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COVER NOTE

From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	15 January 2018
To:	Ms Marinela PETROVA, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 01/2018 within Section III - Commission - of the general budget for 2018

Delegations will find attached Commission document DEC 01/2018.

Encl.: DEC 01/2018



EUROPEAN COMMISSION

BRUSSELS, 15/01/2018

GENERAL BUDGET - 2018
SECTION III - COMMISSION TITLES: 04, 40

TRANSFER OF APPROPRIATIONS N° **DEC 01/2018**

FROM

CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 43 Reserve for the European Globalisation Adjustment Fund	Commitments	-2 130 400,00
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TO

CHAPTER - 0404 European Globalisation Adjustment Fund (egf)

ARTICLE - 04 04 01 EGF -- to support workers and self-employed persons whose activity has ceased as a result of globalisation	Commitments	2 130 400,00
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Introduction:

The rules applicable to 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 (the 'EGF Regulation'). This Regulation covers applications for the mobilisation of the EGF submitted to the Commission after 1 January 2014.

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 sound financial management sets the budgetary provisions related to the EGF.

The EGF/2017/007 SE/Ericsson application was submitted under the intervention criteria of Article 4(1)(a), which requires at least 500 workers being made redundant over a reference period of four months in an enterprise in a Member State.

On the basis of the assessment carried out, the Commission concluded that the conditions for a financial contribution from the EGF to application EGF/2017/007 SE/Ericsson, submitted by the Swedish authorities, are met.

Under application EGF/2017/007 SE/Ericsson, an amount of EUR 2 130 400 (60% of total estimated costs) is requested by the Swedish authorities to contribute to the costs of a coordinated package of eligible personalised services for 900 targeted beneficiaries following redundancies in Ericsson. The aim is to provide assistance for re-integrating the affected persons into the labour market. The redundancies were caused by major structural changes in world trade patterns due to globalisation.

For an average amount of EUR 2 367 per worker, the coordinated package of eligible personalised services to be provided to redundant workers will consist of the following actions: counselling and career planning; measures for disadvantaged groups; entrepreneurship support; education and training; job search and mobility allowances.

I. DECREASE

I.1

a) Heading

40 02 43 - Reserve for the European Globalisation Adjustment Fund

b) Figure at 05/01/2018

	Commitments
1 Appropriation in budget (Initial Budget + AB)	172 302 000,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	172 302 000,00
4 Utilisation of final appropriation	0,00
5 Amount not used/available (3-4)	172 302 000,00
6 Requirements up to year-end	170 171 600,00
7 Proposed decrease	2 130 400,00
8 Decrease as percentage of appropriation in budget (7/1)	1,24 %
9 Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

c) Receipts arising from recovery (carried over from previous year)

	Commitments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 05/01/2018	0,00
3 Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the transfer

Under point 13 of the Interinstitutional Agreement of 2 December 2013 on budgetary discipline and sound financial management, the Commission shall present to the European Parliament and the Council a proposal for a transfer of appropriations from the reserve for the EGF to the relevant budgetary line in parallel to the proposal for a decision to mobilise the EGF.

II. INCREASE

II.1

a) Heading

04 04 01 - EGF -- to support workers and self-employed persons whose activity has ceased as a result of globalisation

b) Figure at 05/01/2018

	Commitments
1 Appropriation in budget (Initial Budget + AB)	0,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	0,00
4 Utilisation of final appropriation	0,00
5 Amount not used/available (3-4)	0,00
6 Requirements up to year-end	2 130 400,00
7 Proposed increase	2 130 400,00
8 Increase as percentage of appropriation in budget (7/1)	n/a
9 Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

c) Receipts arising from recovery (carried over from previous year)

	Commitments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 05/01/2018	0,00
3 Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the transfer

In the proposal for Decision COM(2017) 782, the Commission concluded that the conditions for a financial contribution from the EGF to application EGF/2017/007 SE/Ericsson, submitted by the Swedish authorities, are met.

The amount of EUR 2 130 400 requested by the Swedish authorities will contribute to the costs of a coordinated package of eligible personalised services for 900 targeted beneficiaries following redundancies in Ericsson (Telefonaktiebolaget LM Ericsson), operating in the electronic industry in Sweden, with the aim of providing assistance for re-integrating the affected persons into the labour market.

The redundancies were caused by major structural changes in world trade patterns due to globalisation.

TRANSFERS RELATED TO THE EUROPEAN GLOBALISATION ADJUSTMENT FUND COMMISSION PROPOSALS AS OF 15/01/2018

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2018 which relate to the European Globalisation Adjustment Fund, and the amount of the EGF reserve which will remain should these proposals be approved.

Transfer Ref	Date sent to B.A.	Content	Amounts in EUR (Commitments from Reserve)
DEC 01	15/01/18	EGF/2017/007 SE/Ericsson	2.130.400
DEC 02	15/01/18	EGF/2017/006 ES/Galicia apparel	720.000
		Total of Proposals	2.850.400
		Remainder	169.451.600

At this stage, the levels of internal assigned revenue available payment appropriations (current year and carried-over from previous year) are as follows:

Line 04 04 01: EGF – to support workers and self-employed persons whose activity has ceased as a result of the globalisation

	Amounts in EUR
Internal assigned revenue - current year	-
Internal assigned revenue - carried-over from previous year	22.433.530

Line 04 04 51: Completion of the European Globalisation Adjustment Fund (2007 to 2013)

	Amounts in EUR
Internal assigned revenue - current year	-
Internal assigned revenue - carried-over from previous year	-