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# **PROPOSAL**

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	9 February 2018
То:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
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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 following an application from Germany – EGF/2017/008 DE/Goodyear

Delegations will find attached document COM(2018) 61 final.

Encl.: COM(2018) 61 final

DG G 2A JPS/ab



Brussels, 9.2.2018 COM(2018) 61 final

# Proposal for a

# DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund following an application from Germany – EGF/2017/008 DE/Goodyear  $\,$ 

# 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 6 October 2017, Germany submitted an application EGF/2017/008 DE/Goodyear for a financial contribution from the EGF, following redundancies<sup>2</sup> in Goodyear Dunlop Tires Germany GmbH in Germany.
- 3. Following its assessment of this application, the Commission has concluded, in accordance with all 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/2017/008 DE/Goodyear	
Member State	Germany	
Region(s) concerned (NUTS <sup>3</sup> level 2)	Regierungsbezirk Karlsruhe (DE12)	
Date of submission of the application	6 October 2017	
Date of acknowledgement of receipt of the application	6 October 2017	
Date of request for additional information	23 October 2017	
Deadline for provision of the additional information	4 December 2017	
Deadline for the completion of the assessment	26 February 2018	
Intervention criterion	Article 4(1)(a) of the EGF Regulation	
Primary enterprise	Goodyear	
Number of enterprises concerned	1	
Sector(s) of economic activity (NACE Revision 2 Division) <sup>4</sup>	NACE Revision 2 Division 22 (Manufacture of rubber and plastic products)	

OJ L 347, 20.12.2013, p. 855.

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Within the meaning of Article 3 of the EGF Regulation.

Commission Regulation (EU) No 1046/2012 of 8 November 2012 implementing Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS) as regards the transmission of the time series for the new regional breakdown (OJ L 310, 9.11.2012, p. 34).

<sup>&</sup>lt;sup>4</sup> OJ L 393, 30.12.2006, p. 1.

Number of subsidiaries, suppliers and downstream producers	0
Reference period (max. four months):	14 July 2017 - 5 October 2017
Number of redundancies during the reference period (a)	632
Number of redundancies before or after the reference period ( <i>b</i> )	14
Total number of redundancies $(a + b)$	646
Total number of eligible beneficiaries	646
Total number of targeted beneficiaries	646
Number of targeted young persons not in employment, education or training (NEETs)	0
Budget for personalised services (EUR)	3 464 371
Budget for implementing EGF <sup>5</sup> (EUR)	144 348
Total budget (EUR)	3 608 719
EGF contribution (60 %) (EUR)	2 165 231

#### ASSESSMENT OF THE APPLICATION

#### **Procedure**

4. Germany submitted application EGF/2017/008 DE/Goodyear within 12 weeks of the date on which the intervention criteria set out in Article 4 of the EGF Regulation were met, on 6 October 2017. The Commission acknowledged receipt of the application on the same day, and requested additional information from Germany on 23 October 2017. Such additional information was provided within six weeks 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 26 February 2018.

### Eligibility of the application

Enterprises and beneficiaries concerned

5. The application relates to 646 workers made redundant in Goodyear Dunlop Tires Germany GmbH. This enterprise operates in the economic sector classified under the NACE Revision 2 Division 22 (Manufacture of rubber and plastic products). The redundancies made by Goodyear are located in the NUTS level 2 region of Regierungsbezirk Karlsruhe (DE12) in Germany.

Enterprises and number of dismissals within the reference period	
Goodyear Dunlop Tires Germany	632
GmbH	032

In accordance with the fourth paragraph of Article 7 of Regulation (EU) No 1309/2013.

#### Intervention criteria

- 6. Germany submitted the application under the intervention criteria of Article 4(1)(a) of the EGF Regulation, which requires at least 500 workers being made redundant over a reference period of four months in an enterprise in a Member State, including workers made redundant by suppliers and downstream producers and / or self-employed persons whose activity has ceased.
- 7. The reference period for the application runs from 14 July 2017 to 5 October 2017.
- 8. The redundancies during the reference period are as follows:
  - 632 workers made redundant in Goodyear.

Calculation of redundancies and of cessation of activity

- 9. The redundancies during the reference period have been calculated as follows:
  - 632 from the date of the employer's individual notice to lay off or to terminate the contract of employment of the worker.

# Eligible beneficiaries

- 10. In addition to the workers already referred to, the eligible beneficiaries include 14 workers made redundant before or after the reference period. These workers were all made redundant after the general announcement of the projected redundancies on 24 October 2016. A clear causal link can be established with the event which triggered the redundancies during the reference period
- 11. The total number of eligible beneficiaries is therefore 646.

