



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 3 December 2012

17089/12

**FIN 977
INST 699
PE-L 111**

"I/A" ITEM NOTE

from :	Budget Committee
to :	Permanent Representatives Committee/Council
No. Cion prop. :	15243/12 FIN 800 SOC 850 - COM(2012) 622 final 15244/12 FIN 801
Subject :	<ul style="list-style-type: none">- Proposal for a Decision 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/2012/005 SE/Saab from Sweden)- Proposal for transfer of appropriations No DEC 40/2012 within Section III - Commission - of the general budget for 2012

1. The Commission submitted to the Council a proposal for a Decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund (EGF), as recorded in document 15243/12 FIN 800 SOC 850, accompanied by the corresponding proposal for transfer of appropriations No DEC 40/2012 within Section III - Commission - of the general budget for 2012, as recorded in document 15244/12 FIN 801.

2. The proposal aims at mobilising an amount of EUR 5 454 560 under the EGF to meet an application from Sweden to deploy the Fund in connection with redundancies in the automotive sector. The Swedish car manufacturer Saab Automobile SA went bankrupt in December 2011 due to falling sales and a reduction in a passenger car production over the last decade as a consequence of major structural changes in the world trade patterns.

The purpose of the proposed transfer is to move an amount of EUR 5 454 560 in commitment appropriations from Article 40 02 43 (*Reserve for the European Globalisation Adjustment Fund*) and EUR 5 447 942 in payment appropriations from Article 04 04 15 (*European Progress Microfinance Facility*) to Article 04 05 01 (*European Globalisation Adjustment Fund*).

3. At the simplified trilogue procedure provided for in Point 28 of the Interinstitutional Agreement of 17 May 2006, an agreement was reached on the mobilisation of the EGF and on the amount proposed by the Commission.
4. The Budget Committee examined both proposals at its meeting on 25 October 2012.
5. Following that examination, the Budget Committee agreed, by a qualified majority to suggest that the Permanent Representatives Committee advise the Council to:
 - adopt the Decision on the mobilisation of the EGF, as set out in document 15243/12;
 - approve the proposed transfer of appropriations, as set out in document 15244/12;
 - approve the annexed draft letter to the European Parliament and to the Commission to that effect.

DRAFT LETTER

from : President of the Council

to : President of the European Parliament

copy : President of the Commission

Sir,

In accordance with Point 28 of the Interinstitutional Agreement of 17 May 2006 and with Article 12(5) of Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 establishing the European Globalisation Adjustment Fund¹, the Council has approved the Decision on the mobilisation of the European Globalisation Adjustment Fund (application EGF/2012/005 SE/Saab from Sweden) as presented by the Commission on 19 October 2012 (COM(2012) 622 final).

In accordance with Article 24(4) of the Financial Regulation of 25 June 2002², as interpreted in point 20 of the joint declaration on transitional measures applicable to the budgetary procedure after the entry into force of the Lisbon Treaty, I inform you that the Council, for its part, has approved transfer of appropriations No DE 40/2012 within Section III - Commission - of the general budget for 2012, accompanying the abovementioned Decision.

(Complimentary close).

¹ As amended by Regulation (EC) No 546/2009 of the European Parliament and of the Council of 18 June 2009.

² As last amended by Regulation (EU, Euratom) No 1081/2010 of the European Parliament and of the Council of 24 November 2010.