Mobilisation of the European Globalisation Adjustment Fund: redundancies in automotive manufacturing industry in Germany

2010/0005(BUD) - 23/02/2010

The Committee on Budgets adopted the report by Reimer BÖGE (EPP, DE) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund (EGF) for a total amount of **EUR 6 199 341** in commitment and payment appropriations to assist Germany in respect of redundancies in the automotive manufacturing sector.

MEPs recall that the European Union set up the appropriate legislative and budgetary instruments to provide additional support to workers who suffer from the consequences of major structural changes in world trade patterns and to assist their reintegration into the labour market.

Given that Germany requested assistance in respect of cases concerning redundancies in the automotive manufacturing industry which occurred in one enterprise – Karmann – and that the application fulfils the eligibility criteria set up by the EGF Regulation, MEPs request the institutions involved to make the necessary efforts to accelerate the mobilisation of the EGF for the requested amount.

MEPs recall the institutions' commitment to ensure a smooth and rapid procedure for the adoption of the decisions on the mobilisation of the EGF, providing one-off, time-limited individual support geared to helping workers who have suffered redundancies as a result of globalisation. They stress that the European Union should use all its means to face the consequences of the global economic and financial crisis and that in this context, the EGF can play a crucial role in the reintegration of the workers made redundant into the labour market.

In addition, MEPs recall that:

- the EGF should support the reintegration of the individual redundant workers into employment and that assistance from the EGF shall not replace actions which are the responsibility of companies by virtue of national law or collective agreements, nor measures restructuring companies or sectors;
- in the context of mobilising the EGF, the Commission should not systematically transfer payment appropriations from the ESF, since the EGF was created as a separate specific instrument with its own objectives and deadlines;
- the functioning and the added value of the EGF should be evaluated in the context of the general assessment of the programmes and other various instruments created by the IIA of 17 May 2006, within the process of the 2007-2013 multiannual financial framework mid-term review.

Furthermore, MEPs call on the Commission to include, in proposals for the mobilisation of the EGF, as well as in its annual reports, precise information on the complementary funding received from the European Social Fund (ESF) and other Structural Funds.

Lastly, they note that the new Commission's proposals for a decision on the mobilisation of the EGF refer to a sole Member State's application, which is in line with European Parliament requests.