



Council of the
European Union

Brussels, 6 May 2021
(OR. en)

8525/21

**Interinstitutional File:
2021/0116(BUD)**

**FIN 338
SOC 254**

PROPOSAL

| | |
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| From: | Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director |
| date of receipt: | 6 May 2021 |
| To: | Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union |
| No. Cion doc.: | COM(2021) 227 final |
| 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 Finland – EGF/2020/007 FI/Finnair |

Delegations will find attached document COM(2021) 227 final.

Encl.: COM(2021) 227 final



Brussels, 6.5.2021
COM(2021) 227 final

2021/0116 (BUD)

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 Finland – EGF/2020/007 FI/Finnair**

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 1927/2006¹ (the ‘EGF Regulation’)².
2. On 30 December 2020, Finland submitted an application EGF/2020/007 FI/Finnair for a financial contribution from the EGF, following redundancies³ in Finnair Oyj and one subcontractor⁴ in Finland.
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/2020/007 FI/Finnair |
| Member State | Finland |
| Region(s) concerned (NUTS ⁵ level 2) | Helsinki-Uusimaa (FI1B) |
| Date of submission of the application | 30 December 2020 |
| Date of acknowledgement of receipt of the application | 30 December 2020 |
| Date of request for additional information | 13 January 2021 |
| Deadline for provision of the additional information | 24 February 2021 |
| Deadline for the completion of the assessment | 19 May 2021 |
| Intervention criterion | Article 4(1)(a) of the EGF Regulation |
| Primary enterprise | Finnair Oyj |
| Number of enterprises concerned | 1 |
| Sector(s) of economic activity (NACE Revision 2 Division) ⁶ | Division 51 (Air transport) |
| Number of subsidiaries, suppliers and downstream producers | 1 |

¹ OJ L 347, 20.12.2013, p. 855.

² Regulation (EU) No 1309/2013 is applicable to all applications received by 31 December 2020.

³ Within the meaning of Article 3 of the EGF Regulation.

⁴ Hub Logistics Finland Oy located in the region of Helsinki-Uusimaa.

⁵ 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).

⁶ OJ L 393, 30.12.2006, p. 1.

| | |
|---|-----------------------------------|
| Reference period (four months): | 25 August 2020 - 25 December 2020 |
| Number of redundancies during the reference period (a) | 508 |
| Number of redundancies before or after the reference period (b) | 0 |
| Total number of redundancies (a + b) | 508 |
| Total number of eligible beneficiaries | 508 |
| Total number of targeted beneficiaries | 500 |
| Number of targeted young persons not in employment, education or training (NEETs) | 0 |
| Budget for personalised services (EUR) | 2 730 600 |
| Budget for implementing EGF ⁷ (EUR) | 190 000 |
| Total budget (EUR) | 2 920 600 |
| EGF contribution (60 %) (EUR) | 1 752 360 |

ASSESSMENT OF THE APPLICATION

Procedure

4. On 30 December 2020, Finland submitted application EGF/2020/007 FI/Finnair, i.e. within 12 weeks of the date on which the intervention criteria set out in Article 4 of the EGF Regulation were met. The Commission acknowledged receipt of the application on the same date, and requested additional information from Finland on 13 January 2021. 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 compliance of the application with the conditions for providing a financial contribution expires on 19 May 2021.

Eligibility of the application

Enterprises and beneficiaries concerned

5. The application relates to 508 workers made redundant in Finnair Oyj and one subcontractor. Finnair operates in the economic sector classified under the NACE Revision 2 Division 51 (Air transport). The redundancies made by the enterprises occurred in the NUTS level 2 region of Helsinki-Uusimaa (FI1B).

| Enterprises and number of dismissals | |
|--------------------------------------|-------------------------------------|
| Finnair | 504 |
| Hub Logistics Finland Oy | 4 |
| Total no. of enterprises: 2 | Total no. of dismissals: 508 |

Intervention criteria

6. Finland 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

⁷ In accordance with Article 7(4) of Regulation (EU) No 1309/2013.

workers made redundant by suppliers and downstream producers and / or self-employed persons whose activity has ceased.

