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PROPOSAL

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To:	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 for Displaced Workers following an application from Italy – EGF/2021/003 IT/Porto Canale

Delegations will find attached document COM(2021) 935 final.

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Brussels, 28.10.2021
COM(2021) 935 final

2021/0337 (BUD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**on the mobilisation of the European Globalisation Adjustment Fund for Displaced
Workers following an application from Italy – EGF/2021/003 IT Porto Canale**

EXPLANATORY MEMORANDUM

CONTEXT OF THE PROPOSAL

1. The rules applicable to financial contributions from the European Globalisation Adjustment Fund for Displaced Workers (EGF) are laid down in Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013¹ (hereinafter called EGF Regulation).
2. On 15 July 2021, Italy submitted an application EGF/2021/003 IT/Porto Canale for a financial contribution from the EGF, following displacements in Porto Industriale di Cagliari SpA in Italy.
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/2021/003 IT/Porto Canale
Member State	Italy
Region(s) concerned (NUTS ² level 2)	Sardegna (ITG2)
Date of submission of the application	15 July 2021
Date of acknowledgement of receipt of the application	29 July 2021
Date of request for additional information	29 July 2021
Deadline for provision of the additional information	20 August 2021
Deadline for the completion of the assessment	29 October 2021
Intervention criterion	Article 4(3) of the EGF Regulation
Primary enterprise	Porto Canale (Porto Industriale di Cagliari SpA)
Number of enterprises concerned	1
Sector(s) of economic activity (NACE Revision 2 division) ³	Division 52 (Warehousing and support activities for transportation)
Reference period (four months):	1 September 2020 -1 January 2021
Number of displacements during the reference period (a)	190

¹ OJ L 153, 3.5.2021, p. 48.

² Commission Delegated Regulation 2019/1755 of 8 August 2019 amending the Annexes to 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). OJ L 270, 24.10.2019, p. 1–56

³ OJ L 393, 30.12.2006, p. 1.

Number of displacements before or after the reference period (<i>b</i>)	0
Total number of displacements (<i>a + b</i>)	190
Total number of eligible beneficiaries	190
Total number of targeted beneficiaries	190
Budget for personalised services (EUR)	1 686 750
Budget for implementing EGF ⁴ (EUR)	70 200
Total budget (EUR)	1 756 950
EGF contribution (85 %) (EUR)	1 493 407

ASSESSMENT OF THE APPLICATION

Procedure

4. Italy submitted application EGF/2021/003 IT/Porto Canale within 12 weeks of the date on which the intervention criteria set out in Article 4 of the EGF Regulation were met, on 15 July 2021⁵. The Commission acknowledged receipt of the application and requested additional information from Italy on 29 July 2021. Such additional information was provided within 15 working days of the request. The deadline of 50 working days 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 29 October 2021.

Eligibility of the application

Enterprises and beneficiaries concerned

5. The application relates to 190 displaced workers whose activity has ceased in Porto Canale (Porto Industriale di Cagliari SpA). This enterprise operated in the economic sector classified under the NACE Revision 2 division 52 (Warehousing and support activities for transportation). The displacements from Porto Canale are located in the NUTS 2 region of Sardegna (ITG2).

Intervention criteria

6. Italy submitted the application under the intervention criteria of Article 4(3) derogating from the criteria of Article 4(2)(a) of the EGF Regulation, which requires the cessation of activity of at least 200 displaced workers over a reference period of four months in an enterprise in a Member State, including workers displaced in 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 1 September 2020 to 1 January 2021.

⁴ In accordance with the fifth paragraph of Article 7 of Regulation (EU) 2021/691.

⁵ The time limit of 12 weeks was suspended between 1 January 2021 and 3 May 2021, in accordance with Article 8(2) of Regulation (EU) 2021/691.

Calculation of displacements and of cessation of activity

8. The cessation of activities of the displaced workers during the reference period has been calculated from the date of the de facto termination of the contract of employment or its expiry.

