain submitted an application EGF/2022/003 ES/Alu Ibérica for a financial contribution from the European Globalisation Adjustment Fund for Displaced Workers (EGF), following displacements in in the economic sector classified under the NACE Revision 2 division 24 (Manufacture of basic metals), in NUTS 2 region of Galicia (ES 11), within a reference period for the application from 10 May 2022 to 10 September 2022;
- B. Whereas the application relates to 303 workers made redundant in the company Alu Ibérica LC S.L. in Spain (Alu Ibérica);
- C. Whereas the Commission deemed the Spanish 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, including workers displaced by suppliers and downstream producers and/or self-employed persons whose activity has ceased;
- D. Whereas on 16 March 2023, the Commission adopted a proposal for a decision on the mobilisation of the EGF to support the reintegration in the labour market of 303 beneficiaries, and communicated it to the Parliament and the Council on the same day;
- E. Whereas the event giving rise to these displacements is the loss of competitiveness resulting from the increase in the prices of energy and raw materials, such as magnesium, together with the decline in world aluminium prices resulting from production overcapacity in China that led Alu Ibérica into liquidation<sup>1</sup>; whereas aluminium is one of the sectors most vulnerable to the surge in energy prices and according to Eurometaux, producers faced electricity and gas costs over ten times higher in 2022 than in 2021 far exceeding the sales price for their products;
- F. Whereas the territories most affected by Alu Ibérica bankruptcy and subsequent redundancies are the NUTS level 3 region A Coruña and the city of the same name; whereas in 2020 the impact of the pandemic resulted in a significant drop in activity and employment rates (by 3,20% and 4,66%, respectively) in A Coruña; whereas the unemployment rate increased significantly to stand at 11,63% in 2020; whereas, despite improvement since then, the unemployment rate stood at 9,50% in Q3 2022 (latest data available), which is 3,5 percentage points higher than the EU average (6%);
- G. Whereas workers aged 45+ are already at a disadvantage in the regional labour market; whereas in A Coruña 60% of the registered job seekers belong to this age category; whereas, according to the Spanish authorities, 35% of Alu Ibérica redundant workers belong to the 45+ age group, the displacements are expected to have a strong impact on the unemployment of this age group;
- H. Whereas Spain has described how the recommendations set out in the EU Quality Framework for anticipation of change and restructuring have been taken into account in

<sup>&</sup>lt;sup>1</sup> Alu Ibérica was in voluntary bankruptcy since December 2021, after the court accredited its state of insolvency. On 22 February 2022, the Commercial Court number 2 of A Coruña declared Alu Ibérica LC dissolved and agreed to open the liquidation procedure.

the present case; whereas the Galician authorities monitored the bankruptcy process to guarantee workers' rights and seek alternatives for maintaining industrial activity (workers' main demand), either within the same sector or through operational restructuring of the facilities by way of a new investor;

- I. Whereas the legal obligation to provide workers with job-search assistance, occupational guidance and training for six months does not apply to enterprises in bankruptcy proceedings; whereas Spain is applying for EGF co-financing to top-up the general services on offer to the workers in the regional public employment service (Emprego Galicia);
- J. 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 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. Reminds that the objective of the EGF is to demonstrate solidarity with, and provide support to beneficiaries; considers that financial contributions from the EGF should be primarily directed at active labour market policy measures and personalised services that aim to reintegrate beneficiaries rapidly into decent and sustainable employment within or outside their initial sector of activity, stresses the importance of preparing workers for a green and digital European economy and therefore fasten the twin transitions; reiterates in this context the important role the Union should play in providing the necessary qualifications for the just transformation in line with the European Green Deal;
- 2. Agrees with the Commission that the conditions set out in Article 4(2)(a) of the EGF Regulation are met and that Spain is entitled to a financial contribution of EUR 1 275 000 under that Regulation, which represents 85 % of the total cost of EUR 1 500 000, comprising 75,47 % of total expenditure for personalised services and 24,53 % of total expenditure for allowances and incentives;
- 3. Notes that all the procedural requirements were met; welcomes the involvement in the application process of the social partners (Association of Metal Industries and Associated Technologies of Galicia (ASIME), the trade unions CCOO and UGT); underlines the need for transparency at every step of the procedure and welcomes the social partners' involvement in the package of service's implementation through a collaboration agreement and calls also for their involvement in their evaluation;
- 4. Stresses that Spain has confirmed that the measures described below receiving a financial contribution from the EGF will not also receive financial contributions from other Union financial instruments;
- 5. Notes that the application relates to 303 displaced workers whose activity has ceased; welcomes the fact that Spain expects that all of the eligible beneficiaries will participate in the measures (targeted beneficiaries); stresses that 97% of the targeted beneficiaries are aged between 30-54 years, that 95% have upper secondary or post-secondary