7. The reference period of four months for the application runs from 25 August 2020 to 25 December 2020.
8. The redundancies during the reference period are as follows:
 - 504 workers made redundant in Finnair
 - 4 workers made redundant in subcontractor of Finnair

Calculation of redundancies and of cessation of activity

9. The redundancies during the reference period have been calculated as follows:
 - 504 from the date on which the employer, in accordance with Article 3(1) of Council Directive 98/59/EC⁸, notified the competent public authority in writing of the projected collective redundancies. Finland confirmed prior to the date of the completion of the assessment by the Commission that these 504 redundancies have actually been effected.
 - 4 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. The total number of eligible beneficiaries is therefore 508.

Link between the redundancies and a global financial and economic crisis

11. On 11 March 2020, the World Health Organisation (WHO) declared COVID-19 a global pandemic. On 27 May 2020, in its communication 'The European Union (EU) budget powering the recovery plan for Europe'⁹, the European Commission declared that the health crisis resulted in an economic crisis, and set out a recovery plan for the economy. This included the EGF as an emergency tool to assist persons who lost their jobs due to the global economic crisis.
12. The pandemic caused the deepest recession in EU history. According to the 'Commission's Winter 2021 European Economic Forecast'¹⁰, EU GDP contracted by 6,3 % in 2020, and projected to rebound by 3,7 % in 2021 and by 3,9 % in 2022.
13. The COVID-19 pandemic has had a significant impact on the aviation industry due to travel restrictions and a dramatic decline in passenger air transport. The drop in passenger numbers massively reduced the revenues of airlines and forced many of them to lay off employees or declare insolvency. In April 2020, international passenger traffic dropped by 98,9 % compared to April 2019 and 64 % of global aircraft was put into storage, representing the largest contraction in aviation history¹¹.

⁸ Council Directive 98/59/EC of 20 July 1998 on the approximation of the laws of the Member States relating to collective redundancies (OJ L 225, 12.8.1998, p. 16).

⁹ COM(2020) 442 final.

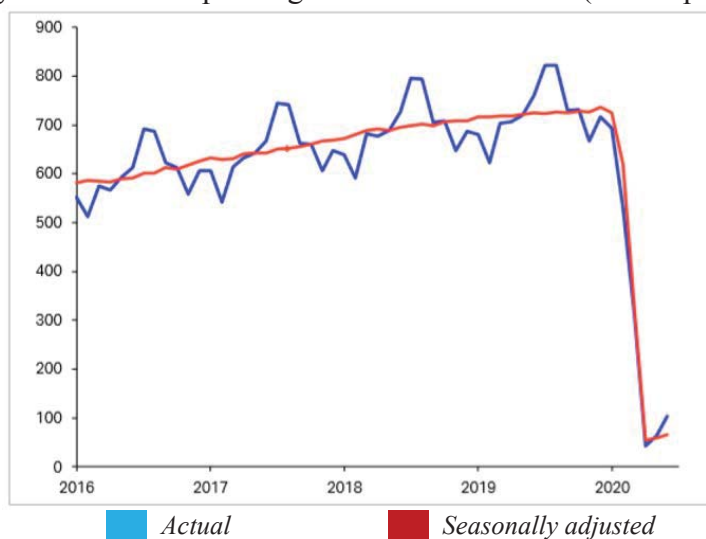
¹⁰ Winter 2021 Economic Forecast https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-forecasts/winter-2021-economic-forecast-challenging-winter-light-end-tunnel_en

¹¹ ATAG. 2020 Aviation Benefits Beyond Borders Report: https://aviationbenefits.org/media/167186/abbb2020_full.pdf

14. In June 2020, passenger demand improved slightly, but remained significantly below pre-crisis levels. Industry-wide revenue passenger kilometres shrank by 86,5 % compared to June 2019¹².