Link between the redundancies and major structural changes in world trade patterns due to globalisation

- 12. In order to establish the link between the redundancies and major structural changes in world trade patterns due to globalisation, Germany argues that globalisation has had a negative impact on B-segment car tyre production<sup>6</sup> in the EU. This is due to the fact that Asian suppliers gained significant market shares in the recent years.
- 13. While the production of passenger cars in the EU-27, which plummeted during the financial crisis, has picked up again slightly over recent years, it did not regain its 2006 level until 2016. According to analyses of the European Automobile Manufacturers' Association (ACEA), sales of smaller cars still fell short of their 2005 level in 2016. However, the global market share of motor vehicles manufactured in Europe shrunk from 35 % in 2001 to 23 % in 2016. China's global market share rose over the same period from 5 % to 30 % <sup>7</sup>. Car production in Asia saw a 45 % increase over the past ten years <sup>8</sup>.
- 14. From 2015 to 2016, imports into the EU increased by 22 %, while exports decreased by 3 % 9. Although most imported vehicles come from Turkey (market share 29 %),

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The tyre market broadly comprises two segments, defined according to wheel rim size. The B segment encompasses rim sizes ranging from 13 to 16 inches, usually used for small or mid-size vehicles, while the A segment covers the 17 to 22-inch range, typically for larger cars.

ACEA The Automobile Industry Pocket Guide 2017-2018 http://www.acea.be/publications/article/acea-pocket-guide

<sup>8</sup> OICA 2017: Statistics, <a href="http://www.oica.net/category/production-statistics/">http://www.oica.net/category/production-statistics/</a>

Eurostat 2017: Extra EU trade of motor vehicles, by category, 2013-2016 (EUR million), http://ec.europa.eu/eurostat/statistics-

the strongest growth in motor-vehicle imports in 2015-2016 was achieved by India (31 % increase), closely followed by South Africa (29 %) and Japan (20 %)<sup>10</sup>. The long-term market strategies of car and tyre manufacturers alike have to be aligned with potential growth rates. Whereas motorisation within the European Union increased by only 9 % from 2005 to 2015, motorisation in Asia/Oceania rose by 140 %, and in Central and South America by 59 % over the same period<sup>11</sup>.

- 15. Therefore, the global tyre market has also changed markedly since the turn of the millennium. While the three big global players Bridgestone, Michelin and Goodyear accounted for 57 % of global tyre production in 2000, their significance had diminished worldwide by 2013, to 38 %. Over the same period, the market share of Asian manufacturers from China, Taiwan and Singapore rose from 4 % in 2001 to 20 % in 2013 according to an internal study by Ernst & Young Consulting. According to the European Tyre and Rubber Manufacturer's Association (ETRMA), of the 10 tyre manufacturers generating the highest turnover in 2016, six were from Asia 12.
- 16. In 2015, in the EU, tyre imports (130 million tyres) far outstripped exports (74 million). EU tyre production in 2015 (4.9 million tonnes) still fell slightly short of the 2007 output figure (5.1 million tonnes)<sup>13</sup>.
- 17. A study published by market research institute Gesellschaft für Konsumforschung reveals that while 77 % of tyres sold in Germany in 2005 belonged to the B tyre segment, such tyre sizes accounted for just 43 % of sales in Germany in 2014, reflecting the shift of production of smaller vehicles to the growth markets of Asia and South America<sup>14</sup>.
- 18. To date, the NACE Revision 2 Division 22 sector (Manufacture of rubber and plastic products) has not been the subject of any EGF application<sup>15</sup>.

Events giving rise to the redundancies and cessation of activity

19. The event giving rise to these redundancies is the complete shutdown of Goodyear's production plant in Philippsburg. The Goodyear Tire & Rubber Company was established in Akron, Ohio, USA, in 1898 and is one of the world's leading tyre

explained/index.php/File:Extra\_EU\_trade\_of\_motor\_vehicles,\_by\_category,\_2013-2016\_(EUR\_million).png

ACEA The Automobile Industry Pocket Guide 2017-2018 http://www.acea.be/publications/article/acea-pocket-guide

ACEA The Automobile Industry Pocket Guide 2017-2018 http://www.acea.be/publications/article/acea-pocket-guide

ETRMA 2017: Statistics - Edition 2016, Nr. 8, http://www.etrma.org/uploads/Modules/Documentsmanager/20161208---statistics-booklet-2016-final5.pdf.

