Mobilisation of the European Globalisation Adjustment Fund: redundancies in the air transport sector in Italy

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The Committee on Budgets adopted the report by Monika VANA (Greens/EFA, AT) 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 1 414 848 in commitment and payment appropriations in order to assist Italy following redundancies in its air transport 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.

Italian application: Italy submitted application EGF/2015/004 IT/Alitalia for a financial contribution from the EGF following 1 249 redundancies in *Gruppo Alitalia*, operating in the NACE Rev. 2 division 51 ('Ait transport') in the NUTS level 2 region of Lazio. Members noted that the conditions set out in Article 4 (1)(a) of the EGF Regulation are met. Therefore, Italy is entitled to a financial contribution of EUR 1 414 848 under that Regulation.

Nature of the redundancies: Members noted that the international air transport market has undergone serious economic disruption, in particular a decline in the Union’s market share and a huge increase in the number of passengers carried by Gulf and Turkish carriers that has occurred at the expense of European companies such as Alitalia.

A package of personalised services: Members noted that the Italian authorities decided to initiate the implementation of the personalised services to the affected workers on 1 April 2015, well ahead of the decision on the granting the EGF support for the proposed coordinated package. Italy is planning five types of measures for redundant workers covered by this application: (i) intake and skill assessment, (ii) active job search support, (iii) training, (iv) reimbursement of mobility costs, and (v) hiring benefits for over 50s.

The allowances and incentives are limited to mobility costs and hiring benefits and will stay below the allowed maximum amount of 35% of the total costs for the coordinated package of personalised services, as set out in the EGF Regulation.

Members welcomed that the coordinated package of personalised services has been drawn up in consultation with the social partners, the accredited agencies which provide job search support and the workers and that the accredited agencies providing active job-search support to the workers are paid on the basis of the results achieved.

The Italian authorities confirmed that the eligible actions do not receive assistance from other Union financial instruments. In this regard, Members reiterated their call to the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect for existing regulations and that no duplication of Union-funded services can occur.

Lastly, Members appreciated the improved procedure put in place by the Commission, following the Parliament's request for the accelerated release of grants and noted the time pressure that the new timetable implies and the potential impact on the effectiveness of case instruction.