Air passenger volumes¹³

Industry-wide revenue passenger kilometres - RPKs (billion per month)



15. International passenger demand fell by 75,6 % in 2020 compared to 2019 levels. The capacity (measured in available seat kilometres or ASKs) declined by 68,1 % and the passenger load factor (which measures the percentage of available seating capacity that is filled with passengers) fell by 19,2 percentage points to 62,8 %¹⁴.
16. According to the global passenger forecast by the International Air Transport Association, it will take 3 to 4 years for the aviation industry to recover to its pre-crisis levels¹⁵.
17. To date, the air transport sector has been the subject of four applications for EGF support, three of which based on trade related globalisation¹⁶ and one on the economic crisis resulting from the COVID-19 pandemic¹⁷.

Events giving rise to the redundancies and cessation of activity

18. The events giving rise to these redundancies are a result of the unexpected global economic crisis caused by the COVID-19 pandemic.
19. Finland reports that Finnair has been hit hard by the impact of the pandemic. Before the COVID-19 outbreak, Finnair had a strong financial position. In 2019, Finnair's revenue grew by 9,2 %, reaching a record high of EUR 3 097 million, compared to EUR 2 836 million in 2018. The operating result totalled EUR 162,8 million, compared to EUR 256,3 million in 2018, a decrease of 38 %, driven by an increase in fuel costs, aircraft materials and overhaul expenses.

¹² IATA: Air Passenger Market Analysis June 2020: <https://www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-monthly-analysis---june-2020/>

¹³ Ibid.

¹⁴ IATA : <https://www.iata.org/en/pressroom/pr/2021-02-03-02/>

¹⁵ IATA: <https://www.iata.org/en/pressroom/pr/2020-07-28-02/>

¹⁶ EGF/2017/009 FR/Air France, COM(2018) 230; EGF/2013/014 FR Air France, COM(2014) 701 and EGF/2015/004 IT Alitalia, COM(2015) 397.

¹⁷ EGF/2020/004 NL/KLM, COM(2021)226.

20. Over the last decade, the number of passengers at the airport of Helsinki-Vantaa had increased significantly. Between 2009 and 2019, passenger numbers increased by 58 % from 12,6 million to 21,9 million. Passengers on international flights formed the majority of the passenger traffic: 10,2 million in 2009 and 18,9 million in 2019¹⁸. In 2019, the number of passengers carried by Finnair increased by 10,3 % to 14 650 400 passengers, reaching a new annual record¹⁹.
21. At the beginning of 2020, passenger traffic at Helsinki-Vantaa airport was still growing. In January 2020, passenger volumes to China increased by 58 % compared to January 2019. However, in February 2020, passenger volumes decreased sharply by 73 % due to the epidemic situation. Finnair had to cancel all flights to mainland China as of 6 February 2020 and to other Asian destinations as of 4 March 2020²⁰. On 13 March 2020, the United States government restricted all non-essential travelling to the USA, therefore Finnair had to also cancel all flights to the USA²¹.
22. The restrictions in place both in Finland and in other destination countries have heavily affected Finnair's operations, in particular regarding international and intercontinental flights. In April 2020, the air traffic at Helsinki-Vantaa airport ceased almost entirely, remaining at only 1 % compared to April 2019 (21 000 passengers in April 2020 vs. 1,8 million in April 2019). In the second quarter, comparing 2020 to 2019, the number of flights between Finnair's Asian and European destinations decreased by 92,1 %. The number of passengers decreased by 97,5 % from 3,9 million to 98 000 passengers and passenger traffic capacity (ASKs) decreased by 97,2 %²².
23. The Finnair Annual Report 2020 showed a sharp drop in revenue by 73,2 % (from 3 097,7 million to EUR 829,2 million), the number of passengers decreased by 76,2 % (from 14,7 million to 3,5 million) and the company had accumulated an operating loss of EUR 464,5 million²³.
24. Finnair had to reduce its costs in order to address this crisis and savings were made in real estate, aircraft leasing, IT (digitalisation and automation of its customer processes), sales and distribution costs, as well as administration costs and compensation structures. This led to the workforce being reduced by 1 000 jobs²⁴.

