Mobilisation of the European Globalisation Adjustment Fund: redundancies in machinery sector (Linak) in Denmark

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The Committee on Budgets adopted the report drafted by Barbara MATERA (EPP, IT) on the proposal for a decision of the European Parliament and of the Council on mobilisation of the European Globalisation Adjustment Fund in respect of redundancies in the mechanical and electronic machinery sector in Denmark (Linak) for an amount of **€1 213 508** in commitment and payment appropriations.

Members recall that the European Union set up the appropriate 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.

Noting that Denmark requested assistance in respect of cases concerning 198 redundancies in the enterprise Linak operating in the electronic and mechanic sector in the NUTS II region of Syddanmark, and that this application fulfils the eligibility criteria set up by the EGF Regulation, Members ask the institutions involved to make the necessary efforts to accelerate the mobilisation of the EGF for the requested amount.

In addition, Members underline 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 and the financial and economic crisis. They emphasise the role that the EGF can play in the reintegration of workers made redundant into the labour market.

Members recall 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;
- the Commission provided information on the coordinated package of personalised services to be funded from the EGF includes detailed information on the complementarity with actions funded by the Structural Funds (Members reiterate their call to present a comparative evaluation of these data in its annual reports as well);
- the functioning and the added value of the EGF should be evaluated in the context of the general assessment of the programmes and various other instruments created by the IIA of 17 May 2006 within the process of the 2007-2013 multiannual financial framework mid-term review.

In addition, Members welcome the fact that, in the context of mobilising the EGF, an alternative source of payment appropriations to unused ESF funds has been proposed by the Commission, following the frequent reminders by the European Parliament that the EGF was created as a separate specific instrument with its own objectives and deadlines and that appropriate budget lines for transfers must therefore be identified. They note that, in order to mobilise the EGF for this case, payment appropriations will be transferred from a budget line dedicated to the support of SMEs and innovation (even if Members regret the severe shortcomings of the European Commission when implementing programmes on competitiveness and innovation, particularly during an economic crisis which should significantly increase the need for such support).

Lastly, Members welcome the new format of the Commission's proposal, which presents in its explanatory memorandum clear and detailed information on the application, analyses the eligibility criteria and explains the reasons which led to its approval, which is in line with Parliament's requests.