ETRMA 2017: Statistics - Edition 2016, Nr. 8, http://www.etrma.org/uploads/Modules/Documentsmanager/20161208---statistics-booklet-2016-final5.pdf

GFK 2015: GfK Retail Sales Tracking Data, Tire Trade Germany, Jan-Dec 2005 to Jan-Dec 2014, https://blog.gfk.com/wp-content/uploads/2015/04/01-a.png

The related NACE Revision 2 Division 29 sector (Manufacture of motor vehicles, trailers and semi-trailers) has been the subject of 23 EGF applications, 13 of which were based on the trade related globalisation and 10 on the global financial and economic crisis. In many of these cases, both criteria (globalisation and crisis) in varying degrees influenced the decision to lay off workers. It is then up to the Member State to determine which was the principal cause in a specific application and to provide a reasoned analysis of the link between the redundancies and that particular criterion, showing a clear causality.

- manufacturers. In 1954, Deutsche Goodyear GmbH was founded, and in 1966, construction of the company's tyre factory in Philippsburg started. Goodyear Dunlop currently has around 7 600 employees in Germany. Its German headquarters is in Hanau. Other plants in Germany are located in Fürstenwalde, Wittlich, Riesa and Fulda.
- As EU automotive output and market shares have fallen in the wake of globalisation, significant overcapacity has built up in the B segment at Goodyear, amounting to around five million tyres across the company's integrated European production setup. This corresponds to the average annual capacity of one production plant. Therefore, Goodyear was forced to close one of its European factories. Goodyear decided to close the plant in Philippsburg, which has the largest production capacity for tyres in the B segment among Goodyear's European plants. On 24 October 2016, therefore, Goodyear's management announced that the Philippsburg tyre factory, with its 888-strong workforce, was to close in 2017.
- 21. On 26 April 2017, Goodyear concluded with the IG BCE trade union a collective agreement regulating redundancy terms. Following talks with the works council, this was incorporated into a redundancy scheme. Production was already discontinued on 15 July 2017, and the closure of the factory has been announced for 31 December 2017.
- 22. The social partners agreed on the creation of two transfer companies. The creation of a transfer company is not mandatory under German law. There is no obligation on the part of the dismissing company to contribute towards the creation of a transfer company. Without the participation of the dismissing company, no transfer company would be set up. If the dismissing company does offer to participate, and if the social partners agree to the creation of a transfer company, German social law sets the legal frame (§§ 110 and 111,SGB III).
- 23. The transfer companies will be managed by weitblick personalpartner GmbH, a company owned by the Confederation of German Trade Unions (Deutscher Gewerkschaftsbund DGB). 646 of the workers signed a tripartite agreement according to which they enter the transfer company upon the official end of their employment with Goodyear. 632 signed the agreement within the reference period, another 14 were not able to sign yet due to maternity leave etc, but are expected to sign before termination of the contract with Goodyear. The persons who chose not to enter the transfer company had found a new job already, or decided to retire.
- 24. Goodyear has made severance payments, agreed to top-up the training allowance (Transferkurzarbeitergeld) and provided a re-skilling budget of around EUR 3 000 for each employee. The transfer period of each employee is calculated on the basis of length of service with the company and amounts to a maximum of one year.
- 25. The additional EGF assistance will be used to complement the measures and can also be used to extend the duration of the individual measures. 595 workers enter a first transfer company on 1 January 2018. As another 51 workers remain in employment for the dismantling of the Goodyear plant, a second transfer company is created so that the remaining workers can enter the second transfer company on 1 April 2018.

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

26. The redundancies are expected to have a significant adverse effect on the local economy. The city of Philippsburg, with about 13 000 inhabitants, lies in the Public

Employment Agency's (PES) district of Waghäusl, with a total population of about 60 000. The tertiary sector accounts for only 48 % of jobs and is thus underrepresented compared with the Federal State of Baden-Württemberg as a whole (63 %). The region is primarily characterised by an above-average proportion of people working in the manufacturing sector. Compared to the neighbouring districts, the unemployment rate in the Waghäusl region is quite high, and stands at 5,7 % (June 2017), compared with 3,3 % in the neighbouring Karlsruhe district. Unemployment in the Waghäusl area is on the rise, and 17 % higher than in the previous year. Citizens with a migratory background and older people seem to be the most disadvantaged on the regional job market. 25 % of the unemployed are foreign nationals, and about one third of those long-term unemployed that are on social welfare are over the age of 55. A large proportion of the workers made redundant by Goodyear also fall into these categories.

27. The Goodyear plant was the largest employer in the region, the second largest being a nuclear power plant. Due to Germany's decision to be a nuclear-free country, the nuclear power plant is about to be shut down within the next few years. Several smaller or medium-sized companies in the region have made hundreds of workers redundant, for example 146 people made redundant in the summer of 2017 in a company operating in the automotive sector, or 144 people made redundant due to the closure of a press manufacturer. The region is facing a structural change. The PES therefore designed a qualification and skills strategy, which takes into account both the (future) needs of the labour market as well as the qualification level of the workers concerned.