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

25. The aviation sector's contribution to the economy of Finland is significant. In 2020, the industry employed 42 000 persons (23 000 direct and 19 000 indirect jobs) and contributed EUR 8,8 billion to the Finland's GDP, thus representing 3,2 % of the

¹⁸ Finavia annual report 2019:

<https://www.finavia.fi/sites/default/files/documents/Tilinpaatos%202019.pdf>

¹⁹ Finnair annual report 2019: <https://investors.finnair.com/~media/Files/F/Finnair-IR/documents/en/reports-and-presentation/2020/annual-report-2019.pdf>

²⁰ https://news.cision.com/finnair/r/finnair-cancels-all-flights-to-mainland-china-between-february-6-and-february-29--2020--customers-to_c3024652

²¹ https://news.cision.com/finnair/r/finnair-cancels-flights-to-us-and-delhi_c3057949

²² Finnair annual report 2020: <https://investors.finnair.com/~media/Files/F/Finnair-IR/documents/en/reports-and-presentation/2020/half-year-2020-report-en.pdf>

²³ <https://investors.finnair.com/~media/Files/F/Finnair-IR/documents/en/reports-and-presentation/2021/annual-report-2020.pdf>

²⁴ <https://company.finnair.com/en/media/all-releases/news?id=3751510> and

<https://www.aviation24.be/airlines/finnair/finnair-targets-100-million-euros-cost-base-reductions-plans-to-reduce-1-000-jobs/>

total GDP²⁵. Finnair is the largest airline of Finland with its hub at Helsinki-Vantaa airport. At the end of 2019, Finnair had 6 788 employees and operated traffic to 132 destinations²⁶.

26. The redundancies in Finnair have a serious impact on the national economy. The NUTS 2 region concerned by the redundancies is Helsinki-Uusimaa, where Finnair has its operating hub. Between February and April 2020, the number of unemployed jobseekers in Helsinki-Uusimaa region increased by 22,5 % from 68 016 to 83 340. On an annual basis and despite measures to preserve employment, the unemployment rate in the region of Helsinki-Uusimaa increased by 0,8 percentage points, from 6,4 % in 2019 to 7,2 % in 2020²⁷.
27. In 2020, the national unemployment rate stood at 7,8 %, i.e. 1,1 percentage points higher than in 2019²⁸. The Finnish Ministry of Finance estimated that the unemployment rate will continue to rise to 8,2 % in 2021, before decreasing to 7,8 % in 2022²⁹.
28. Due to rising unemployment resulting from the crisis, the re-employment of former Finnair workers will be difficult. The Finnish authorities argue that dismissed workers need customised job-search guidance and support, along with tailored upskilling and reskilling to increase their chances of re-employment.

Targeted beneficiaries and proposed actions

Targeted beneficiaries

29. Out of the 508 eligible persons, the estimated number of redundant workers expected to participate in EGF measures is 500. The breakdown of these redundant workers by sex, citizenship and age group is as follows:

| | Category | Number of targeted beneficiaries |
|--------------|------------------|----------------------------------|
| Sex: | Men: | 280 (56,00 %) |
| | Women: | 220 (44,00 %) |
| Citizenship: | EU citizens: | 493 (98,60 %) |
| | non-EU citizens: | 7 (1,40 %) |
| Age group: | 15-24 years: | 19 (3,80 %) |
| | 25-29 years: | 28 (5,60 %) |
| | 30-54 years: | 312 (62,40 %) |
| | 55-64 years: | 141 (28,20 %) |
| | over 64 years: | 0 (0,00 %) |

²⁵ Air Transport Action Group (ATAG), Aviation Benefits Beyond Borders:

<https://aviationbenefits.org/downloads/aviation-benefits-beyond-borders-2020/>

²⁶ Finnair annual report 2019: <https://investors.finnair.com/~media/Files/F/Finnair-IR/documents/en/reports-and-presentation/2020/annual-report-2019.pdf>

²⁷ Finland's statistical database <https://pxnet2.stat.fi/PXWeb/pxweb/en/StatFin/>

