Basic information

2015/2020(BUD) BUD - Budgetary procedure	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in the steel sector in Belgium **Subject** 3.40.02 Iron and steel industry, metallurgical industry 4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 8.70.55 2015 budget **Geographical area** Belgium	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	NEGRESCU Victor (S&D)	14/01/2015
	Shadow rapporteur MUREŞAN Siegfried (PPE) DEPREZ Gérard (ALDE) NÍ RIADA Liadh (GUE/NGL) VANA Monika (Verts/ALE) ZANNI Marco (EFDD)	

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

Council of the European Union

Council configuration	Meetings	Date
Employment, Social Policy, Health and Consumer Affairs	3374	2015-03-09

European Commission

Commission DG	Commissioner

Budget	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary
09/12/2014	Non-legislative basic document published	COM(2014)0734	Summary
28/01/2015	Committee referral announced in Parliament		
26/02/2015	Vote in committee		
02/03/2015	Budgetary report tabled for plenary	A8-0035/2015	Summary
09/03/2015	Draft budget approved by Council		
10/03/2015	Decision by Parliament	T8-0044/2015	Summary
10/03/2015	Results of vote in Parliament		
10/03/2015	End of procedure in Parliament		
20/03/2015	Final act published in Official Journal		

Technical information

Procedure reference	2015/2020(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/8/02468

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE546.788	23/01/2015	
Amendments tabled in committee		PE549.278	16/02/2015	
Budgetary report tabled for plenary, 1st reading		A8-0035/2015	02/03/2015	Summary
Budgetary text adopted by Parliament		T8-0044/2015	10/03/2015	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2014)0734	09/12/2014	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Decision 2015/0472 OJ L 076 20.03.2015, p. 0060	Summary

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the steel sector in Belgium

2015/2020(BUD) - 11/03/2015 - Final act

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to assist Belgium following redundancies in its steel sector.

NON-LEGISLATIVE ACT: Decision (EU) 2015/472 of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund (application *EGF/2014/012 BE/ArcelorMittal*, from Belgium).

CONTENT: with this Decision, the European Parliament and the Council have decided to mobilise the sum of **EUR 1 591 486** in commitment and payment appropriations from European Globalisation Adjustment Fund within the framework of the general budget of the European Union for the financial year 2015.

This amount shall assist Belgium in respect of redundancies in ArcelorMittal Liège S.A.

Given that the Belgian application fulfils the conditions laid down in Regulation (EU) No 1309/2013 (EGF Regulation 2014-2020), the European Parliament and the Council decided to grant the abovementioned amount.

To recall, the European Globalisation Adjustment Fund was established to provide support for workers made redundant and self-employed persons whose activity has ceased as a result of major structural changes in world trade patterns due to globalisation, as a result of a continuation of the global financial and economic crisis addressed in Regulation (EC) No 546/2009 of the European Parliament and of the Council, or as a result of a new global financial and economic crisis and to assist them with their reintegration into the labour market.

Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020 provides that the EGF shall not exceed a maximum annual amount of **EUR 150 million**.

ENTRY INTO FORCE: 11.03.2015.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the steel sector in Belgium

2015/2020(BUD) - 09/12/2014 - Non-legislative basic document

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to assist Belgium following redundancies in its steel sector.

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

CONTENT: Article 12 of Council Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020 provides that the EGF shall not exceed a maximum annual amount of **EUR 150 million** (2011 prices) over and above the relevant headings of the financial framework.

The rules applicable to financial contributions from the European Globalisation Adjustment Fund (EGF) are laid down in Regulation (EU) No 1309/2013 of the European Parliament and of the Council on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006 (the 'EGF Regulation').

In this context, the Commission examined the application for mobilisation of the EGF to assist Belgium and concluded the following:

Belgium: EGF/2014/012 BE/ArcelorMittal: the Belgian authorities submitted application EGF/2014/012 BE/ArcelorMittal for a financial contribution from the EGF, following redundancies in ArcelorMittal Liège S.A. in Belgium.

The Belgian authorities submitted the application within **12 weeks** of the date on which the intervention criteria were met. The deadline expires on 9 December 2014.

In order to establish the link between the redundancies and major structural changes in world trade patterns due to globalisation, Belgium argued that the sector of the production of steel, in which ArcelorMittal Liège S.A operated, has undergone serious economic disruption, in particular a rapid decline of the EU's market share.