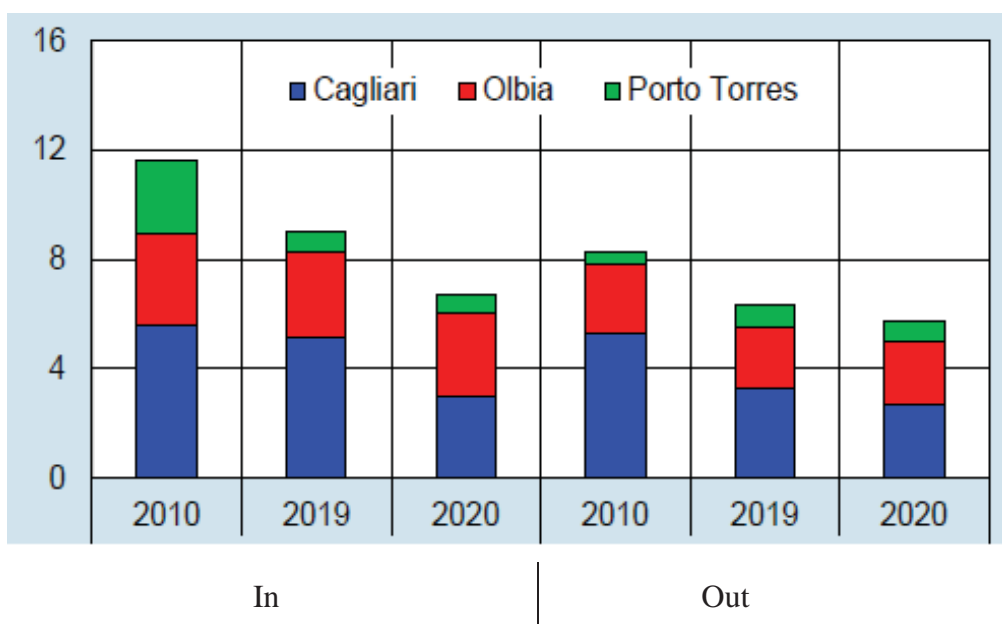
Eligible beneficiaries

9. The total number of eligible beneficiaries is therefore 190.

Description of the events that led to the displacements and cessation of activity

10. In 2018, Mediterranean ports handled 35% of European port traffic, an increase of seven percentage points (pp) compared to 2008. However, the Italian ports did not benefit from this trend. Between 2011 and 2018, the tonnes in transit along the Suez Canal increased by 42%, while the activity of the Italian ports increased only by 2%⁶ and activity in the port of Cagliari has been steadily declining over this period.

Maritime transport of goods, total flows in and out of the Sardinian ports
(millions of tonnes)



Source: Banca d'Italia⁷

11. The process of concentration involving global shipping lines⁸, has led to changes in the transshipment operations in the Mediterranean Sea. Container volumes and operations have been moved to the hubs located at the edges of the Mediterranean basin, such as Piraeus, Port Said, Tanger-Med and Algeciras.
12. The Port of Cagliari has a significant disadvantage in the global trade network: it cannot offer land connections with the rest of Italy and Europe. In 2018, traffic fell by 90% and losses amounted to more than EUR 3 million. In 2019, the container terminal of Cagliari did not receive any ship calls during a few months, as a result of

⁶ [Riflessioni sul sistema dei trasporti in Italia](#) (2nd edition, October 2019) .

⁷ Banca d'Italia. [L'economia della Sardegna. Rapporto annuale, giugno 2021](#)

⁸ Three large alliance groups, Ocean alliance, 2M and The Alliance, have together 100% of the stowage capacity on the Asia-North Europe and Asia-Med routes.

its main customer's (Hapag Lloyd) strategic choices⁹. Consequently, Contship Italia Group, the sole shareholder of Porto Industriale di Cagliari S.p.A, the concessionaire of the container terminal, decided to end its operations in Cagliari and to voluntarily liquidate its subsidiary Porto Industriale di Cagliari SpA.