²⁸ https://www.stat.fi/til/tyti/2020/13/tyti_2020_13_2021-03-04_tie_001_en.html

²⁹ Statistics Finland https://www.stat.fi/til/tyti/2020/09/tyti_2020_09_2020-10-20_tie_001_en.html and <https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/162542/TEM%20työmarkkinaennuste%20syksy%202020.pdf>

Eligibility of the proposed actions

30. The personalised services to be provided to redundant workers consist of the following actions:
- Coaching and other preparatory measures. These include 1) Expert assessments of jobseeker's professional competences and the needs for the services; 2) Competency assessment to map participants according to their competences and job perspectives; 3) Job-seeking training and information about the labour market; 4) Career and individual intensive coaching to support and guide participants in seeking employment.
 - Employment and business services. This measure will provide vocational and job-seeking guidance, counselling, work ability evaluations and try-outs. Recruitment and information events will also be organised.
 - Training. This will provide a tailored program “Further Educated with Companies (F.E.C.)³⁰” developed by the Finnish authorities that aims at bringing together job candidates and companies looking to recruit. The participants will also receive the vocational qualification trainings, including courses such as business development, executive training, human resource, sales and marketing, artificial intelligence (A.I.), digital security, robotics, financial management, project management, etc.
 - Pay subsidy. This measure will support employment in a new job, by reducing the payroll costs. The pay subsidy will be 30-50 % of the payroll costs and paid to the employer. The amount and length of the subsidy depends on the length of the unemployment period.
 - Start-up grant. The purpose of the grant is to promote the creation of business activity and employment of individual persons. The start-up grant ensures an income for an aspiring entrepreneur during the estimated time required to launch and establish a full-time business, up to a maximum of 12 months.
 - Allowances for travel, accommodation and removal may be granted to cover related expenditure incurred during job-seeking or training.
31. 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.
32. Finland 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

33. The estimated total costs are EUR 2 920 600, comprising expenditure for personalised services of EUR 2 730 600 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 190 000.
34. The total financial contribution requested from the EGF is EUR 1 752 360 (60 % of total costs).

³⁰ <https://www.aaltopro.fi/en/services-in-change-situations/f.e.c.-programs-and-recruitment>

| Actions | Estimated number of participants | Estimated cost per participant (EUR) ³¹ | Estimated total costs (EUR) ³² |
|---|----------------------------------|--|---|
| Personalised services (Actions under Article 7(1)(a) and (c) of the EGF Regulation) | | | |
| Coaching and other preparatory measures | 450 | 1 556 | 700 000 |
| Employment and business services | 500 | 400 | 200 000 |
| Training | 300 | 4 333 | 1 300 000 |
| Sub-total (a): Percentage of the package of personalised services | – | | 2 200 000 (80,57 %) |
| Allowances and incentives (Actions under Article 7(1)(b) of the EGF Regulation) | | | |
| Pay subsidy | 60 | 6 000 | 360 000 |
| Allowances for travel, accommodation and removal | 25 | 200 | 5 000 |
| Start-up grant | 20 | 8 280 | 165 600 |
| Sub-total (b): Percentage of the package of personalised services: | – | | 530 600 (19,43 %) |
| Actions under Article 7(4) of the EGF Regulation | | | |
| 1. Preparatory activities | – | | 0 |
| 2. Management | – | | 160 000 |
| 3. Information and publicity | – | | 15 000 |
| 4. Control and reporting | – | | 15 000 |
| Sub-total (c): Percentage of the total costs : | – | | 190 000 (6,51 %) |
| Total costs (a + b + c): | – | | 2 920 600 |
| EGF contribution (60 % of total costs) | – | | 1 752 360 |

35. 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. Finland confirmed that these actions are

³¹ To avoid decimals, the estimated costs per worker have been rounded. However, the rounding has no impact on the total cost of each measure, which remains as in the application submitted by Finland.

³² Totals do not totally due to rounding.

conditional on the active participation of the targeted beneficiaries in job-search or training activities.

