



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 28 March 2014
(OR. en)**

8247/14

**FIN 253
INST 180
PE-L 18**

"I/A" ITEM NOTE

From: Budget Committee

To: Permanent Representatives Committee/Council

No. Cion doc.: 7302/14 FIN 179 SOC 177 - COM(2014) 116 final
7301/14 FIN 178

Subject: - 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 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 (application EGF/2012/004 ES/Grupo Santana from Spain)

- Proposal for transfer of appropriations No DEC 05/2014 within Section III - Commission - of the general budget for 2014

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 7302/14 FIN 179 SOC 177, accompanied by the corresponding proposal for transfer of appropriations No DEC 05/2014, as recorded in document 7301/14 FIN 178.

2. The proposal aims at mobilising an amount of EUR 1 964 407 under the EGF to meet an application from Spain to deploy the Fund in connection with 285 redundancies in 16 enterprises operating in the automobile manufacturing industry. The redundancies were caused by major structural changes in world trade patterns due to globalisation which have led to a substantial loss of the EU market share in world markets.

The purpose of the proposed transfer is to move an amount of EUR 1 964 407 in commitment appropriations from Article 40 02 43 (*Reserve for the European Globalisation Adjustment Fund*) to Article 04 04 51 (*Completion of European Globalisation Adjustment Fund (EGF) (2007 to 2013)*).

3. The Budget Committee examined both proposals at its meeting on 25 March 2014.
4. Following that examination, the Budget Committee 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 ANNEX 2 to that effect.

Draft Decision of the European Parliament and of the Council

of [...]

on the mobilisation of the European Globalisation Adjustment Fund, in accordance with 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 (application EGF/2012/004 ES/Grupo Santana from Spain)

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 (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 establishing the European Globalisation Adjustment Fund¹, and in particular Article 12(3) thereof,

Having regard to Regulation (EU) No 1309/2013 of the European Parliament and the Council of 17 December 2013 on the European Globalisation Fund (2014-2020) and repealing Regulation (EC) No 1927/2006², and in particular Article 23, second subparagraph, thereof,

Having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013, laying down the multiannual financial framework for the years 2014-2020³, and in particular Article 12 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 management⁴, and in particular Point 13 thereof,

Having regard to the proposal from the European Commission⁵,

Whereas:

- (1) 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.
- (2) Regulation (EU, Euratom) No 1311/2013 allows the mobilisation of the EGF within the annual ceiling of EUR 150 million.

¹ OJ L 406, 30.12.2006, p. 1.

² OJ L 347, 20.12.2013, p. 855.

³ OJ L 347, 20.12.2013, p.884.

⁴ OJ C 373, 20.12.2013, p. 1.

⁵ OJ C [...], [...], p. [...].

- (3) Spain submitted an application to mobilise the EGF, in respect of redundancies in the enterprise Grupo Santana and 15 suppliers and downstream producers, on 16 May 2012 and supplemented it by additional information up to 28 November 2013. This application complies with the requirements for determining the financial contributions as laid down in Article 10 of Regulation (EC) No 1927/2006. The Commission, therefore, proposes to mobilise an amount of EUR 1 964 407.
- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution for the application submitted by Spain.
- (5) Notwithstanding Regulation (EC) No 1927/2006 being repealed, it shall continue to apply for applications submitted up to 31 December 2013 by virtue of Article 23, second subparagraph of Regulation (EU) No 1309/2013,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the European Union for the financial year 2014, the European Globalisation Adjustment Fund (EGF) shall be mobilised to provide the sum of EUR 1 964 407 in commitment and payment appropriations.

Article 2

This Decision shall be published in the *Official Journal of the European Union*.

Done at [...], [...].

For the European Parliament

The President

For the Council

The President

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 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/2012/004 ES/Grupo Santana from Spain).

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 05/2014 within Section III - Commission - of the general budget for 2014, 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 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.