13. In September 2019, to avoid layoffs while the Italian authorities searched for a new concessionaire for the container terminal, the 207 Porto Canale workers were granted CIGS — a social safety net that replaces or complements the salary of the workers of enterprises in difficulty — for 12 months. Dismissal notice letters were sent with a contract termination date of 1 September 2020.
14. The call for tender to find a new concessionaire attracted no bidder, despite three extensions. In September 2020 the 190 workers who were still part of the enterprise were laid off.

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

15. The pandemic crisis has led to a significant deterioration of the Sardinian labour market, which due to its insularity far away from the mainland constitutes a small labour market.
16. The number of people in employment, which had been increasing over 2018-19, fell sharply in 2020. According to the Italian National Institute of Statistics (ISTAT) labour force survey, the decline (-4,6%) was 2,6 percentage points (pp) higher than the average of Italy as a whole (-2,0%)¹⁰.
17. In 2020, the difference between job creation and job destruction was negative (-6 000 jobs). This represents a loss of 2,6 fulltime jobs per every 100 employees. The decline was mainly driven by tourism, entertainment and leisure services, and maritime freight transport (mainly transshipment), while the construction sector recorded positive developments. The activity rate decreased by 3,1 pp. compared with 2019, to 60,3%¹¹.
18. In the first half of 2020, hours worked in Sardinia decreased by almost 20% compared to the same period in 2019. The reduction in the number of hours worked did not result in unemployment thanks to the extensive use of short-time work schemes and the entry into force of the decree law ¹² preventing the displacement of workers during the early months of the pandemic.
19. The Sardinian economy is not only suffering from the negative impact of the displacements in Porto Canale but also from the displacements in Air Italy, object of another EGF application¹³.
20. In a general context of employment decline, the workers displaced from Porto Canale will need additional support to overcome the issues of the Sardinian small labour market and find new jobs.

⁹ [Hapag Lloyd eliminates Cagliari port from its services.](#)

¹⁰ Banca d'Italia. [L'economia della Sardegna. Rapporto annuale, giugno 2021.](#)

¹¹ Banca d'Italia. [L'economia della Sardegna. Rapporto annuale, giugno 2021.](#)

¹² [Decreto Legge 17 marzo 2020, n.18. art. 46](#)

¹³ EGF/2021/002 IT / Air Italy. COM(2021) 936

Explanation of circumstances underlying the admissibility of the application

21. Italy argues that, despite the fact that fewer than 200 displacements occurred within the four-month reference period, this application should nevertheless be assimilated to an application under Article 4(2)(a) of the EGF Regulation, as the redundancies occurred in a small labour market.
22. Sardinia is a small labour market given its insularity far away from the mainland. Furthermore, the island is sparsely populated. Its population density is 68 inhabitants/km², which is below the EU-27 average (109) and about one third of the Italian average (201)¹⁴. Furthermore, the island is losing population (-5,4% in 2019 compared to 2018)¹⁵. The geographical distribution of the population, natural resources, economic wealth, and economic infrastructures is heterogeneous and concentrated in the South and Northwest of the island. One third of all jobs of Sardegna are in Cagliari.
23. GDP in PPS¹⁶ per capita in Sardinia is much lower than the Italian average. In 2018, it was EUR 21 600, far below the Italian (EUR 29 700) and the European average (EUR 31 000) (Eurostat, 2020)¹⁷.
24. Sardinia has been severely affected by the economic crisis. Since 2008, the economy has suffered from low growth and increasing unemployment¹⁸.
25. The pandemic has hit hard the Sardinian service sector: for two out of three enterprises, the turnover declined. Tourism related enterprises were particularly affected, the number of visitors fell by 58% in 2020 compared to 2019¹⁹. The manufacturing activity, more resilient to the effects of the pandemic, represents only 7% of the total activity in Sardinia, 1,7 pp lower than the national average of the manufacturing activity (ISTAT, 2020)²⁰.
26. In 2020, the available income at constant prices of Sardinian families fell by 5,1% compared to 2019 (-2,7% in Italy). The decline was driven by the contraction in labour income, which contributes more than four-fifths to the total income. Total net earnings of employees fell sharply, mainly affected by the decline in worked hours (13% less than in 2019)²¹.
27. Because of the pandemic, the number of Sardinian households without labour income increased up to 16,5% in 2020 (+3,5 pp from 2019). In a context of reduced household income, the use of the basic income (*reddito di cittadinanza*) in 2020 increased by 7,3% compared to 2019. The number of beneficiary households at the end of 2020 was 47 604 or 6,5% of the Sardinian households, 1,7 pp. higher than the Italian average (4,8%)²².
28. In May 2020, the emergency income (*reddito di emergenza*), a temporary measure similar to the basic income but with less restrictive access criteria, was launched to

