



Brussels, 11 July 2014  
(OR. en)

11846/14

FIN 484  
SOC 563

## PROPOSAL

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From: Secretary-General of the European Commission,  
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 10 July 2014

To: Mr Uwe CORSEPIUS, Secretary-General of the Council of the European  
Union

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No. Cion doc.: COM(2014) 455 final

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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/2014/002 NL/Gelderland-  
Overijssel construction)

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Delegations will find attached document COM(2014) 455 final.

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Encl.: COM(2014) 455 final



Brussels, 10.7.2014  
COM(2014) 455 final

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/2014/002 NL/Gelderland-Overijssel construction)**

## EXPLANATORY MEMORANDUM

### CONTEXT OF THE PROPOSAL

1. 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 of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006<sup>1</sup> (the 'EGF Regulation').
2. On 20 February 2014, the Dutch authorities submitted application EGF/2014/002 NL/Gelderland-Overijssel construction for a financial contribution from the EGF, following redundancies in 89 enterprises operating in the NACE Rev.2 division 41 ('Construction of buildings')<sup>2</sup> in the contiguous NUTS level 2 regions of Gelderland and Overijssel in the Netherlands.
3. After an examination of this application, the Commission has concluded, in accordance with the applicable provisions of the EGF Regulation, that the conditions for awarding a financial contribution from the EGF are met.

### SUMMARY OF THE APPLICATION

EGF application:	EGF/2014/002 NL/Gelderland-Overijssel construction
Member State:	The Netherlands
Region(s) concerned (NUTS level 2):	NL-22 (Gelderland) and NL-21 (Overijssel)
Date of submission of the application:	20.2.2014
Date of acknowledgement of receipt of the application:	5.3.2014
Date of request for additional information:	6.3.2014
Deadline for provision of the additional information:	17.4.2014
Deadline for the completion of the assessment:	10.7.2014
Intervention criterion:	Article 4(1)(b) of the EGF Regulation
Sector(s) of economic activity (NACE Rev.2 division):	Division 41 ('Construction of buildings')
Reference period (nine months):	1.3.2013-1.12.2013
Number of redundancies or cessations of activity during the reference period:	562

<sup>1</sup> OJ L 347, 20.12.2013, p. 855.

<sup>2</sup> Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC regulations on specific statistical domains(OJ L 393, 30.12.2006, p. 1).

Number of eligible beneficiaries expected to participate in the actions:	475
Budget for personalised services (EUR)	2 601 250
Budget for implementing EGF (EUR)	108 385
Total budget (EUR):	2 709 635
Financial contribution requested from the EGF(EUR):	1 625 781 (60% of total budget)

## ASSESSMENT OF THE APPLICATION

### Procedure

4. The Dutch authorities submitted application EGF/2014/002 NL/Gelderland-Overijssel construction within 12 weeks of the date on which the intervention criteria set out in paragraph 5 and 6 were met, on 20 February 2014. The Commission acknowledged receipt of the application within two weeks of the date of submission of the application, on 5 March 2014. The Commission requested additional information from the Dutch authorities on 6 March 2014. The Dutch authorities provided such additional information within six weeks of the date of the request. The deadline of 12 weeks of the receipt of the complete application within which the Commission should finalise its assessment of the application's compliance with the conditions for providing a financial contribution expires on 10 July 2014.

### Eligibility of the application

#### *Intervention criteria*

5. The Dutch authorities submitted the application under the intervention criterion of Article 4(1)(b) of the EGF Regulation, which requires at least 500 redundancies over a reference period of nine months in enterprises operating in the same economic sector defined at NACE Rev.2 division level and located in one region or two contiguous regions defined at NUTS level 2<sup>3</sup>.
6. The application relates to:
- 562 workers made redundant<sup>4</sup> in enterprises<sup>5</sup> operating in the NACE Rev.2 Division 41 (Construction of buildings) in the contiguous regions of Gelderland (NL 22) and Overijssel (NL 21).
  - The reference period of nine months runs from 1 March 2013 to 1 December 2013.

#### *Calculation of redundancies and of cessation of activity*

<sup>3</sup> OJ L 154, 21.06.2003, p.1 as amended by Commission Regulation (EU) No 31/2011

<sup>4</sup> Within the meaning of Article 3(a) of the EGF Regulation.

