Mobilisation of the European Globalisation Adjustment Fund: redundancies in the jewellery sector in Ireland

2014/2098(BUD) - 05/11/2014 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Ivan ŠTEFANEC (EPP, SK) 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 1 501 200** in commitment and payment appropriations in order to assist Ireland following redundancies in the jewellery sector.

Members 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.

Ireland application: Ireland submitted application EGF/2014/007 IE/Andersen Ireland for a financial contribution from the EGF, following 171 redundancies in Andersen Ireland Limited, during the reference period from 21 October 2013 to 21 February 2014.

Members agreed with the Commission that the exceptional circumstances put forward by the Irish authorities, namely that the redundancies have a serious impact on regional employment and the local and regional economy, justify a derogation to the 500 redundancies threshold according to Article 4(2) of the EGF Regulation, and that, therefore, **Ireland is entitled to a financial contribution under that Regulation**.

Members also welcomed the speedy evaluation by the Commission of less than five months.

They welcomed the fact that, in order to provide workers with speedy assistance, the Irish authorities decided to initiate the implementation of the personalised services to the affected workers on 21 October 2013, well ahead of the final decision on granting the EGF support for the proposed coordinated package.

Coordinated package of personalised services: the coordinated package of personalised services to be co-funded will seek to open the widest possible range of employment opportunities in an area where there are few expanding sectors or production sites and will require significant upskilling of the redundant workers. Members welcomed the set-up of an office of the EGF Co-ordination Unit in close proximity to the affected location which will serve as a one-stop shop for the workers. They noted that the personalised services which are to be provided to workers made redundant consist of the following actions which combine to form a co-ordinated package of personalised services: occupational guidance and career planning supports, EGF Training Grants, training and second level education programmes, third level education programmes, skillsnets training supports, enterprise/self-employment supports, income supports including course expense contributions.

New EGF: Members noted that the income supports measures will be strictly limited to a maximum amount of 35% of the overall package of personalised measures.

They welcomed the adoption of the EGF Regulation which reflects the agreement reached between the Parliament and the Council to reintroduce the crisis mobilisation criterion, to increase Union financial contribution to 60% of the total estimated cost of proposed measures, to increase efficiency for the treatment of EGF applications in the Commission and by the Parliament and the Council by shortening

time for assessment and approval, to widen eligible actions and beneficiaries by introducing self-employed persons and young people and to finance incentives for setting up own businesses.

Lastly, they recalled that in line with Article 7 of the EGF Regulation, the design of the coordinated package of personalised services should be compatible with the shift towards a resource-efficient and sustainable economy.