

Mobilisation of the European Globalisation Adjustment Fund: redundancies in printing machinery manufacturing in Germany

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The Committee on Budgets adopted the report drafted by José Manuel FERNANDES (EPP, PT) on the proposal for a decision on the mobilisation of the European Globalisation Adjustment Fund for an amount of EUR 5 352 944 in commitment and payment appropriations to assist Germany in respect of redundancies in printing machinery manufacturing.

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 Germany has requested assistance for 2 284 redundancies, 2 103 of which are targeted for assistance, in printing machinery manufacturer *manroland AG* and two of its subsidiaries, as well as one supplier in Germany, 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. Moreover, they agree with the Commission that the conditions set out in Article 2(a) of the EGF Regulation are met and that, therefore, **Germany is entitled to a financial contribution under that Regulation.**

Members note the conditions at the source of the request for the EGF contribution, and that the insolvency of *manroland* removes the third largest employer of the area (700 workers prior to the closure) in one of the three regions affected by the redundancies. They also note that *manroland*, before its insolvency, employed 6 500 workers and that it was a modern manufacturer of machinery with modern know-how. The break-up of this enterprise will cause a loss of skills, potentially affecting other employers in Germany, **with no immediate prospect of an equivalent successor arising in the future.**

Members recall the importance of improving the employability of all workers by means of tailored training and the recognition of skills and competences gained throughout the professional career. They recall that the EGF support should primarily be allocated to job search and training programmes instead of contributing directly to financial allowances. They believe that, if included in the package, EGF support should be of complementary nature and **never replace allowances under the responsibility of Member States.**

Lessons learnt from the implementation of the EGF: Members consider lessons should be learned from the preparation and implementation of this and other applications addressing mass dismissals. They call on the institutions involved to make the necessary efforts to improve procedural and budgetary arrangements in order to **accelerate the mobilisation of the EGF.** They appreciate the improved procedure put in place by the Commission, following its request for accelerating the release of grants. They hope that further improvements in the procedure will be integrated in the new Regulation [on the EGF \(2014–2020\)](#) and that greater efficiency, transparency and visibility of the EGF will be achieved.

Members reiterate their usual position in respect of a dossier of this type:

- the need to ensure a smooth and rapid procedure for the adoption of the decisions on the mobilisation of the EGF;
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- the fact 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 and that it can co-finance only active labour market measures which lead to durable, long-term employment;
- 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 fact that the EGF should not provide an incentive for companies to replace their contractual workforce with a more precarious and short-term one;
- the fact that 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;
- the need for a comparative evaluation of those data in the annual report on the Funds;
- the need to ensure that no duplication of Union-funded services can occur.

They also welcome the fact that following Parliament's requests, the 2012 budget shows payment appropriations of EUR 50 million 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 and that it therefore deserves a dedicated allocation, which will avoid there being transfers from other budget lines, as happened in the past, which could be detrimental to the achievement of the policy objectives of the EGF. They regret **the decision of the Council to block the extension of the "crisis derogation"**, allowing the increase in the rate of Union cofinancing to 65% of the programme costs, for applications submitted after the 31 December 2011 deadline, and call on the Council to reintroduce this measure without delay.