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

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The Committee on Budgets adopted the report by Jan OLBRYCHT (EPP, PL) 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 1 259 610** in commitment and payment appropriations in order to assist Poland following redundancies in the automotive 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.

Polish application: Poland submitted application EGF/2013/006 PL/Fiat for a financial contribution from the EGF, following 1079 redundancies, 829 in Fiat Auto Poland and 250 from 21 suppliers and downstream producers, with 777 persons expected to participate in EGF measures, linked to a decrease in production at the Tychy plant of Fiat Auto Poland S.A. ('Tychy plant of Fiat') located in the province of Slaskie, Poland, during the reference period from 21 January 2013 to 21 May 2013. Members noted that the conditions set out in Article 2(a) of the EGF Regulation are met. Therefore, **Poland is entitled to a financial contribution under the EGF Regulation.**

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

Nature of the redundancies: Members noted that the redundancies in the Tychy plant of Fiat and its suppliers and downstream producers are linked to major structural changes in world trade patterns due to globalisation. They underlined that the impact of globalisation has been worsened by the effect of the financial crisis, which has reduced the sales of new passenger cars in the Union to the lowest level since records began.

They noted that the redundancies at the Tychy plant of Fiat are expected to have a negative impact on the region, as the former workers of Fiat Auto Poland, suppliers and downstream producers represent 1/10 of all the unemployed people living in the province of Slaskie.

A coordinated package of personalised services: Members noted that the coordinated package of personalised services to be co-funded includes following measures for the reintegration of 777 redundant workers into employment: (i) training and training related costs, (ii) entrepreneurial training, (iii) training scholarships, (iv) internship scholarships, (v) internship costs, (vi) intervention works, (vii) grants for self-employment, (viii) hiring incentive.

Members underlined the high level of older people and people with lower qualifications affected by the redundancies and called for special attention to those two groups and special EGF measures targeted at them.

Members 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. They believed that the design of the coordinated package of personalised services should anticipate future labour market perspectives and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy.

New EGF: Members welcomed the adoption of the new EGF 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.

They 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. They recalled 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.

Lastly, they reiterated their 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.