<sup>5</sup> For the list of enterprises concerned and the number of workers made redundant in each enterprise see Annex.

7. The redundancies have been calculated as follows:
- 215 from the date of the employer's individual notice to lay off or to terminate the contract of employment of the worker;
  - 347 from the date of the de facto termination of the contract of employment or its expiry.

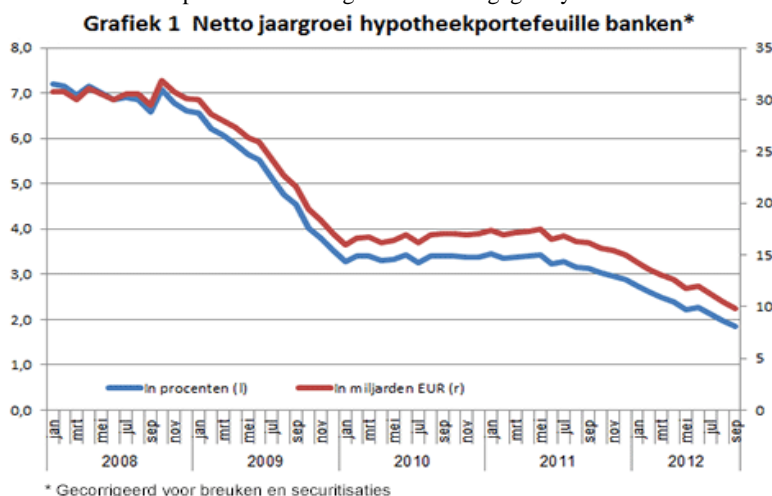
*Eligible beneficiaries*

8. The total number of eligible beneficiaries is 562.

*Link between the redundancies and the global financial and economic crisis addressed in Regulation (EC) No 546/2009*

9. To establish the link between the redundancies and the global financial and economic crisis addressed in Regulation (EC) No 546/2009, the Dutch authorities argue that there are several reasons for the negative trends in production and employment in the construction sector and especially the construction of buildings (utility buildings and houses) - all relating to the financial and economic crisis: the policy of banks to implement more stringent rules for the provision of mortgages and credits - which reduced the provision of mortgages and credits considerably; the austerity measures of the government to reduce national debt and budget deficit – thus reducing public spending; and the sharp decline of prices and values on the housing market, which makes it difficult to sell and buy houses.
10. The Dutch authorities argue that the Dutch financial sector is an international global sector, depending heavily for the investments, provision of credits and mortgages on the international capital markets. Dutch banks have limited possibilities to attract savings capital from the Dutch market and consequently they cannot finance Dutch mortgages by Dutch capital alone. Dutch banks therefore are dependent on the global capital markets. The financial sector is bound by international rules on cost reductions, capital investments, re-pricing of credit provision, balance reductions and financial reserves. The graph on the mortgages market for the 2008-2012 period shows a substantial slow-down in net annual growth from 7,2% in 2008 to 1,9% in 2012.

Graph 1: net annual growth of mortgages by banks



\* Figures of the Dutch National Bank<sup>6</sup>

11. The figures for credit provisions for SMEs show a downward trend since 2008.

Figure1: provision of credits on SME's (source Dutch national Bank)<sup>7</sup>



About 98% of the Dutch construction companies are small and medium sized and these companies also suffer from lack of credits, which results in many bankruptcies leading to redundancies.

12. The economic and financial crisis forced the Dutch government to reduce the budget deficit and national debt by launching an intensive programme to that end. The budget expenditures are to be reduced by EUR24 billion in 2015. This would have negative consequences for the construction sector as the reduction of public expenditure has a direct negative impact on investments in infrastructure and housing programmes. The reduction of public expenditure by the national government also influences the provincial governments - the province of Gelderland has started reducing expenditure by EUR 58 million per year from 2011. The province of Overijssel will reduce its public spending in 2014 by EUR 17,4 million<sup>8</sup>. The construction sector is highly dependent on the regional domestic market. The negative economic trend caused by the economic and financial crisis and as a consequence the reduction of the public budget programmes leaves the construction sector in a vulnerable position, a position even more vulnerable when operating on the regional market of Gelderland and Overijssel.

