Mobilisation of the European Globalisation Adjustment Fund: redundancies in manufacture of machinery and equipment in Denmark

2010/2163(BUD) - 19/10/2010 - Budgetary text adopted by Parliament

The European Parliament adopted by 567 votes to 59, with 8 abstentions a resolution approving the proposal for a decision of the European Parliament and of the Council on mobilisation of the European Globalisation Adjustment Fund for an amount of **EUR 7 521 359** in commitment and payment appropriations in respect of **redundancies in the machinery and equipment for the shipbuilding sector in Denmark**.

Parliament recalls that the European Union has 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.

Given that Denmark has requested assistance in respect of cases concerning 951 redundancies in 45 enterprises operating in the NACE Revision 2 Division 28 (manufacture of machinery and equipment) sector in the NUTS II region of Nordjylland, and that this application fulfils the eligibility criteria set up by the EGF Regulation, Parliament requests the institutions involved to make the necessary efforts to accelerate the mobilisation of the EGF for the requested amount.

Parliament recalls the institutions' commitment to ensuring 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.

It also recalls 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 information provided by the Commission 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 (Parliament reiterates its call to present a comparative evaluation of these data in the Commission 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 parallel, Parliament welcomes the fact that, in the context of mobilising the EGF, **an alternative source of payment appropriations to unused European Social Fund 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.

It also notes 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 they regret the severe

shortcomings of the European Commission when implementing the framework programmes on competitiveness and innovation, particularly during an economic crisis which should significantly increase the need for such support).

Lastly, Parliament welcomes 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.