Mobilisation of the European Globalisation Adjustment Fund: redundancies in the automotive sector in France

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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 for an amount of **EUR 24 493 525** in commitment and payment appropriations in respect of redundancies in the automotive sector in France.

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 France has requested assistance in respect of a case concerning 4 445 redundancies, of which 3 582 targeted for assistance, in the enterprise Renault s.a.s. and seven of its suppliers from the automotive industry, Members request the institutions involved to make the necessary efforts to improve procedural and budgetary arrangements in order to accelerate the mobilisation of the EGF for the requested amount.

The EGF application submitted by France **does not cover the Renault workers who opted for the early retirement scheme and to which the EGF aid could not be allocated under Regulation (EC) No 1927 /2006**, but saw their pension rights altered by the pension reform which came into force in the meantime. In this regard, Members consider that the efforts made by all parties involved to find a **viable solution so that these former Renault workers can complement their pension rights** should be noted.

Whilst Members appreciate the improved procedure put in place by the Commission, following the Parliament's request for accelerating the release of grants, they note the lengthy assessment period in respect of this particular application. They hope that further improvements in the procedure will be reached in the framework of the upcoming reviews of the EGF.

The report notes that that the first results on the efficiency of the measures targeting the dismissed workers should soon be available and note that the success rates are a key indicator of the efficiency of the fund. They call on the Commission for a strong and close monitoring and guidance in ensuring that the training on offer matches the local economic trends.

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.

Members recall that:

- 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.

In parallel, Members note 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. They recall that the EGF was created as a separate specific instrument with its own objectives and deadlines.