

Mobilisation of the European Globalisation Adjustment Fund: application EGF/2012/008 IT/De Tomaso Automobili – Italy

European Parliament resolution of 8 October 2013 on the proposal for a decision of the European Parliament and of the Council on mobilisation of the European Globalisation Adjustment Fund, in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (application EGF/2012/008 IT/De Tomaso Automobili from Italy) (COM(2013)0469 – C7-0207/2013 – 2013/2139(BUD))

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2013)0469 – C7-0207/2013),
 - having regard to the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management¹ (IIA of 17 May 2006), and in particular point 28 thereof,
 - having regard to Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 on establishing the European Globalisation Adjustment Fund² (EGF Regulation),
 - having regard to the trilogue procedure provided for in point 28 of the IIA of 17 May 2006,
 - having regard to the letter of the Committee on Employment and Social Affairs,
 - having regard to the letter of the Committee on Regional Development,
 - having regard to the report of the Committee on Budgets (A7-0292/2013),
- 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 and to assist their reintegration into the labour market;
- B. whereas the scope of the European Globalisation Adjustment Fund (EGF) was broadened for applications submitted from 1 May 2009 to 31 December 2011 to include support for workers made redundant as a direct result of the global financial and economic crisis;
- C. whereas the Union's financial assistance to workers made redundant should be dynamic and made available as quickly and as efficiently as possible, in accordance with the Joint Declaration of the European Parliament, the Council and the Commission adopted during the conciliation meeting on 17 July 2008, and having due regard for the IIA of 17 May 2006 in respect of the adoption of decisions to mobilise the EGF;

¹ OJ C 139, 14.6.2006, p. 1.

² OJ L 406, 30.12.2006, p. 1.

- D. whereas Italy submitted application EGF/2012/008 IT/De Tomaso Automobili for a financial contribution from the EGF, following 1030 redundancies in De Tomaso Automobili S.p.A. with 1010 workers targeted for EGF co-funded measures, during the reference period from 5 July 2012 to 28 August 2012;
- E. whereas the application fulfils the eligibility criteria set up by the EGF Regulation;
1. Agrees with the Commission that the conditions set out in Article 2(a) of the EGF Regulation are met and that Italy is, therefore, entitled to a financial contribution under that Regulation;
 2. Notes that the Italian authorities submitted the application for EGF financial contribution on 5 November 2012 and that its assessment was made available by the Commission on 28 June 2013; welcomes the relatively quick evaluation period of 7 months;
 3. Notes that the 1 030 redundancies in De Tomaso Automobili S.p.A., an automobile manufacturer in Italy, were caused by changes in the geographical patterns of consumption; notes that rapid growth in Asian markets from which Union producers are less able to benefit, being traditionally less well positioned in those markets than elsewhere, together with the tightening of credit which followed the economic and financial crisis, has put an extra burden on the enterprise which was unable to find a profitable solution and entered into liquidation proceedings in April 2012;
 4. Stresses that the Commission has already recognised the impact of the economic and financial crisis on the automotive sector and that this sector had the largest number of applications (16) for EGF support, of which 7 are based on trade related globalisation¹;
 5. Calls on the Italian authorities to use the EGF support to its full potential and to encourage the maximum number of workers to participate in the measures, recalls that early EGF interventions in Italy suffered from a relatively low rate of budget implementation mainly due to low participation rates;
 6. Emphasises the fact that the De Tomaso Automobili redundancies are spread across the regions of Piemonte and Toscana, and in particular the provinces of Torino and Livorno where the production plants of De Tomaso Automobili S.p.A. were located;
 7. Welcomes the fact that in order to provide workers with timely assistance, the Italian authorities decided to initiate the implementation of the personalised measures on 15 January 2013, well ahead of the final decision on granting EGF support for the proposed coordinated package;
 8. Notes that the dismissals were covered by the wage compensation fund (CIG), an Italian social safety net, which provided financial benefits to workers as compensation for salary payments; notes, however, that the Italian authorities have requested EGF support in order

