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

2016/2013(BUD) - 19/02/2016 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Tomáš ZDECHOVSKÝ (EPP, CZ) 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 1 095 544** in commitment and payment appropriations in order to assist Belgium following redundancies in its glass 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.

Belgian application: Belgium submitted application EGF/2015/007 BE/Hainaut-Namur Glass for a financial contribution from the EGF, following redundancies in the economic sector classified under the NACE Revision 2 Division 23 (Manufacture of other non-metallic mineral products) in the NUTS level 2 regions of Hainaut and Namur in Belgium. 412 redundant workers, as well as 100 young people from the Hainaut Region not in employment, education or training (NEETs) under the age of 25, are expected to participate in the measures. 144 of these workers were made redundant following the closure of the production plant in Roux (Hainaut), owned by AGC Europe SA, and 268 following the closure of the production plant in Auvelais (Namur Region), owned by Saint-Gobain Glass Benelux.

This application does not fulfil the eligibility criteria set down in Article 4(1) of the EGF Regulation.

It was submitted under the intervention criteria, which allow for derogation under exceptional circumstances, notably Article 4(2) of the EGF Regulation in the case of the redundant workers, and Article 6(2) of the EGF Regulation in the case of the NEETs.

Therefore, Belgium is entitled to a financial contribution.

Nature of the redundancies: Members noted that employment in the glass sector as a whole in Europe decreased by 32% and that in Wallonia, the number of jobs in the glass sector in the regions of Namur and Hainaut decreased by 19% between 2007 and 2012 and 1 236 job losses in 2013 and 1 878 in 2014 in Wallonia.

Members pointed out that Hainaut, in particular, is facing a difficult labour market situation with an employment rate 9.2% lower than the national average. They noted that, in 2013, the Saint-Gobain Group was forced to close another production plant in a deindustrialised zone in Wallonia (EGF/2013/011 BE /SaintGobain Sekurit application).

A package of personalised services: Members welcomed the fact that the Belgian authorities started providing the personalised services to the affected workers on 10 September 2014, well ahead of the decision on the granting the EGF support for the proposed coordinated package.

They noted that Belgium is planning seven types of measures for redundant workers covered by this application:

- support/guidance/interpretation,
- facilitating job-search,
- integrated training,
- transfer of experiences,
- support for enterprise creation,
- support for collective projects,
- job-search and training allowances.

They welcomed that the application contains measures specifically aimed to provide assistance to NEETs and appreciated that the allowances and incentives to be provided as part of the proposed measures are limited to 5.52% of the total estimated costs.

They recalled that in line with the EGF Regulation, the design of the coordinated package of personalised services supported by the EGF should anticipate future labour market perspectives and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy.

They also 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. Members noted that the Belgian authorities confirm that the eligible actions do not receive assistance from other Union financial instruments.

Lastly, Members appreciated the improved procedure put in place by the Commission, following the Parliament's request for the accelerated release of grants.