# Targeted beneficiaries and proposed actions

Targeted beneficiaries

28. The estimated number of redundant workers expected to participate in the measures is 646. The breakdown of these workers by sex, citizenship and age group is as follows:

Category		Number of targeted beneficiaries (percentages rounded)	
Sex:	Men:	641	(99,23 %)
	Women:	5	(0,77 %)
Citizenship:	EU citizens:	493	(76,32 %)
	non-EU citizens:	153	(23,68 %)
Age group:	15-24 years:	15	(2,32 %)
	25-29 years:	33	(5,11 %)
	30-54 years:	428	(66,25 %)
	55-64 years:	168	(26,01 %)
	over 64 years:	2	(0,31 %)

#### Eligibility of the proposed actions

- 29. As set out above, the social partners agreed on the creation of two transfer companies, catering to two different batches of redundant workers of the Goodyear plant, entering the first transfer company on 1 January 2018, or the second transfer company on 1 April 2018, respectively. The additional measures offered by Goodyear are also provided by the transfer company, but are not part of the EGF application. All of the measures described below combine to form a package of personalised services coordinated by the transfer companies and aim to re-integrate the redundant workers into employment.
- 30. The personalised services to be provided to redundant workers consist of the following actions:
  - Upskilling measures: These are offered to eligible workers following profiling and career guidance interviews, and with the intention of helping them to benefit from opportunities in the labour market. The training courses offered will focus on sectors with future prospects, such as metal-working and warehousing sectors. Courses can be provided individually or in groups, and they range from basic competences to upskilling courses and courses preparing the participants for career changes. German language courses will be a particular focus for participants with a very low level of German language skills.
  - Peer groups / workshops: These will be group for assisted by a facilitator, helping participants to exchange ideas and reflections. Peer groups may focus on a range of topics, such as time management, self-management, promotion of health measures or special peer groups for participants with a migrant background. A variety of workshops are offered, such as on work-life-balance or on gender issues.
  - Business start-up advisory service: This will comprise a package of advisory services for those interested in starting their own businesses. These services will include individualised tailor-made coaching measures.
  - Job Search: Professional job scouts will help to locate potential job vacancies not yet published, which might suit eligible workers. A job fair is also planned.
  - Follow-up mentoring / securing employment: Workers can benefit from further guidance counselling services after taking up new employment in order to facilitate transition into a new job and to minimise the risk of a job loss.
  - <u>Training allowance</u>: The payment starts from the date when the worker enters
    the transfer company, and ends as soon as the person leaves the transfer
    company.
- 31. The project will contribute to sustainable economic development in Germany. The measures organised are in line with Germany's sustainability strategy, and weitblick personalpartner GmbH, which has been entrusted with setting up the two transfer companies, holds a sustainability certification.
- 32. The proposed actions, here described, constitute active labour market measures within the eligible actions set out in Article 7 of the EGF Regulation. These actions do not substitute passive social protection measures.
- 33. Germany has provided the required information on actions that are mandatory for the enterprise concerned by virtue of national law or pursuant to collective agreements.

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

# Estimated budget

- 34. The estimated total costs are EUR 3 608 719, comprising expenditure for personalised services of EUR 3 464 371 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 144 348.
- 35. The total financial contribution requested from the EGF is EUR 2 165 231 (60 % of total costs).

Actions	Estimated number of participants	Estimated cost (rounded) per participant 16 (EUR)	Estimated total costs (EUR)
Personalised services (Actions under Article 7(1)(a			
Upskilling measures (Qualifizierungsmaßnahmen)	288	4 512	1 299 516
Peer groups/workshops	276	1 294	357 086
Business start-up advisory service (Existenzgründerberatung)	30	1 690	50 710
Job Search (Stellenakquise)	350	369	129 319
Follow-up mentoring/securing employment (Nachbetreuung/Beschäftigungssicherung)	646	643	415 211
Sub-total (a):			2 251 842
Percentage of the package of personalised services	_		(65 %)
Allowances and incentives (Actions under Article	7(1)(b) of the EGF	Regulation)	
Training allowance (Transferkurzarbeitergeld)	646	1 877	1 212 529
Sub-total (b):			1 212 529
Percentage of the package of personalised services:	_		(35 %)
Actions under Article 7(4) of the EGF Regulation			
1. Preparatory activities	_		21 652

Estimated total costs divided by estimated number of participants; average estimated costs per participant are rounded in order to avoid decimals.

