

Brussels, 21 November 2016 (OR. en)

14709/16

FIN 812 INST 488 PE-L 68

'I/A' ITEM NOTE

From:	Budget Committee
To:	Permanent Representatives Committee/Council
No. Cion doc.:	14190/16 FIN 783 SOC 679 - COM(2016) 708 final 14187/16 FIN 782
Subject:	 Proposal for a Decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund (application from Spain - EGF/2016/004 ES/Comunidad Valenciana automotive)
	 Proposal for transfer of appropriations No DEC 31/2016 within Section III - Commission - of the general budget for 2016

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 14190/16 FIN 783 SOC 679, accompanied by the corresponding proposal for transfer of appropriations No DEC 31/2016, as recorded in document 14187/16 FIN 782.

2. The proposal aims at mobilising an amount of EUR 856 800 under the EGF to meet an application from Spain to deploy the Fund in connection with 250 redundancies in 29 enterprises operating in the manufacture of motor vehicles, trailers and semi-trailers sector. The redundancies are the result of a continuation of major structural changes in world trade patterns due to globalisation¹.

The purpose of the proposed transfer is to move an amount of EUR 856 800 in commitment appropriations from Article 40 02 43 (*Reserve for the European Globalisation Adjustment Fund*) to Article 04 04 01 (*EGF- to support workers and self-employed persons whose activity has ceased as a result of the globalisation*).

- 3. The <u>Budget Committee</u> examined both proposals at its meeting on 21 November 2016.
- 4. 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 draft Decision on the mobilisation of the EGF as set out in ANNEX 1;
 - approve the proposed transfer of appropriations;
 - approve the draft letter in the ANNEX 2 to that effect.

OJ L 167, 29.6.2009, p. 26.

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund following an application from Spain – EGF/2016/004 ES/Comunidad Valenciana automotive

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION, Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006¹, and in particular Article 15(4) thereof,

Having regard to 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 management², and in particular point 13 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund (EGF) aims 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, or as a result of a new global financial and economic crisis, and to assist them with their reintegration into the labour market.
- The EGF is not to exceed a maximum annual amount of EUR 150 million (2011 prices), as (2) laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013³.
- (3) On 21 June 2016, Spain submitted an application to mobilise the EGF, in respect of redundancies in in 29 enterprises in the automotive sector in Spain. It was supplemented by additional information provided in accordance with Article 8(3) of Regulation (EU) No 1309/2013. That application complies with the requirements for determining a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) No 1309/2013.
- (4) In accordance with Article 4(2) of Regulation (EU) No 1309/2013, the application from Spain is considered admissible since the redundancies have a serious impact on employment and the local, regional or national economy.
- (5) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 856 800 in respect of the application submitted by Spain.

OJ L 347, 20.12.2013, p. 855.

OJ C 373, 20.12.2013, p. 1.

³ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

(6) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the Union for the financial year 2016, the European Globalisation Adjustment Fund shall be mobilised to provide the amount of EUR 856 800 in commitment and payment appropriations.

Article 2

This Decision shall enter into force on the day of its publication in the Official Journal of the European Union. It shall apply from [the date of its adoption]*.

Done at Brussels,

For the European Parliament For the Council

The President The President

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Date to be inserted by the Parliament before the publication in OJ.

DRAFT LETTER

from: President of the Council

to : President of the European Parliament

copy: President of the Commission

Sir.

In accordance with Point 13 of the Interinstitutional Agreement of 2 December 2013 and with Article 15(4) of Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006¹, the Council has approved the Decision on the mobilisation of the European Globalisation Adjustment Fund (application from Spain – EGF/2016/004 ES/Comunidad Valenciana automotive).

In accordance with Article 27(4) of the Financial Regulation of 25 October 2012², I inform you that the Council, for its part, has approved transfer of appropriations No DEC 31/2016 within Section III - Commission - of the general budget for 2016, accompanying the abovementioned Decision. (Complimentary close).

OJ L 347, 20.12.2013, p. 855.

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Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).