13. Over the period 2008-2013 total production of new houses declined by 61 014 units in the Netherlands. For Overijssel production of new houses fell by 2625 and in Gelderland by 7941. The decline of prices and production of new houses was devastating for the employment in the construction sector. As a result - many companies went bankrupt and many construction workers lost their jobs.

Table 1: Permits for building of new houses<sup>9</sup>

	Regions	2008	2009	2010	2011	2012	2013
<b>Netherlands</b>	<b>Total No of permits</b>	87198	72646	61028	55804	37370	26184

<sup>6</sup> Source:<http://www.dnb.nl/nieuws/nieuwsoverzicht-en-archieef/statistisch-nieuws-2012/dnb280065.jsp>

<sup>7</sup> Kredietverlening aan het MKB stuurgroep kredietverlening 2 mei 2012. (Credits provided by banks on small and medium sized enterprises)

<sup>8</sup> <http://www.gelderland.nl/smartsite.dws?id=10825> Article on the budget and the reduction of expenditures by the Province of Gelderland <http://www.overijssel.nl/bestuur/overijssel/begroting-overijssel/> Article on the budget and reduction of expenditures by the Province of Overijssel.

<sup>9</sup> <http://statline.cbs.nl/StatWeb/publication/?DM=SLNL&PA=82001NED&D1=0&D2=0-1&D3=0&D4=0,8,10&D5=237,254,271,288,305,1&HDR=T,G4&STB=G3,G1,G2&VW=T>

<b>Overijssel</b>	<b>Total No of permits</b>	4937	4048	4504	3332	2711	2312
<b>Gelderland</b>	<b>Total No of permits</b>	12199	9417	8342	8656	5753	4258

*Events giving rise to the redundancies and cessation of activity*

14. In the Netherlands the construction sector suffers from the financial and economic crisis from 2008 onwards with production constantly declining (with a small recovery only in 2011). In 2012 production fell by 10,2% for the construction of buildings (NACE Rev.2 division 41)<sup>10</sup> compared with 2011. In 2013 this negative trend continued as production fell by another 10% in March<sup>11</sup>.

**Table: Annual turnover construction of buildings by company size**

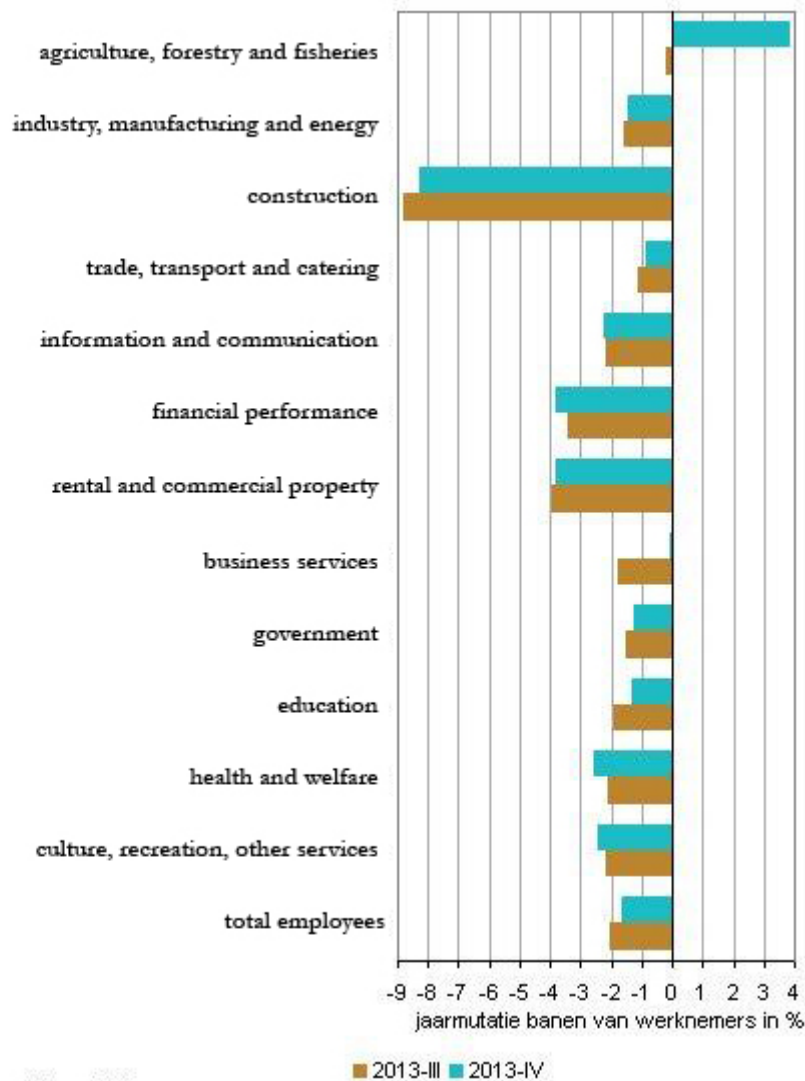
<b>Branch (SBI 2008)</b>	<b>Period</b>	<b>Development all companies</b>	<b>Development small</b>	<b>Development middle</b>	<b>Development big</b>
Construction buildings	2008	10,5	16,6	11,6	6,6
Construction buildings	2009	-7,9	3,5	-13,0	-8,2
Construction buildings	2010	-11,9	-5,6	-17,1	-10,1
Construction buildings	2011	3,1	8,6	7,1	-3,9
Construction buildings	2012	-10,1	-10,4	-12,7	-7,4

