Mobilisation of the European Globalisation Adjustment Fund: redundancies in the call center sector in Italy

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The Committee on Budgets adopted the report by Daniele VIOTTI (S&D, IT) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, amounting to EUR 3 347 370 in commitment and payment appropriations, to assist Italy faced with redundancies in the call centre sector.

The European Globalisation Adjustment Fund (EGF) provides support to workers made redundant as a result of major structural changes in international trade as a result of globalisation or the global economic and financial crisis. It has a maximum annual budget of EUR 150 million for the period 2014-2020.

Italian application: Italy submitted application for a financial contribution from the EGF under the intervention criteria set out in point (a) of Article 4(1) of the EGF Regulation following **1 646 redundancies in Almaviva Contact SpA** operating in the economic sector concerning office administrative, office support and other business support activities in the Lazio region in Italy.

Members agreed that the conditions set out in the EGF Regulation were fulfilled and that **Italy was entitled to a financial contribution of EUR 3 347 370**, which represents 60% of the total cost of EUR 5 598 950.

Reasons for the redundancies: the economic crisis has **increased the pressure on prices in the call centre sector**, boosting competition between service providers and decreasing overall profitability.

The redundancies are directly linked to a 45 % revenue decline of Almaviva's centre in Rome between 2011 and 2016. Unfortunately, it was not possible to find a workable solution to this decline, leading to the closure of the Rome work centre in late 2016. Members regretted that between 2009 and the first quarter of 2014, one third of Italian companies in the sector have ceased their activities.

Package of personalised services: the eight types of measures to be provided to redundant workers and for which EGF cofunding is requested consist of:

- individual orientation including skills assessments, profiling of the participant workers and the design of the customised reintegration pathway, as well as the enrolment procedure;
- job search including intensive employment searches, including search for local and regional employment opportunities and job-matching;
- training, retraining and vocational training;
- re-employment voucher granting an amount to be spent in intensive job-search services;
- support towards entrepreneurship;
- contribution to business start-up;
- reimbursement of the expenses for carers of dependent persons;
- reimbursement of mobility costs.

The income supports measures will be **17.4%** of the overall package of personalised measures, well below the maximum 35% set out in the Regulation.

Members commended the commitment of the Italian government to **defining a new legal framework** for telecommunications workers in order to avoid further cases such as that which is the subject of the EGF /2017/004 IT/Almaviva application.

They reiterated that assistance from the EGF must not replace actions which are the responsibility of companies, by virtue of national law or collective agreements, or measures for restructuring companies or sectors.

Lastly, they called on the Commission to urge national authorities to **provide more details in future proposals on the sectors which have growth prospects** and are therefore likely to hire people, as well as to gather substantiated data on the impact of the EGF funding.