36. Finland confirmed that the costs of investments for self-employment, business start-ups and employee take-overs will not exceed EUR 15 000 per beneficiary.

Period of eligibility of expenditure

37. Finland started providing the personalised services to the targeted beneficiaries on 21 October 2020. The expenditure on the actions will therefore be eligible for a financial contribution from the EGF from 21 October 2020 to 30 December 2022.
38. Finland started incurring the administrative expenditure to implement the EGF on 21 October 2020. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 21 October 2020 to 30 June 2023.

Complementarity with actions funded by national or Union funds

39. The sources of national pre-financing or co-funding are the public employment service in the administrative branch of the Ministry of Economic Affairs and Employment (MEAE). Some services will also be funded from the operating expenditure of the Centres for Economic Development, Transport and the Environment (ELY Centres) and the Employment and Economic Development Offices (TE Offices).
40. Finland has confirmed that the measures described above receiving a financial contribution from the EGF will not receive financial contributions from other European Union financial instruments³³.

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

41. Finland has indicated that the co-ordinated package of personalised services has been put together in consultation with a working group. The preparation activities included meetings with the representatives of Centres for Economic Development, Transport and Environment and TE offices of Uusimaa, Finnair and Trade Unions, namely Ilmailualan Unioni (IAU), Finnairin insinöörit ja ylemmät toimihenkilöt (FINTO), Auto ja Kuljetusalan Työntekijäliitto ry (AKT) and Trade Union Pro.

Management and control systems

42. The application contains a description of the management and control system which specifies the responsibilities of the bodies involved. Finland has notified the Commission that the financial contribution will be managed by the Ministry of Economic Affairs and Employment, which acts as managing and certifying authority for EGF and as an intermediate body distributing EGF funds. The management functions for EGF have been assigned to the Regions and Growth Services Department, which also acts as managing authority for the European Social Fund. The Centres for Economic Development, Transport and the Environment (ELY Centres) are in charge of implementation of measures financed from EGF.

³³ On 18 May 2020, the European Commission approved a Finnish aid measure consisting of a State guarantee on a EUR 600 million loan to Finnair to mitigate the economic impact of the coronavirus outbreak on the company. https://ec.europa.eu/commission/presscorner/detail/en/IP_20_1032

43. Regarding the role of the certifying authority, this is taken by the Human Resources and Administration Unit. Regarding auditing, the responsible body is the independent Internal Auditing Unit, operating under the Permanent Secretary of the Ministry of Economic Affairs and Employment.

Commitments provided by the Member State concerned

44. Finland 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,
 - Finnair, 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

45. The EGF shall not exceed a maximum annual amount of EUR 186 million (2018 prices), as laid down in Article 8(1) of Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021-2027³⁴.
46. 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 1 752 360, representing 60 % of the total costs of the proposed actions, in order to provide a financial contribution for the application.
47. The proposed decision to mobilise the EGF will be taken jointly by the European Parliament and the Council, as laid down in point 9 of the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources³⁵.

³⁴ OJ L 433I, 22.12.2020, p. 15.

³⁵ OJ L 433I, 22.12.2020, p. 29.

Related acts

48. 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 1 752 360.
49. 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.

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 Finland – EGF/2020/007 FI/Finnair

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 1927/2006³⁶, and in particular Article 15(4) thereof,

Having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources³⁷, and in particular point 9 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 186 million (2018 prices), as laid down in Article 8(1) of Council Regulation (EU, Euratom) 2020/2093³⁸.
- (3) On 30 December 2020, Finland submitted an application to mobilise the EGF, in respect of redundancies in Finnair Oyj and one subcontractor in Finland. 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 1 752 360 in respect of the application submitted by Finland.
- (5) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

³⁶ OJ L 347, 20.12.2013, p. 855.

³⁷ OJ L 433I, 22.12.2020, p. 29.

³⁸ Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021-2027 (OJ L 433I, 22.12.2020, p. 11).

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the Union for the financial year 2021, the European Globalisation Adjustment Fund shall be mobilised to provide the amount of EUR 1 752 360 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*

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