15. In the first two quarters of 2013, 28 000 jobs were lost<sup>12</sup> in the construction sector in the Netherlands. The figure below shows that the job losses in the construction sector were by far the highest on a yearly basis.

10 <http://statline.cbs.nl/StatWeb/publication/?DM=SLNL&PA=71999ned&D1=a&D2=a&D3=1&D4=19,24,29,34,1&HDR=T,G1&STB=G2,G3&VW=T>

11 <http://statline.cbs.nl/StatWeb/publication/default.aspx?DM=SLNL&PA=81808ned&D1=a&D2=a&D3=0&D4=118%2c135%2c138-145&HDR=T&STB=G1%2cG2%2cG3&VW=T> Construction turnover development

12 <http://www.cbs.nl/nl-NL/menu/themas/arbeid-sociale-zekerheid/publicaties/arbeidsmarkt-vogelvlucht/korte-termijn-ontw/2006-arbeidsmarkt-vv-bedrijfstack-art.htm> Sector employment (available in Dutch only)



16. The negative trend in production and employment in the Netherlands was particularly felt in the provinces of Gelderland and Overijssel where there are a considerable number of construction companies. In 2012 in Gelderland approximately 15 500 such companies were active and in Overijssel around 7500<sup>13</sup>.

The following table shows the production figures of the construction sector in both provinces for the period 2008-2013<sup>14</sup>.

Year	2008	2009	2010	2011	2012	2013	2014*
Gelderland	7835	7480	6615	7296	6921	6330	6155
Overijssel	4169	3745	3795	3877	3519	3390	3395

# in million EUR

\* Estimates

Expected impact of the redundancies as regards the local, regional or national economy and employment

17. About 60 000 people are employed in the construction sector in Gelderland, which represents 6,3% of the total working population<sup>15</sup>. In Overijssel 39 500 people are

13 Figures of 2012: statistical data Overijssel and statistical data Gelderland <http://www.gelderland.databank.nl/>, <http://www.overijssel.nl/overijssel/cijfers-kaarten/databank-overijssel/>. Regional production figures EIB in Expectations of production and employment in the construction industry 2014

14 Source Economic Institute for Construction Research EIB. Figures on production 2008-2013



employed in the construction sector which is about 7,3% of the working population<sup>16</sup>. The contribution of construction to the GDP of Gelderland was 12% in 2011 and 10% nationally. For Overijssel contribution to GDP was 8,4%<sup>17</sup>.

**Table: Regional GDP figures for the construction sector**

Subject	Branches	Regions	Period	Value in MEUR
GDP	All economic activities	Netherlands	2011	536618
GDP	All economic activities	Overijssel	2011	31984
GDP	All economic activities	Gelderland	2011	54186
GDP	Construction	Netherlands	2011	28986
GDP	Construction	Overijssel	2011	2449
GDP	Construction	Gelderland	2011	3559

These figures on employment and GDP illustrate that construction plays an important role in the provincial economy and labour market. It is, therefore, that the redundancies in the sector are expected to have a substantial negative impact as regards the local and regional economy and levels of employment respectively.