Between 2007 and 2013, the production of crude steel in the EU-27 decreased from 210.1 million tonnes to 166.2 million tonnes (− 20.9 %), whereas, at worldwide level, production increased from 1 348.1 million tonnes to 1 649.3 million tonnes (+ 22.3 %). As a consequence, in the period 2007-2013, the EU's share of steel production continuously decreased (from 16% of global steel production in 2007 to 10% in 2013). On the contrary, there is a very sharp increase in the share for Asia, going from 56% to 67% during the same period.

The effects of these changes in trade patterns have been worsened by other factors, such as a decrease in demand for steel in the automotive and construction sectors in the EU as a consequence of the economic crisis and a relative increase of production costs (raw materials, energy, environmental constraints, etc.). For instance, between 2008 and 2013, the number of persons employed in the metallurgic industry (NACE Rev. 2 division 24 'Manufacture of basic metals') in the EU-27 decreased by 19.4%.

Since the start of the EGF in 2007, there have been four EGF applications in the steel sector.

The application relates to 1 285 workers made redundant in ArcelorMittal Liège S.A which operated in the economic sector classified under NACE Division 24 ('Manufacture of basic metals'). The redundancies made by the enterprise concerned are located in the NUTS level 2 region of Liège (BE33).

Basis of the Belgian application: the Belgian authorities submitted the application under the intervention criterion of Article 4(1)(a) of the EGF Regulation, which requires at least 500 workers being made redundant or self-employed persons' activity ceasing, over a reference period of four months in an enterprise in a Member State, including workers made redundant in its suppliers and downstream producers.

The application relates to 752 workers made redundant in the enterprise during the reference period of four months.

On the basis of the application from Belgium, the proposed contribution from the EGF to the coordinated package of personalised services is **EUR 1 591 486.**

FINANCIAL IMPLICATION: having examined the application in respect of the conditions set out in Article 13(1) of the EGF Regulation, and having taken into account the number of targeted beneficiaries, the proposed actions and the estimated costs, the Commission proposes to mobilise the EGF for the amount of EUR 1 591 486, representing 60% of the total costs of the proposed actions, in order to provide a financial contribution for the application.

The proposed decision to mobilise the EGF will be taken jointly by the European Parliament and the Council, as laid down in point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management.

At the same time as it presents this proposal for a decision to mobilise the EGF, the Commission will present a proposal for a transfer to the relevant budgetary line for the requested amount.

At the same time as it adopts this proposal for a decision to mobilise the EGF, the Commission will adopt a decision on a financial contribution, by means of an implementing act, which will enter into force on the date at which the European Parliament and the Council adopt the proposed decision to mobilise the EGF.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the steel sector in Belgium

2015/2020(BUD) - 10/03/2015 - Budgetary text adopted by Parliament

The European Parliament adopted by 559 votes to 74, with 5 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 for an amount of **EUR 1 591 486** in commitment and payment appropriations to assist Belgium affected by redundancies in its steel sector.

Parliament recalled that the Union 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 and to assist their reintegration into the labour market.

Belgian application: Belgium submitted application EGF/2014/012 BE/ArcelorMittal for a financial contribution from the EGF, following 1 285 redundancies in ArcelorMittal Liège S.A., a company operating in the NACE 2 Division 24 'Manufacture of basic metals', with 910 persons expected to participate in the measures, during and after the reference period from 1 January 2014 to 1 May 2014, linked to a serious economic disruption, in particular a rapid decline in the Union's market share.

Parliament noted that the conditions set out in Article 4(1)(a) of the EGF Regulation are met. Therefore, **Belgium is entitled to a financial contribution under that Regulation**.

Parliament welcomed the fact that, in order to provide workers with speedy assistance, the Belgian authorities decided to initiate the implementation of the personalised services to the affected workers on 1 January 2014, well ahead of the decision and even the application on granting the EGF support for the proposed coordinated package.

Nature of the redundancies: Parliament considered that the redundancies in ArcelorMittal Liège S.A. are linked to major structural changes in world trade patterns due to globalisation between 2007 and 2013. The effects of these changes in trade patterns have been worsened by other factors, such as a decrease in demand for steel in the automotive and construction sectors in the Union as a consequence of the economic crisis and a relative increase in production costs (raw materials, energy, environmental constraints, etc.) which has led to a high number of job losses in the steel sector due to plant closures and restructuring by several steel manufacturers in Europe.