¹ EGF/2012/008 De Tomaso Automobili (the case object of this proposal for decision), EGF/2012/005 Saab Automotive COM(2012)0622, EGF/2009/013 Karmann COM(2010)0007, EGF/2008/004 Castilla y Leon Aragon COM(2009)0150, EGF/2008/002 Delphi COM(2008)0547, EGF/2007/010 Lisboa Alentejo COM(2008)0094, EGF/2007/001 PSA Suppliers COM(2007)0415.

to finance subsistence allowances, in addition to the usual welfare payments made available under Italian labour law for the unemployed;

9. Recalls that the EGF should in the future be primarily allocated to training and job searches, as well as occupational orientation programs; notes that its financial contribution to allowances should always be of an additional nature and in parallel with what is available to dismissed workers by virtue of national law or collective agreements; recalls in this context the conclusion of the Court of Auditors in Special Report No 7/2013 on the EGF that "one third of EGF funding compensates national workers' income support schemes, with no EU added value" and the recommendation that such measures should be limited in the future;
10. Notes that the coordinated package of personalised services to be co-funded includes measures for the reintegration of 1 010 workers into employment such as vocational guidance, outplacement and job search assistance, training, re-training and vocational training, accompanying measures towards business creation, contribution to business start-up, hiring benefit, job-search allowance, contributions towards special expenses such as contribution for carers of dependent persons and contributions to commuting expenses;
11. Welcomes the fact that the social partners, and in particular trade unions at local level, were consulted on the design of the measures of the coordinated EGF package; notes that a policy of equality between women and men as well as the principle of non-discrimination will be applied during the various stages of the implementation of and access to the EGF;
12. Welcomes the fact that the social partners were consulted on the design of the package; welcomes the fact that a steering committee will monitor the implementation of the package;
13. Recalls the importance of improving the employability of all workers by means of adapted training and the recognition of skills and competences gained throughout a worker's professional career; expects the training on offer in the coordinated package to be adapted not only to the needs of the dismissed workers but also to the actual business environment;
14. Calls on the Member States to include in future applications the following information concerning the training measures to be supported by EGF: types of training provided, in which sectors training is provided, if the offer matches the anticipated skills needs in the region/locality and if is aligned with the future economic prospects of the region;
15. Notes that the information provided on the coordinated package of personalised services to be funded by the EGF includes information on complementarity with actions funded by the Structural Funds; stresses that the Italian authorities confirm that the eligible actions do not receive assistance from other Union financial instruments; reiterates its call to the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect of the existing regulations and guarantee that no duplication of Union-funded services can occur;
16. Requests that the institutions involved make the necessary efforts to improve procedural arrangements to accelerate the mobilisation of the EGF; appreciates the improved procedure put in place by the Commission, following Parliament's request for the accelerated release of grants, aimed at presenting to the budgetary authority the Commission's assessment on the eligibility of an EGF application together with the proposal to mobilise the EGF; hopes that further improvements in the procedure will be integrated in the new Regulation on

European Globalisation Adjustment Fund (2014–2020) and that greater efficiency, transparency and visibility of the EGF will be achieved;

17. Stresses that, in accordance with Article 6 of the EGF Regulation, it shall be ensured that the EGF supports the reintegration of individual redundant workers into stable employment; stresses, furthermore, that EGF assistance can co-finance only active labour market measures which lead to durable, long-term employment; reiterates that assistance from the EGF must not replace actions which are the responsibility of companies by virtue of national law or collective agreements, nor measures restructuring companies or sectors;
18. Approves the decision annexed to this resolution;
19. Welcomes the agreement reached in the Council on reintroducing in the EGF regulation, for the period 2014-2020, the crisis mobilisation criterion, which allows for the provision of financial assistance to workers made redundant as a result of the current financial and economic crisis in addition to those losing their job because of changes in global trade patterns;
20. Instructs its President to sign the decision with the President of the Council and to arrange for its publication in the *Official Journal of the European Union*;
21. 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, in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (application EGF/2012/008 IT/De Tomaso Automobili from Italy)

(The text of this annex is not reproduced here since it corresponds to the final act, Decision 2013/514/EU.)