18. In Overijssel and Gelderland a substantial rise of redundancies in the construction sector are noted and compared with the national figures the number of unemployed in both provinces constitute 39% of the total number of redundancies in 2012. The table shows the rise of the number of unemployed over three years per month<sup>18</sup>.

**Table: Number of redundancies in the construction sector**

	J	F	M	A	M	J	J	A	S	O	N	D
2011	5.572	4.998	4.461	4.072	3.932	4.479	4.496	4.189	4.162	4.287	4.526	5.574
2012	5.961	6.184	5.825	5.614	5.580	5.643	6.270	6.486	6.474	6.712	7.404	9.060
2013	10.136	10.518	10.416	9.945	9.592	9.410	10.285	10.197	10.200	9.550	10.165	11.681

The figures show how dramatic the situation in both provinces in the construction sector is. Unemployment in the sector rises fast with a strong peak from December 2012 to March 2013 and no further change thereafter.

## Targeted beneficiaries and proposed actions

### Targeted beneficiaries

19. The estimated number of eligible beneficiaries expected to participate in the measures is 475.
20. The breakdown of expected participants by sex, nationality and age group is as follows:

Category		Number of targeted beneficiaries	
Sex:	Men:	440	(92,6%)

<sup>15</sup> Bureau of Economic Research of the Province of Gelderland. Statistical data Province of Gelderland. <http://www.gelderland.databank.nl/>

<sup>16</sup> Data base of the Province of Overijssel. Number of jobs in construction 2012. <http://overijssel.databank.nl/>

<sup>17</sup> <http://statline.cbs.nl/StatWeb/publication/?DM=SLNL&PA=81355NED&D1=2&D2=0,8&D3=0,9,11&D4=1&HDR=T,G3&STB=G1,G2&VW=T> Contribution of construction in GDP in the provinces of Gelederland and Overijssel

<sup>18</sup> Figures UWV (Institute for employee benefit schemes) Gelderland and Overijssel.

	Women:	35	(7,4%)
Nationality:	EU nationals:	475	(100%)
	non-EU nationals:	0	(0%)
Age group:	15-24 years old:	15	(3,1%)
	25-29 years old:	46	(9,7%)
	30-54 years old:	310	(65,3%)
	55-64 years old:	104	(21,9%)
	over 64 years old:	0	(0%)

### *Proposed actions*

21. The personalised services which are to be provided to the workers made redundant consist of the following actions which combine to form a co-ordinated package of personalised services aimed at re-integrating the redundant workers into employment:

(1) Job search assistance and intakes

- (a) starting with an intensive intake of all participants, checking their competences, skills and ambitions and determining future options
- (b) job search assistance – a tailor made program offered to all individual participants: an active front office support comprising putting together documents for job search and transfer, intensive job training, career events, initiating a Service Point for the construction industry and intensive contacting of employers

(2) Training and retraining measures

Training and re-training facilities and additional measures for the construction sector and for new occupational profiles. These measures are an important element of the project in order to achieve more labour market opportunities for the redundant workers. A differentiation is made between the training in or outside the construction sector. Inside the sector (building on results from a previous EGF project) the Dutch authorities intend to turn the redundant workers into "more all-round professionals" which is considered to add substantially to the labour market opportunities of the persons concerned.

Training outside the construction sector has to take into account the possibilities and occupational experiences of the candidates. Opportunities exist in the transport sector but also sectors related to construction such as construction transport, installation work and demolition of asbestos.

Only in exceptional cases will the redundant workers be offered training in sectors completely different from the construction or related sectors. However building on the positive experience from a previous EGF case where some persons were retrained in the health care sector and found a job there, this option will also be kept open during the implementation.

Examples of training/retraining are:

- (a) The retraining of a construction worker (carpenter) into a more all-round craftsman by adding bricklayer skills or plumbing skills
  - (b) Retraining a construction worker to work in the transport sector
  - (c) Training a construction worker in a new sector such as health care worker for ambulance transport or working in gardening/agricultural professions
- (3) Outplacement assistance

Outplacement is used to provide the participants with the possibility to work in sectors other than the construction sector where they were working before becoming unemployed. To decide if the person is capable, instruments such as job orientation and job counselling will be used to decide whether a person is really capable of making a career switch and which educational programme should be followed. The result of job orientation can be a training programme for the candidate most probably outside the construction sector.

