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

2011/2074(BUD) - 24/05/2011

The Committee on Budgets adopted the report drafted by Barbara MATERA (EPP, IT) on the proposal for a decision to mobilise the European Globalisation Adjustment Fund (EGF) for an amount of **EUR 9 593 931** in commitment and payment appropriations in order to assist Belgium in respect of redundancies in the automotive industry.

Members recall 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 Belgium has requested assistance in respect of cases concerning 2834 redundancies (all targeted for assistance) in the primary enterprise *General Motors Belgium* and four of its suppliers operating in the motor vehicle sector in the NUTS II region of Antwerp in Belgium, and that the application fulfils the eligibility criteria set up by the EGF Regulation, Members request the institutions involved to make the necessary efforts to accelerate the mobilisation of the EGF.

Members appreciate in this sense the improved procedure put in place by the Commission, following the Parliament’s request for accelerating the 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. They hope that further improvements in the procedure will be reached in the framework of the upcoming review of the EGF.

Members recall 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.

They also 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 information provided on the coordinated package of personalised services to be funded from the EGF includes information on the complementarity with actions funded by the Structural Funds.

Moreover, they call for an evaluation on the long-term integration of these workers into the labour market as a direct result of the EGF-funded measures as well as comparative evaluation on the complementarity with actions funded by the Structural Funds.

At the same time, Members welcome the fact that, following repeated requests from the Parliament, for the first time the 2011 budget shows payment appropriations of EUR 47 608 950 on the EGF budget line 04 05 01. The EGF was created as a separate specific instrument with its own objectives and deadlines and that therefore deserves a dedicated allocation, superseding transfers from other budget lines, as done in the past, which could be detrimental to the achievement of the various policies objectives.

Lastly, Members consider that the issue of multinational companies, whose restructuring or relocation causes redundancies and, subsequently, the intervention of the EGF, needs to be addressed in the forthcoming revision of the EGF Regulation without compromising redundant workers' access to the EGF.