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*Committee on Regional Development  
The Chair*

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14.6.2022

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

Subject: **Mobilisation of the European Globalisation Adjustment Fund –  
EGF/2021/008 EL/Attica electrical equipment manufacturing**

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 Greece (COM(2022)0248) following displacements in the economic sector in the region of Attica.

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 206 displaced workers whose activity has ceased in the economic sector classified under the NACE Revision 2 division 27 (Manufacture of electrical equipment). The redundancies are located in the NUTS 2 region of Attica (EL30). The collective redundancies concern 6 enterprises in total.

The primary event giving rise to these redundancies is the closure of Pitsos' production plant in Attica, while retaining the brand, sales and service department in Greece. To reduce manufacturing costs and to optimise production facility the plant required substantial capital investments. However, such investments were not supported by BSH-Pitsos management, and eventually it was decided to move production to Turkey, where the production costs are lower.

With regard to the redundancies in the other five enterprises, Greece argues that electrical equipment manufacturing industry faces challenges, in particular the need of digital transformation and automation, as well as the insufficient skills of the workforce to adapt to the rapidly transforming digital economy. The basic digital skills of the Greek population remain underdeveloped and fall behind EU average, which implies a high risk of

technological lag and digital illiteracy.

The personalised services to be provided to displaced workers consist of the following measures: Professional counselling; Training in digital skills; Vocational training/education; Higher education; Contribution to business start-up.

The estimated total costs are EUR 1 759 800, comprising expenditure for personalised services of EUR 1 689 800 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 70 000.

The total financial contribution requested from the EGF is EUR 1 495 830 (85 % of total costs). The national pre-financing or co-funding is provided by the Public Investment Programme of the Greek Ministry of Economy and Development.

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