Within the implementation the Dutch authorities will also use outplacement instruments to prepare candidates for the labour market in general. Many participants in the project have a long working experience in the construction sector and are not used to apply in for jobs or working with CVs or using social media for job applications. The project will provide assistance with regard to these instruments.

- (4) Mobility pool

This consists of creating a flexible pool for both job seekers and employers with (temporary) jobs. This service can be used to organize flexible deployment. Retrained workers will in this way gain the necessary work experience and can present themselves to new employers. The budgeted costs are for setting up this Mobility pool and approaching companies that want to participate. The budgeted costs include labour costs, rental costs and other necessary facilities (website, PR, job newspaper etc.). So the Mobility pool will look for (temporary) jobs for the participants in the project. When a person is trained he or she will probably be placed in the mobility pool in order to find a job. Sometimes a candidate can be immediately placed in a job when the training is finished, for instance as a result of a traineeship or as a result of gaining working experience in a company within the framework of the training. Candidates can also be placed in the Mobility pool immediately after the intake. The Dutch authorities estimate that about 225 participants in the project will be placed in the Mobility pool and find work through this instrument.

22. The proposed actions, described above, constitute active labour market measures within the eligible actions set out in Article 7 of the EGF Regulation. These actions do not substitute for passive social protection measures.
23. The Dutch authorities have provided the required information on actions that are mandatory for the enterprises concerned by virtue of national law or pursuant to

collective agreements. They have confirmed that a financial contribution from the EGF will not replace any such actions.

### *Estimated budget*

24. The estimated total costs are EUR 2 709 635, comprising expenditure for personalised services of EUR 2 601 250 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 108 385.
25. The total financial contribution requested from the EGF is EUR 1 625 781 (60% of total costs).

Actions	Estimated number of participants	Estimated cost per participant (EUR)	Estimated total costs (EUR); (% of total)
<b>Personalised services (Actions under Article 7(1)(a) and (c) of the EGF Regulation)</b>			
Job search assistance	475	1 665	790 875
Intakes	475	515	244 625
Training and re-training:			
a. Training and re-training in the construction sector	75	5 000	375 000
b. Training and re-training in related sectors	50	6 500	325 000
c. Training outside the construction sector	25	12 710	317 750
Outplacement assistance	50	3 355	167 750
Mobility pool	225	1 691.78	380 650
Sub-total (a):	–	–	2 601 250
<b>Preparatory, management, information and publicity, and control and reporting activities:</b>			
1. Preparatory activities	–	–	0
2. Management	–	–	27 096
3. Information and publicity	–	–	27 096
4. Control and reporting	–	–	54 193
Sub-total (c):	–	–	108 385;(4%)
<b>Total costs (a + c):</b>	–	–	<b>2 709 635</b>
<b>EGF contribution (60% of total costs)</b>	–	–	<b>1 625 781</b>

26. The costs of the actions identified as actions under Article 7(1)(b) of the EGF Regulation are 0 EUR and therefore do not exceed 35% of the total costs for the coordinated package of personalised services.

*Period of eligibility of expenditure*

27. The Dutch authorities started providing the personalised services to targeted beneficiaries on 1 February 2014. The expenditure on the actions referred in point 25, sub-total (a) will therefore be eligible for a financial contribution from the EGF from 1 February 2014 to 20 February 2016.
28. The Dutch authorities started incurring the administrative expenditure to implement the EGF on 1 February 2014. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 1 February 2014 to 20 August 2016.

*Complementarity with actions funded by national or Union funds*

29. The Dutch authorities have indicated that the measures described above receiving a financial contribution from the EGF will not also receive financial contribution from other Union financial instruments.
30. The sources of national pre-financing or co-funding are the subsidy of EUR 250 000 that the province of Overijssel has granted for supporting the EGF reintegration activities for former employees as well as funds provided by the social partners (O&O fondsen) which will add for the rest of the co-funding needed (i.e. EUR 833 854).

