Mobilisation of the European Globalisation Adjustment Fund: redundancies in warehousing and support activities for transportation in Italy

2021/0337(BUD) - 14/12/2021 - Budgetary text adopted by Parliament

The European Parliament adopted by 665 votes to 17, with 15 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 (EGF) for workers made redundant following an application from Italy - EGF/2021/003 IT Porto Canale.

Parliament approved the proposal for a decision to mobilise the EGF to provide a **financial contribution of EUR 1 493 407** in commitment and payment appropriations from the Union budget for the financial year 2021 in response to an application from Italy facing redundancies in the warehousing and support transport services sector.

This contribution represents **85% of the total cost** of EUR 1 756 950, including expenditure of EUR 1 686 750 for personalised services and EUR 70 200 for the implementation of the EGF.

Events leading to the redundancies

The activity of the port of Cagliari declined between 2011 and 2018 while traffic dropped by 90% in 2018 due to the lack of land connection with the rest of Italy and the gradual shifting of container volumes and operations to hubs located at the edges of the Mediterranean basin.

In 2019, Contship Italia Group, the sole shareholder of Porto Industriale di Cagliari S.p.A, the concessionaire of the container terminal, decided to end its operations in Cagliari and to voluntarily liquidate its subsidiary Porto Industriale di Cagliari SpA. No new concessionaire was found despite three extensions, leading to the laying off of the 190 workers who were still part of the enterprise in September 2020.

Eligible beneficiaries

Members recalled that the application concerned a total of **190 redundant workers** whose activity had ceased at the company Porto Industriale di Cagliari SpA. The majority of the workers are men (90.5%) aged between 30 and 54 (98.4%) with an upper secondary or post-secondary education (83.7%).

The social consequences of the redundancies are expected to be considerable for the Sardinian economy, which was also badly hit by the COVID-19 crisis and where the employment rate fell by 4.6% in 2020, while it fell by only 2.0% in Italy as a whole. Due to the pandemic, the number of Sardinian households without labour income increased to 16.5% in 2020 (+3.5% compared to 2019).

Personalised services

Parliament recalled that the personalised services to be provided to workers include the following actions: (i) general information and vocational guidance; (ii) job search assistance, (iii) training; (iv) tutoring for business start-ups; (v) financial contribution to business start-ups, as well as incentives and contribution to specific costs. The application relates in total to 190 displaced workers whose activity has ceased. Italy expects all eligible beneficiaries (190 in total) to participate in the measures.

Members welcomed the possibility of introducing special time-limited measures within the coordinated package, including in particular the payment of childcare allowances. They also welcomed the fact that training will focus on the green economy, the blue economy, personal services, social and health services, promotion of cultural heritage and cultural activities.

Parliament noted that the social partners were fully involved in planning and fine-tuning the package of measures. It welcomed that the measures were planned to be in line with the Italian National Strategy for Sustainable Development (SNSvS) and that the co-ordinated package of personalised services was drawn up through a consultation between the Sardegna Region, ASPAL, the Municipality of Cagliari, the Cagliari Port Authority and trade unions.

In order to minimise the time taken to mobilise the EGF, this Decision should apply from the date of its adoption.