Mobilisation of the European Globalisation Adjustment Fund: redundancies in textiles sector in Italy

2008/2286(ACI) - 02/10/2008 - Non-legislative basic document

PURPOSE: to mobilise the European Globalisation Adjustment Fund for the Italian textile sector.

PROPOSED ACT: Decision of the European Parliament and of the Council.

CONTENT: the European Globalisation Adjustment Fund was established to provide additional support to redundant workers who suffer from the consequences of major structural changes in world trade patterns and to assist them with their reintegration into the labour market (see COD/2006/0033). The Interinstitutional Agreement of 17 May 2006 allows the mobilisation of the Fund within the annual ceiling of EUR 500 million.

Italy submitted four applications to deploy the Fund, in respect of redundancies in the textile sector. The applications describe the redundancies in four regions against a background of radical change in the distribution of textile production. The Commission concludes that the Italian redundancies follow the general trend in the clothing and accessories industry in the Community towards a delocalisation of their production to lower cost non-EU countries. In their applications, the Italian authorities have provided statistical evidence that the redundancies are a direct result of the evolving situation in the global textiles industry.

The Commission services have carried out a thorough examination of the four applications submitted by Italy. The applications demonstrated the following number of definitive redundancies:

- **Sardinia: 1044** redundancies during the nine-month period of reference (27 October 2006 to 26 July 2007);
- **Piedmont: 1537** redundancies during the nine-month period of reference (1 September 2006 to 31 May 2007);
- **Lombardy: 1816** redundancies during the nine-month period of reference (1 September 2006 to 31 May 2007);
- **Tuscany: 1558** redundancies during the nine-month period of reference (1 March 2007 to 30 November 2007).

Financing: the total annual budget available for the European Globalisation Adjustment Fund is EUR 500 million. An amount of **EUR 3 106 882** has already been mobilised for two applications and a further two cases for a total amount of **EUR 10 770 772 have been proposed**, giving an aggregated amount of EUR 13 877 654 leaving an amount of EUR 486 122 346 available. The Commission's proposed allocation under the Fund is based on the information made available by the applicants.

Coordinated packages of eligible personalised services for a total amount of EUR 70 316 150 have been proposed for the four regions of which the requested contribution of the EGF is EUR **35 158 075**. Total estimates of the coordinated packages of personalised services to be funded are as follows:

- Sardinia: **EUR 10 971 000**;

- Piedmont: **EUR 7 798 750**;

- Lombardy: **EUR 12 534 125**;
- Tuscany: **EUR 3 854 200**.