Basic information

2011/2136(BUD) BUD - Budgetary procedure	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in the graphic media industry in the Netherlands (Zuid-Holland and Utrecht) **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)	28/06/2011
	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
General Affairs	3109	2011-09-12

European Commission

Commission DG	Commissioner
Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary

28/06/2011	Non-legislative basic document published	COM(2011)0388	Summary
05/07/2011	Committee referral announced in Parliament		
08/09/2011	Vote in committee		Summary
08/09/2011	Budgetary report tabled for plenary	A7-0303/2011	
12/09/2011	Draft budget approved by Council		
14/09/2011	Decision by Parliament	T7-0372/2011	Summary
14/09/2011	Results of vote in Parliament		
14/09/2011	End of procedure in Parliament		
07/10/2011	Final act published in Official Journal		

Technical information

Procedure reference	2011/2136(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/7/06366

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE469.715	29/06/2011	
Amendments tabled in committee		PE469.981	25/07/2011	
Budgetary report tabled for plenary, 1st reading		A7-0303/2011	08/09/2011	
Budgetary text adopted by Parliament		T7-0372/2011	14/09/2011	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2011)0388	28/06/2011	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2011/0656
OJ L 263 07.10.2011, p. 0013

Summary

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the graphic media industry in the Netherlands (Zuid-Holland and Utrecht)

2011/2136(BUD) - 27/09/2011 - Final act

PURPOSE: to mobilise the European Globalisation Adjustment Fund in respect of redundancies in the graphic media sector in the Netherlands (Zuid-Holland and Utrecht).

NON-LEGISLATIVE ACT: Decision 2011/656/EU of the European Parliament and of the Council on 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/2010/029 NL/ Zuid-Holland and Utrecht Division 18 from the Netherlands).

CONTENT: the European Parliament and the Council have decided that for the general budget of the European Union for the financial year 2011, the European Globalisation Adjustment Fund (EGF) shall be mobilised to provide the sum of **EUR2 649 148** in commitment and payment appropriations.

This amount is to assist in respect of redundancies in 52 enterprises operating in the NACE Revision 2 Division 18 ('Printing and reproduction of recorded media') in the NUTS II regions of Zuid-Holland (NL33) and Utrecht (NL31) in the Netherlands.

Noting that the application from the Netherlands fulfils the eligibility criteria set up by the EGF Regulation (Regulation (EC) No 1927/2006), the European Parliament and the Council have decided to mobilise the requested amount.

To recall, the European Globalisation Adjustment Fund (EGF) was established to provide additional support for workers made redundant as a result of major structural changes in world trade patterns due to globalisation and to assist them with their reintegration into the labour market. The Interinstitutional Agreement of 17 May 2006 allows the mobilisation of the EGF within the annual ceiling of EUR 500 million.

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.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the graphic media industry in the Netherlands (Zuid-Holland and Utrecht)

2011/2136(BUD) - 28/06/2011 - Non-legislative basic document

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) in respect of redundancies in the graphic media industry in the Netherlands (Zuid-Holland and Utrecht).

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

CONTENT: the European Globalisation Adjustment Fund (EGF) was established by Council Regulation No 1927/2006 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 on budgetary discipline allows for the mobilisation of the European Globalisation Adjustment Fund (EGF) through a flexibility mechanism, within the annual ceiling of EUR 500 million over and above the relevant headings of the financial framework.

The Commission services have carried out a thorough examination of the application submitted by the Netherlands.

The main elements of the assessment are as follows:

The Netherlands: application EGF/2010/029 NL/Zuid-Holland and Utrecht Division 18: on 20 December 2010, the Netherlands submitted application EGF/2010/029 NL/Zuid-Holland and Utrecht Division 18 for a financial contribution from the EGF, following redundancies in 52 enterprises operating in the NACE Revision 2 Division 18 ('Printing and reproduction of recorded media')in the NUTS II regions of Zuid-Holland (NL33) and Utrecht (NL31) in the Netherlands. The application was supplemented by additional information up to 3 March 2011.