Parliament noted that the redundancies at ArcelorMittal Liège S.A. are expected to have **huge negative impacts on the Liège region**, a region highly dependent on the metalworking sector, where the impact of the downsizing of ArcelorMittal is all the more important as the share of ArcelorMittal in local employment is 78.9% within the metal sector and 14.3% within the manufacturing sector.

Union approach: Parliament stressed the need for an **efficient and coordinated approach at Union level** in order to reverse the decrease in competitiveness of the Union's steel sector. It also emphasised the need for proper and targeted investments with the aim of ensuring innovation as the main driver for global competitiveness of the Union's steel sector and a guarantee of keeping the jobs in Europe.

A package of personalised services: Parliament noted that the coordinated package of personalised services to be co-funded covers three main areas: redeployment, training and retraining, and the promotion of entrepreneurship. It advocated for the future use of provisions of the EGF Regulation to support young people not in employment, education or training (NEETs) in this region.

Parliament noted that more than half of the total estimated costs are to be spent on redeployment services, namely support, guidance and integration measures and that these services will be provided by FOREM (the public employment and training service of the Walloon Region), which acts as an intermediary body in the implementation of this application.

It noted that measures which are mandatory under collective redundancy procedures in Belgium and which are carried out as part of the standard activities of the Redeployment Units (e.g. outplacement support, training, job-search assistance and careers advice, etc.) are not included in this EGF application.

Parliament welcomed that **financial support from the European Social Fund** was in the past awarded to a project (EnTrain – En Transition-Reconversion-Accompagnement) which aimed to develop pedagogical methods for Redeployment Units in general and that the findings of this project are likely to prove useful in the implementation of the planned measures.

Lastly, Parliament stressed that EGF assistance can co-finance only active labour market measures which lead to durable, long-term employment; reiterates 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.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the steel sector in Belgium

2015/2020(BUD) - 02/03/2015 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Victor NEGRESCU (S&D, RO) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund for an amount of **EUR 1 591 486** in commitment and payment appropriations to assist Belgium affected by redundancies in its steel sector.

Members recalled that the Union 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 and to assist their reintegration into the labour market.

Belgian application: Belgium submitted application EGF/2014/012 BE/ArcelorMittal for a financial contribution from the EGF, following 1 285 redundancies in ArcelorMittal Liège S.A., a company operating in the NACE 2 Division 24 'Manufacture of basic metals', with 910 persons expected to participate in the measures, during and after the reference period from 1 January 2014 to 1 May 2014, linked to a serious economic disruption, in particular a rapid decline in the Union's market share.

Members noted that the conditions set out in Article 4(1)(a) of the EGF Regulation are met. Therefore, Belgium is entitled to a financial contribution under that Regulation.

They welcomed the fact that, in order to provide workers with speedy assistance, the Belgian authorities decided to initiate the implementation of the personalised services to the affected workers on 1 January 2014, well ahead of the decision and even the application on granting the EGF support for the proposed coordinated package.

Nature of the redundancies: Members noted that the redundancies at ArcelorMittal Liège S.A. are expected to have huge negative impacts on the Liège region, a region highly dependent on the metalworking sector, where the impact of the downsizing of ArcelorMittal is all the more important as the share of ArcelorMittal in local employment is 78.9% within the metal sector and 14.3% within the manufacturing sector.

They stressed the need for an efficient and coordinated approach at Union level in order to reverse the decrease in competitiveness of the Union's steel sector. They also emphasised the need for proper and targeted investments with the aim of ensuring innovation as the main driver for global competitiveness of the Union's steel sector and a guarantee of keeping the jobs in Europe.

A package of personalised services: Members noted that the coordinated package of personalised services to be co-funded covers three main areas: redeployment, training and retraining, and the promotion of entrepreneurship.

Members advocated for the future use of provisions of the EGF Regulation to support young people not in employment, education or training (NEETs) in this region.

They noted that more than half of the total estimated costs are to be spent on redeployment services, namely support, guidance and integration measures and that these services will be provided by FOREM (the public employment and training service of the Walloon Region), which acts as an intermediary body in the implementation of this application.

Members noted that measures which are mandatory under collective redundancy procedures in Belgium and which are carried out as part of the standard activities of the Redeployment Units (e.g. outplacement support, training, job-search assistance and careers advice, etc.) are not included in this EGF application. They recalled the importance of improving the employability of all workers by means of adapted training and the recognition of skills and competences gained throughout a worker's professional career.

Lastly, they also stressed that EGF assistance can co-finance only active labour market measures which lead to durable, long-term employment.