Basic information

2010/2279(BUD) BUD - Budgetary procedure	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in ICT wholesale trade in the Netherlands **Subject** 3.40.06 Electronics, electrotechnical industries, ICT, robotics 4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 8.70.60 Previous annual budgets **Geographical area** Netherlands	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	MATERA Barbara (PPE)	24/11/2010
	Shadow rapporteur PICKART ALVARO Alexander Nuno (ALDE)	

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Environment	3061	2010-12-20

European Commission

Commission DG	Commissioner
Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
		COM(2010)0685	Summary

23/11/2010	Non-legislative basic document published		
25/11/2010	Committee referral announced in Parliament		
02/12/2010	Vote in committee		Summary
03/12/2010	Budgetary report tabled for plenary	A7-0353/2010	
15/12/2010	Decision by Parliament	T7-0476/2010	Summary
15/12/2010	Results of vote in Parliament		
20/12/2010	Draft budget approved by Council		
20/12/2010	End of procedure in Parliament		
15/02/2011	Final act published in Official Journal		

Technical information

Procedure reference	2010/2279(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Mobilisation of funds
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/7/04635

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE454.400	26/11/2010	
Amendments tabled in committee		PE454.451	30/11/2010	
Budgetary report tabled for plenary, 1st reading		A7-0353/2010	03/12/2010	
Budgetary text adopted by Parliament		T7-0476/2010	15/12/2010	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2010)0685	23/11/2010	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2011/0099
OJ L 041 15.02.2011, p. 0008

Summary

Mobilisation of the European Globalisation Adjustment Fund: redundancies in ICT wholesale trade in the Netherlands

2010/2279(BUD) - 15/12/2010 - Budgetary text adopted by Parliament

The European Parliament adopted by 567 votes to 46, with 10 abstentions, a resolution approving the annexed proposal for a decision on the mobilisation of the European Globalisation Adjustment Fund for an amount of **EUR 2 557 135** in commitment and payment appropriations in respect of **redundancies in the ICT wholesale trade in the Netherlands**.

Parliament recalls that the EU has set up the appropriate 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. Given that the Netherlands has requested assistance in respect of cases concerning 613 redundancies in two enterprises operating in the NACE Revision 2 Division 46 (Wholesale trade, except of motor vehicles and motorcycles) in the NUTS II region of Noord Holland in the Netherlands, and that this application fulfils the eligibility criteria set up by the EGF Regulation, Parliament requests the institutions involved to make the necessary efforts to accelerate the mobilisation of the EGF for the requested amount.

Parliament recalls the institutions' commitment to ensuring a smooth and rapid procedure for the adoption of the decisions on the mobilisation of the EGF, providing one-off, time-limited individual support geared to helping workers who have suffered redundancies as a result of globalisation and the financial and economic crisis.

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Parliament also recalls 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 restructuring companies or sectors;
- the information provided by the Commission on the coordinated package of personalised services to be funded from the EGF includes detailed information on the complementarity with actions funded by the Structural Funds (Parliament reiterates its call to present a comparative evaluation of these data in the Commission annual reports as well);
- the functioning and the added value of the EGF should be evaluated in the context of the general assessment of the programmes and various other instruments created by the IIA of 17 May 2006 within the process of the 2007-2013 Multiannual Financial Framework mid-term review.

In parallel, Parliament welcomes the fact that, in the context of mobilising the EGF, **an alternative source of payment appropriations to unused European Social Fund has been proposed by the Commission**, following the frequent reminders by the European Parliament that the EGF was created as a separate specific instrument with its own objectives and deadlines and that appropriate budget lines for transfers must therefore be identified.

Parliament also notes that, in order to mobilise the EGF for this case, payment appropriations will be transferred from a budget line dedicated to the support of SMEs and innovation (even if it regrets the severe shortcomings of the European Commission when implementing the framework programmes on competitiveness and innovation, particularly during an economic crisis which should significantly increase the need for such support).

Lastly, Parliament welcomes the new format of the Commission's proposal, which presents in its explanatory memorandum clear and detailed information on the application, analyses the eligibility criteria and explains the reasons which led to its approval, which is in line with Parliament's requests.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in ICT wholesale trade in the Netherlands

2010/2279(BUD) - 23/11/2010 - Non-legislative basic document

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) in respect of redundancies in the ICT wholesale trade in the Netherlands

PROPOSED ACT: Decision of the European Parliament and of the Council.

CONTENT: Regulation (EC) No 1927/2006 establishing the European Globalisation Adjustment Fund was set up to provide additional support to redundant workers who suffer from the consequences of major structural changes in world trade patterns and to assist them with their reintegration into the labour market.

The Interinstitutional Agreement of 17 May 2006 allows the mobilisation of the Fund within the annual ceiling of EUR 500 million.

