Mobilisation of the European Globalisation Adjustment Fund: redundancies in the mining sector in Spain

2017/2079(BUD) - 04/07/2017 - Budgetary text adopted by Parliament

The European Parliament adopted by 602 votes to 86, 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 tune of **EUR 1 002 264** in commitment and payment appropriations in order to assist Spain faced with redundancies in the mining sector.

Parliament recalled that the Union has 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 or of the global financial and economic crisis and to assist their reintegration into the labour market.

Spanish application: Spain submitted application EGF/2017/001 ES/Castilla y León for a financial contribution from the EGF, following redundancies in the economic sector classified under the NACE Revision 2 Division 5 (Mining of coal and lignite) in the NUTS level 2 region of Castilla y León (ES41). 339 redundant workers, as well as up to 125 young people not in employment, education or training (NEETs) under the age of 30, are expected to participate in the measures. Redundancies were made by Hullera Vasco Leonesa SA, Centro de Investigación y Desarrollo SA, Hijos de Baldomero García SA, Minas del Bierzo Alto SL and Unión Minera del Norte SA.

Parliament agreed that the conditions laid down in Article 4(1)b of the EGF Regulation are fulfilled and, consequently, Spain is entitled to a financial contribution of EUR 1 002 264.

Nature of redundancies: Parliament recalled that over the last 10 years coal production in the Union and the global price of coal have fallen sharply, resulting in an increasing volume of coal imports from non-EU countries and many Union coal mines becoming unprofitable and being forced to close down.

Moreover, these trends have been even more pronounced in Spain.

It noted that Spain requests that a **derogation from Article 4(1)b** be made on the grounds that the territory affected by the redundancies consists of a number of small, isolated towns in the remote, sparsely populated Cantabrian mountain valley, which are, for the most part, highly dependent on coal mining and suffer from limited connectivity.

A package of personalised services: Parliament noted that the incentives will correspond to 19.53 % of the overall package of personalised measures, well below the maximum 35 % set out in the EGF Regulation.

It noted that Spain is planning six types of measures for the redundant workers and NEETs covered by this application:

- welcome and information sessions,
- occupational guidance and counselling,
- intensive job-search assistance,
- training in cross-sector skills and competences, and vocational training,

- promotion of entrepreneurship,
- support for business start-ups, as well as a programme of incentives.

NEET: Parliament highlighted the very low population density, which has been proportionally greatest amongst those under 25. It welcomed Spain's decision to provide up to 125 NEETs under the age of 30 with personalised services co-financed by the EGF. It stressed that those services will include support to those interested in creating their own business.

In addition, Parliament noted that the Spanish authorities have confirmed that the eligible actions do not receive assistance from other Union financial instruments, and that any double financing will be prevented and that eligible actions will be complementary to actions funded by the structural funds.

It reiterated 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 for restructuring companies or sectors.

Lastly, Parliament noted the importance of launching an information campaign in order to reach the NEETs who could be eligible under these measures, ensuring gender balance wherever possible.