

COUNCIL OF THE EUROPEAN UNION

Brussels, 3 December 2012

17091/12

FIN 979 INST 701 PE-L 113

"I/A" ITEM NOTE

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 15245/12 FIN 802 SOC 851, accompanied by the corresponding proposal for transfer of appropriations No DEC 42/2012 within Section III - Commission - of the general budget for 2012, as recorded in document 15246/12 FIN 803.

2. The proposal aims at mobilising an amount of EUR 1 370 910 under the EGF to meet an application from Denmark to deploy the Fund in connection with redundancies at Flextronics Denmark. The Danish producer of printed circuit boards had to close its production site due to a growing competition from the Asian producers and to relocate the manufacturing of the electronic equipment outside Europe as a result of major structural changes in a world trade patterns.

The purpose of the proposed transfer is to move an amount of EUR 1 370 910 in commitment appropriations from Article 40 02 43 (*Reserve for the European Globalisation Adjustment Fund*) to Article 04 05 01 (*European Globalisation Adjustment Fund*). The necessary payment appropriations will be made available through draft amending budget No 6/2012.

- 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 <u>Budget Committee</u> examined both proposals at its meeting on 5 November 2012.
- 5. Following that examination, the <u>Budget Committee</u> 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 15245/12,
 following the adoption of amending budget No 6/2012;
 - approve the proposed transfer of appropriations, as set out in document 15246/12;
 - approve the annexed draft letter to the European Parliament and to the Commission to that effect.

17091/12 AR/sh DG G II A EN

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/2011/013 DK/Flextronics from Denmark) as presented by the Commission on 19 October 2012 (COM(2012) 623 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 DEC 42/2012 within Section III - Commission - of the general budget for 2012, accompanying the abovementioned Decision.

(Complimentary close).

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

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