The Commission examined the application made by the Netherlands to mobilise the EGF. The main elements of the assessment are as follows:

The Netherlands: EGF/2010/012 NL/Noord Holland ICT: on 8 April 2010, the Netherlands submitted application EGF/2010/012 NL/Noord Holland ICT for a financial contribution from the EGF, following redundancies in two enterprises operating in the NACE Revision 2 Division 46 ('Wholesale trade, except of motor vehicles and motorcycles') in the NUTS II region of Noord Holland (NL32) in the Netherlands. The application was supplemented by additional information up to 5 August 2010.

In order to establish the link between the redundancies and the global financial and economic crisis, the Netherlands argues that the information and communication technologies (ICT) sector, in particular enterprises involved in the development and sales of hardware, has been negatively affected by the crisis. The applicant refers to the sharp drop in the Netherlands of the ICT-indicator[5] developed by Ernst & Young: from a value of about 160 in August 2008 to a value of about 30 in April 2009. This indicator sums up the main research results related to the business cycle, expenditure and budgeting in the ICT sector. Global figures cited in the application show that in Western Europe the growth in the ICT market was lower in 2009 compared to the years before: a growth rate of 2.7% in 2007, of 2% in 2008 and of 1.2% in 2009.

The Dutch authorities highlight that in the two enterprises concerned by this application turnover dropped significantly in 2009 as a consequence of the global financial and economic crisis: for Getronics the decrease was 25% and for HP it was 17% for the PC division and 19% for the printing division. The Netherlands further argues that the negative impact on employment in the ICT sector of the global financial and economic crisis has been exacerbated by structural changes in the global ICT market, in particular a delocalisation of production to China and India.

After a thorough examination of this application, the Commission has concluded in accordance with Article 10 of Regulation (EC) No 1927/2006 that the conditions for a financial contribution under this Regulation are met.

On the basis of the application from the Netherlands, the proposed contribution from the EGF to the coordinated package of personalised services is **EUR 2 557 135**, representing 65 % of the total cost.

IMPACT ASSESSMENT: not applicable

FINANCIAL IMPLICATION: given the maximum possible amount of a financial contribution from the EGF under Article 10(1) of Regulation (EC) No 1927/2006, as well as the scope for reallocating appropriations, the Commission proposes to mobilise the EGF for the total amount of EUR 2 557 135, to be allocated under heading 1a of the financial framework.

The proposed amount of financial contribution will leave more than 25 % of the maximum annual amount earmarked for the EGF available for allocations during the last four months of the year.

By presenting this proposal to mobilise the EGF, the Commission initiates the simplified trialogue procedure, as required by Point 28 of the Inter-institutional Agreement of 17 May 2006, with a view to securing the agreement of the two arms of the budgetary authority on the need to use the EGF and the amount required. The Commission invites the first of the two arms of the budgetary authority that reaches agreement on the draft mobilisation proposal, at appropriate political level, to inform the other arm and the Commission of its intentions. In case of disagreement by either of the two arms of the budgetary authority, a formal trialogue meeting will be convened.

The Commission presents separately a transfer request in order to enter in the 2010 budget specific commitment and payment appropriations, as required in Point 28 of the Interinstitutional Agreement of 17 May 2006.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in ICT wholesale trade in the Netherlands

2010/2279(BUD) - 03/02/2011 - Final act

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) in respect of redundancies in the ICT wholesale trade in the Netherlands.

NON-LEGISLATIVE ACT: Decision 2011/99/EU of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (application EGF/2010/012 NL/Noord Holland ICT from the Netherlands).

CONTENT: with this Decision, the European Parliament and the Council have decided to mobilise the European Globalisation Adjustment Fund to provide the sum of **EUR 2 557 135** in commitment and payment appropriations in the framework of the 2010 budget.

This amount is intended to assist the Netherlands which were affected by redundancies in two enterprises operating in the NACE Revision 2 Division 46 ('Wholesale trade, except of motor vehicles and motorcycles') in the NUTS II region of Noord Holland (NL32).

Given that this application complies with the requirements for determining the financial contributions as laid down in Regulation (EC) No 1927/2006, the Parliament and the Council have decided to respond by providing the aforementioned amount.

To recall, the European Globalisation Adjustment Fund (EGF) was set up to provide additional support to redundant workers who suffer from the consequences of major structural changes in world trade patterns and to assist them with their reintegration into the labour market. The Interinstitutional Agreement of 17 May 2006 allows the mobilisation of the Fund within the annual ceiling of EUR 500 million. It should also be noted that the scope of the EGF was broadened for applications submitted from 1 May 2009 to include support for workers made redundant as a direct result of the global financial and economic crisis.