# Mobilisation of the European Globalisation Adjustment Fund: redundancies in the steel sector in Belgium

2014/2071(BUD) - 21/10/2014 - Budgetary text adopted by Parliament

The European Parliament adopted by 595 votes to 84, with 9 abstentions, a resolution on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, to the amount of **EUR 911 934** in commitment and payment appropriations in order to assist Belgium following redundancies in the steel industry.

Parliament recalled that the Union set up 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.

**Application from Belgium**: Belgium submitted application EGF/2013/02 BE/Carsid for a financial contribution from the EGF, following 939 redundancies, with 752 persons expected to participate in the measures, linked to the closure of the production plant of Carsid SA ('Carsid') located in Marcinelle near Charleroi in Belgium during the reference period from 28 September 2012 to 28 January 2013. Parliament therefore asked the institutions to speed up mobilisation of the Fund for the amount requested, agreeing with the Commission that the conditions set out in Article 2(a) of the EGF Regulation are met. In this respect, **Belgium is entitled to a financial contribution under the EGF Regulation**.

Parliament also welcomed the fact that, in order to provide workers with speedy assistance, the Belgian authorities decided to initiate the implementation of the personalised services to the affected workers on 1 October 2012, well ahead of the final decision on granting the EGF support for the proposed coordinated package.

It regretted however the length of assessment period of this application by the Commission. It considered that these delays should disappear with the implementation of the new EGF.

**Nature of the redundancies**: Parliament recalled that the redundancies in the production plant of Carsid are linked to major structural changes in world trade patterns due to globalisation and a rapid decline in the Union's market share in the sector of the production of continuously-cast crude steel (which includes billets, blooms and slabs) at worldwide level and a consistent decline in the production of cast crude steel in the Union. It noted that the redundancies at Carsid are expected to significantly worsen unemployment in the Charleroi area which is characterised by a high proportion of long-term unemployment and low qualification and skills levels.

Parliament also welcomed the fact that various social partners and organisations were involved in the general coordination and implementation of the measures: trade unions (FGTB, CSC), FOREM (the public employment and training service of the Walloon Region), and other local institutions with the aim of facilitating the reconversion measures.

**Coordinated package of personalised services**: Parliament stated that the coordinated package of personalised services to be co-funded includes following measures for the reintegration of 752 redundant workers into employment (grouped by category): (1) individual job-search assistance, case management and general information services and (2) training and retraining. It recalled the importance of improving the employability of all workers by means of adapted training and the recognition of skills and

competences gained throughout a worker's professional career and expected the training on offer in the coordinated package to be adapted not only to the needs of the dismissed workers but also to the actual business environment.

It also noted that the information provided on the coordinated package of personalised services to be funded from the EGF includes information on complementarity with actions funded by the Structural Funds. Parliament stressed that Belgian authorities confirm that the eligible actions do not receive assistance from other Union financial instruments. At the same time, it reiterated its call to the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect of the existing regulations and that **no duplication of Union funded services can occur**.

**New EGF**: Parliament requested the institutions involved to make the necessary efforts to improve procedural arrangements in order to accelerate the mobilisation of the EGF. It appreciated the improved procedure put in place by the Commission, following Parliament's request for the accelerated release of grants, aimed at presenting to the European Parliament and the Council the Commission's assessment on the eligibility of an EGF application together with the proposal to mobilise the EGF.

It underlined that further improvements in the procedure have been integrated in Regulation (EU) No 1309 /2013 and that greater efficiency, transparency and visibility of the EGF will be achieved.

It stressed that, in accordance with Article 6 of the EGF Regulation, it shall be ensured that the EGF supports the reintegration of individual redundant workers into stable 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.