In order to establish the link between the redundancies and the global financial and economic crisis, the Netherlands argues that the economic crisis resulted in a substantial decrease in demand for the graphic media industry. As a consequence the turnover in the graphic industry decreased by 8.6%

in 2009. The orders from other economic sectors for printed advertising material, which represents 35% of the total turnover of the printing and publishing sector, decreased dramatically between 2008 and 2009 due to the reduction of budgets for media and advertising activities induced by the economic crisis. The application cites several examples. In the construction industry, the budget for information and publicity was cut by 36.8% following the start of the crisis; in the financial sector by 33.2% and in consumer electronics by 30.6%. In addition, the economic crisis negatively affected demand for various types of printed media material (popular magazines; newspapers; newspapers distributed free of charge, etc).

The Netherlands submitted this application under the intervention criteria of Article 2(c) of Regulation (EC) No 1927/2006, which provides that, in small labour markets or in exceptional circumstances, where duly substantiated by the Member State concerned, an application for a contribution from the EGF may be considered admissible even if the intervention criteria laid down in Article 2(a) and 2(b) are not entirely met, when redundancies have a serious impact on employment and the local economy. In this case the applicant must specify which of the main intervention criteria its application fails to meet.

The Netherlands has specified that the application seeks to derogate from Article 2(b), where the required threshold is at least 500 redundancies over a nine-month period in enterprises operating in the same NACE Revision 2 Division in one region or two contiguous regions at NUTS II level in a Member State.

The application cites 800 redundancies in 52 enterprises operating in the NACE Revision 2 Division 18 ('Printing and reproduction of recorded media') in the NUTS II regions of Zuid-Holland (NL33) and Utrecht (NL31) during the nine-month reference period from 16 January 2010 to 16 October 2010.

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 2 649 148**, representing 65% of the total cost.

IMPACT ASSESSMENT: no impact assessment was carried out.

FINANCIAL IMPLICATIONS: considering 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 referred to above, 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 Interinstitutional 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.

An amount of EUR 5 306 313 remains available on the EGF Budget line 04.0501 after adoption by both arms of the Budgetary Authority of three Decisions totalling an amount of EUR 10 371 321, and taking into account the seven cases currently discussed by the Budgetary Authority for a total amount of EUR 31 931 316. This available amount will be used to cover the amount of EUR 2 649 148 needed for the present application.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the graphic media industry in the Netherlands (Zuid-Holland and Utrecht)

2011/2136(BUD) - 14/09/2011 - Budgetary text adopted by Parliament

The European Parliament adopted by 573 votes to 64, with 22 abstentions, a resolution on the proposal for a decision to mobilise the European Globalisation Adjustment Fund (EGF) for an amount of **EUR 2 649 148** in commitment and payment appropriations in order to assist the Netherlands in respect of **redundancies in the graphic media industry (Zuid-Holland and Utrecht).**

The European Parliament recalls that the Union 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 800 redundancies in 52 enterprises operating in the NACE Revision 2 Division 18 (‘Printing and reproduction of recorded media’) in the NUTS II regions of Zuid-Holland (NL33) and Utrecht (NL31) in the Netherlands, Parliament requests the institutions involved to make the necessary efforts to accelerate the mobilisation of the EGF for the requested amount.

It appreciates, in this sense, the improved procedure put in place by the Commission, following Parliament's request for accelerating the release of grants. It hopes that further improvements in the procedure will be made within the framework of the upcoming reviews of the EGF.

Parliament stresses 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.

It 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 on the coordinated package of personalised services to be funded from the EGF includes information on the complementarity with actions funded by the Structural Funds.

Moreover, Parliament calls for an evaluation on the long-term integration of these workers into the labour market as a direct result of the EGF-funded measures as well as comparative evaluation on the complementarity with actions funded by the Structural Funds.

At the same time, Parliament welcomes the fact that, following repeated requests from the Parliament, for the first time the 2011 budget shows payment appropriations of EUR 47 608 950 on the EGF budget line 04 05 01. The EGF was created as a separate specific instrument with its own objectives and deadlines and that therefore deserves a dedicated allocation, superseding transfers from other budget lines, as done in the past, which could be detrimental to the achievement of the various policies objectives.