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2. Management	-	79 391
3. Information and publicity	_	7 218
4. Control and reporting	_	36 087
Sub-total (c): Percentage of the total costs:	_	144 348 (4 %)
Total costs $(a + b + c)$ :	_	3 608 719
EGF contribution (60 % of total costs)	-	2 165 231

36. The costs of the actions identified in the table above as actions under Article 7(1)(b) of the EGF Regulation do not exceed 35 % of the total costs for the coordinated package of personalised services. Germany confirmed that these actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities.

# Period of eligibility of expenditure

- 37. Germany started providing the personalised services to the targeted beneficiaries on 1 January 2018. The expenditure on the actions will therefore be eligible for a financial contribution from the EGF from 1 January 2018 to 1 January 2020.
- 38. Germany started incurring the administrative expenditure to implement the EGF on 7 July 2017. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 7 July 2017 to 1 July 2020.

Complementarity with actions funded by national or Union funds

- 39. The sources of national pre-financing or co-funding are the Federal budget and Bundesagentur für Arbeit (Federal Public Employment Service). These fund the national contribution of 40 % of the total costs of EGF financed measures offered by the transfer company<sup>17</sup>.
- 40. Germany has confirmed that the measures described above receiving a financial contribution from the EGF will not also receive financial contributions from other Union financial instruments.

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

41. Germany has indicated that the co-ordinated package of personalised services has been drawn up in consultation with all parties concerned especially representatives of the workers made redundant, social partners and regional authorities. For the planning of the EGF-supported measures, the Federal Ministry of Labour and Social Affairs held talks with Goodyear management, the works council, the IG BCE trade union as well as the PES to discuss scope for possible support from the EGF. During a round table discussion on 7 July 2017, all parties concerned gave clear

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The provision of the package of personalised services, which comprises the payment of allowances as well as active labour market measures, can start as soon as the workers officially enter into the transfer company (1 January 2018 or 1 April 2018, respectively). From the start, workers are paid training allowances (the "Transferkurzarbeitergeld"), which are eligible for EGF co-funding while the redundant workers follow active labour market policy measures.

endorsements for a possible EGF application. All parties were cooperating closely, and on 18 September 2017, the concept for the planned package of personalised measures was presented by the PES.

#### **Management and control systems**

42. The application contains a description of the management and control system which specifies the responsibilities of the bodies involved. Germany has notified the Commission that the financial contribution will be managed by the same bodies within the Federal Ministry for Labour and Social Affairs (Bundesministerium für Arbeit und Soziales) which manage the European Social Fund (ESF). However, within the 'Gruppe Europäische Fonds für Beschäftigung', it is the 'Referat EF 4' which acts as the managing authority for the EGF, while the managing authority for the ESF is 'Referat EF 1'. The 'Organisationseinheit Prüfbehörde' is the control authority for both EGF and ESF. These bodies also managed the previous EGF contributions to Germany. Some of the tasks of the EGF managing authority are permanently delegated to the PES by administrative agreement.

## Commitments provided by the Member State concerned

- 43. Germany has 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,
  - Goodyear, which has continued its activities after the lay-offs, has complied with its legal obligations governing the redundancies and provided for its workers accordingly,
  - 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

- 44. 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 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020<sup>18</sup>.
- 45. 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 2 165 231, representing 60 % of the total costs of the proposed actions, in order to provide a financial contribution for the application.

OJ L 347, 20.12.2013, p. 884.

46. 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>19</sup>.

#### **Related acts**

- 47. 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 2 165 231.
- 48. 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.

OJ C 373, 20.12.2013, p. 1.

# Proposal for a

#### DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

# on the mobilisation of the European Globalisation Adjustment Fund following an application from Germany – EGF/2017/008 DE/Goodyear

# 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>20</sup>, 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 management<sup>21</sup>, 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.
- (2) The EGF is not to 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<sup>22</sup>.
- (3) On 6 October 2017, Germany submitted an application to mobilise the EGF, in respect of redundancies in Goodyear Dunlop Tires Germany GmbH in Germany. 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) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 2 165 231 in respect of the application submitted by Germany.
- (5) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

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OJ L 347, 20.12.2013, p. 855.

OJ C 373, 20.12.2013, p. 1.

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).

#### HAVE ADOPTED THIS DECISION:

#### Article 1

For the general budget of the Union for the financial year 2018, the European Globalisation Adjustment Fund shall be mobilised to provide the amount of EUR 2 165 231 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 The President For the Council
The President

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<sup>\*</sup> Date to be inserted by the Parliament before the publication in OJ.