Mobilisation of the European Globalisation Adjustment Fund: redundancies in construction of buildings in Italy

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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 the mobilisation of the European Globalisation Adjustment Fund for an amount of **EUR 3 918 850** in commitment and payment appropriations in respect of redundancies in the construction of buildings sector in Italy.

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 Italy has requested assistance in respect of a case concerning 643 redundancies, of which 528 targeted for assistance, in 323 enterprises operating in the NACE Revision 2 Division 41 ('Construction of buildings') in the NUTS II region of Trentino-Alto Adige/Südtirol in Italy, 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.

They 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.

Members recall the institutions' commitment to ensuring a smooth and rapid procedure for the adoption of the decisions on the mobilisation of the EGF.

They:

- reiterate 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;
- emphasise the role that the EGF can play in the long-term reintegration of workers made redundant into the labour market, in particular the most vulnerable and least qualified workers;
- deplore that the EGF might provide an incentive for companies to replace their contractual workforce with a more flexible and short-term one;
- note that the information provided on the coordinated package of personalised services to be funded from the EGF includes information on the compatibility and 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 remind that the EGF was created as a separate specific instrument with its own objectives and deadlines and that therefore deserves a dedicated allocation.

They welcome the foreseen reinforcement of the EGF budget line 04 05 01 by EUR 50 million through Amending Budget 3/2011, which will be used to cover the amount needed for the present application.