*Procedures for consulting the targeted beneficiaries or their representatives or the social partners as well as local and regional authorities*

31. The Dutch authorities have indicated that the coordinated package of personalised services has been drawn up in consultation with trade unions and employers' organisations. The social partners in the construction sector in the Netherlands are participating in the management of educational institutions. Educational professionals from these institutions are managing the training and educational facilities in the sector. The Technical Bureau of the Construction Sector which has initiated the application is also governed by the social partners. On 3 December, 5 December and 16 December 2013 in the province of Overijssel and on 20 December 2013 in the province of Gelderland a series of regional meetings with sector representatives and construction companies were organised. The parties concerned together with the Employee Insurance Agency (UWV) assessed the nature and magnitude of the problem and designed actions to help the redundant workers get back into employment, not least by applying for support from the EGF.

**Management and control systems**

32. The application contains a detailed description of the management and control system which specifies the responsibilities of the bodies involved. The Netherlands has notified the Commission that the financial contribution will be managed and controlled by the same bodies that manage and control the ESF.

## Commitments provided by the Member State concerned

33. The Dutch authorities have provided all necessary assurances regarding the following:
- the principles of equality of treatment and non-discrimination will be respected in the access to the proposed actions and their implementation;
  - the requirements laid down in national and EU legislation concerning collective redundancies have been complied with;
  - where the dismissing enterprises have continued their activities after the lay-offs, they have complied with their legal obligations governing the redundancies and have provided for their workers accordingly;
  - the proposed actions will provide support for individual workers and will not be used for restructuring companies or sectors;
  - the proposed actions will not receive financial support from other Union funds or financial instruments and any double financing will be prevented;
  - the proposed actions will be complementary with actions funded by the Structural Funds;
  - the financial contribution from the EGF will comply with the procedural and material Union rules on State aid.

## BUDGETARY IMPLICATION

### Budgetary proposal

34. The EGF must not exceed a maximum annual amount of EUR 150 million (2011 prices), as laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020<sup>19</sup>.
35. 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 1 625 781, representing 60% of the total costs of the proposed actions, in order to provide a financial contribution for the application.
36. 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<sup>20</sup>.

### Related acts

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<sup>19</sup> OJ L 347, 20.12.2013, p. 884.

<sup>20</sup> OJ C 373, 20.12.2013, p. 1.

37. At the same time as it presents this proposal for a decision to mobilise the EGF, the Commission will present to the European Parliament and to the Council a proposal for a transfer to the relevant budgetary line for the amount of EUR 1 625 781.
38. 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.

**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/2014/002 NL/Gelderland-Overijssel construction)**

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 1927/2006<sup>21</sup>, and in particular Article 15(4) thereof,

Having regard to the proposal from the European Commission,

Acting in accordance with the procedure 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<sup>22</sup>,

Whereas:

- (1) The European Globalisation Adjustment Fund (EGF) 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 and to assist them with their reintegration into the labour market.
- (2) The EGF shall not exceed a maximum annual amount of EUR 150 million (2011 prices), as laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020<sup>23</sup>.
- (3) The Netherlands submitted an application to mobilise the EGF, in respect of redundancies in 89 enterprises operating in the NACE Revision 2 Division 41 (Construction of buildings)<sup>24</sup> in the NUTS 2 level contiguous regions of Gelderland

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<sup>21</sup> OJ L 347, 20.12.2013, p. 855.

<sup>22</sup> OJ C 373, 20.12.2013, p. 1.

<sup>23</sup> OJ L 347, 20.12.2013, p. 884.

<sup>24</sup> Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC regulations on specific statistical domains(OJ L 393, 30.12.2006, p. 1).



and Overijssel, on 20 February 2014 and supplemented it by additional information as provided by Article 8.3 of Regulation (EU) No 1309/2013. This 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) The EGF should, therefore, be mobilised in order to provide a financial contribution of an amount of EUR 1 625 781 for the application submitted by the Netherlands,

HAVE ADOPTED THIS DECISION:

*Article 1*

For the general budget of the European Union for the financial year 2014, the EGF shall be mobilised to provide the sum of EUR 1 625 781 in commitment and payment appropriations.

*Article 2*

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

Done at Brussels,

*For the European Parliament*  
*The President*

*For the Council*  
*The President*