- education or lower; further stresses the specific needs of these groups should be taken into account when providing personalised services;
- 6. Notes the significant impact the Spanish authorities estimate the closure of Alu Ibérica could have on ancillary enterprises in the wider manufacturing labour market (roughly 312 indirect job losses in the city of A Coruña); recalls the possibility for applications made under the intervention criteria in Article 4.2(a) to include displaced suppliers or downstream producers where that cessation of activity applies to their activities as well;
- 7. Notes that Spain started providing the personalised services to the targeted beneficiaries on 2 March 2023; the expenditure on the measures will therefore be eligible for a financial contribution from the EGF from 2 March 2023 until 24 months after the date of the entry into force of the Financing Decision; recalls that personalised services to be provided to the workers consist of the following measures: (a) general information services and preparatory workshops, (b) occupational guidance, (c) training, (d) intensive job-search assistance, (e) tutoring after reintegration into work, and (f) incentives:
- 8. Stresses in particular the importance of Article 7.2 of the EGF Regulation, which requires the coordinated package to anticipate future labour market perspectives and required skills, which are compatible with the shift towards a resource-efficient and sustainable economy and with a particular focus on the dissemination of skills required in the digital industrial age; therefore, welcomes in particular, that in foreseen measures for training give priority to skills needed in digitalisation, robotisation and for the transition to a green economy, (such as those related to new mobility, new fuels, electrical technologies, etc.);
- 9. 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 EGF regulation to facilitate job seekers' participation in the activities proposed; welcomes therefore that displaced workers with caring responsibilities will receive additional financial support per day of participation in the measures;
- 10. Reiterates that assistance from the EGF must not replace actions that are the responsibility of companies, by virtue of national law or collective agreements; notes that Spain has provided the necessary assurances that the requirements laid down in national and EU legislation concerning collective redundancies have been complied with.

#### LETTER OF THE COMMITTEE ON REGIONAL DEVELOPMENT

IPOL-COM-REGI D (2023) 11676

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

**Subject:** Mobilisation of the European Globalisation Adjustment Fund –

EGF/2022/003 ES/Alu Ibérica

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(2023)0129) following displacements in the economic sector 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 303 displaced workers whose activity has ceased in Alu Ibérica. The enterprise operated in the economic sector classified under the NACE Revision 2 division 24 (Manufacture of basic metals). The redundancies are located in the NUTS 2 region of Galicia (ES 11). The territories most affected by Alu Ibérica bankruptcy and subsequent redundancies are the NUTS level 3 region A Coruña and the city of the same name.

The event giving rise to these displacements is the loss of competitiveness resulting from the increase in the prices of energy and raw materials, such as magnesium, together with the decline in world aluminum prices resulting from production overcapacity in China that led Alu Ibérica into liquidation.

The estimated number of displaced workers expected to participate in the measures is 303. The personalised services to be provided to displaced workers consist of the following measures: General information services and preparatory workshops; Occupational guidance; Training; Intensive job-search assistance; Tutoring after reintegration into work; Incentives.

The estimated total costs are EUR 1 500 000, comprising expenditure for personalised services of EUR 1 429 400 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 70 600. The total financial contribution requested from the EGF is EUR 1 275 000 (85 % of total costs).

The national pre-financing and co-funding is provided by the Consellería de Promoción de Emprego e Igualdade (Regional Ministry of Employment and Equality).

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	17.4.2023
Result of final vote	+: 36 -: 1 0: 0
Members present for the final vote	Rasmus Andresen, Pietro Bartolo, Olivier Chastel, David Cormand, Pascal Durand, José Manuel Fernandes, Eider Gardiazabal Rubial, Matteo Gazzini, Vlad Gheorghe, Valentino Grant, Valérie Hayer, Niclas Herbst, Monika Hohlmeier, Hervé Juvin, Joachim Kuhs, Zbigniew Kuźmiuk, Pierre Larrouturou, Camilla Laureti, Janusz Lewandowski, Margarida Marques, Siegfried Mureşan, Victor Negrescu, Andrey Novakov, Bogdan Rzońca, Nicolae Ştefănuță, Nils Torvalds, Angelika Winzig
Substitutes present for the final vote	Anna-Michelle Asimakopoulou, Elisabetta Gualmini, Francisco Guerreiro, Fabienne Keller, Jan Olbrycht, Petri Sarvamaa
Substitutes under Rule 209(7) present for the final vote	Jérémy Decerle, Andor Deli, Elena Kountoura, Željana Zovko

## FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

36	+
ECR	Zbigniew Kuźmiuk, Bogdan Rzońca
ID	Matteo Gazzini, Valentino Grant
NI	Andor Deli, Hervé Juvin
PPE	Anna-Michelle Asimakopoulou, José Manuel Fernandes, Niclas Herbst, Monika Hohlmeier, Janusz Lewandowski, Siegfried Mureşan, Andrey Novakov, Jan Olbrycht, Petri Sarvamaa, Angelika Winzig, Željana Zovko
Renew	Olivier Chastel, Jérémy Decerle, Vlad Gheorghe, Valérie Hayer, Fabienne Keller, Nils Torvalds
S&D	Pietro Bartolo, Pascal Durand, Eider Gardiazabal Rubial, Elisabetta Gualmini, Pierre Larrouturou, Camilla Laureti, Margarida Marques, Victor Negrescu
The Left	Elena Kountoura
Verts/ALE	Rasmus Andresen, David Cormand, Francisco Guerreiro, Nicolae Ștefănuță

1	-
ID	Joachim Kuhs

0	0

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