¹⁴ https://ec.europa.eu/eurostat/databrowser/view/demo_r_d3dens/default/table?lang=en

¹⁵ <https://ec.europa.eu/eurostat/cache/digpub/regions/>

¹⁶ Gross domestic product in purchasing power standards.

¹⁷ <https://ec.europa.eu/growth/tools-databases/regional-innovation-monitor/base-profile/sardinia>

¹⁸ <https://ec.europa.eu/growth/tools-databases/regional-innovation-monitor/base-profile/sardinia>

¹⁹ https://www.ansa.it/sardegna/notizie/2021/06/22/bankitalia-pandemia-affossa-pil-della-sardegna-giu-dell8_c3e46d5b-cc14-4605-aeeb-308b6ac8d54c.html

²⁰ <https://ec.europa.eu/growth/tools-databases/regional-innovation-monitor/base-profile/sardinia>

²¹ Banca d'Italia. [L'economia della Sardegna. Rapporto annuale, giugno 2021.](#)

²² Banca d'Italia. [L'economia della Sardegna. Rapporto annuale, giugno 2021.](#)

provide immediate help to families severely affected by the economic effects of the pandemic. At the end of 2020, around 8 500 households in the region had benefited from this measure. Both income schemes supported 7,7% of the Sardinian households²³.

29. The basic income helped reducing poverty²⁴, which, according to the relative poverty index, affected 25% of the Sardinian population in 2018, 10 pp above the national average. The family poverty index is higher than the Italian average, as well. In 2018, it was 19,3% for Sardinia and 11,8% for Italy. The index declined in 2019, to 12,8% (Sardinia) and 11,4% (Italy). The decline of the index for Sardinia was certainly triggered by the basic income that benefited about 40 000 Sardinian people²⁵.

Application of the EU Quality Framework for anticipation of change and restructuring (QFR)

30. Italy has described how the recommendations set out in the EU Quality Framework for anticipation of change and restructuring were taken into account. After Porto Canale launched a collective redundancy procedure for the entire workforce, the Sardinian authorities, the relevant ministries²⁶, the unions²⁷ and the dismissing enterprise set roundtable discussions with the twofold objective of protecting workers' income through wage supplement schemes and ensuring that workers maintain their vocational skills and knowledge, and of increasing the attractiveness of the Port of Cagliari for potential investors, provided that investors could generate new job prospects.
31. Regione Sardegna and ASPAL, the regional public employment services, took direct actions to achieve the objectives recommended in the QFR regarding training, certification and re-employment. ASPAL identified the most appropriate measures to ensure the workers' re-employability, providing them with transferable skills such as IT, languages or entrepreneurial skills or upskilling in logistics. The workers were granted CIGS for 12 months and intensive relocation assistance services²⁸ linked to the CIGS scheme. The social partners were fully involved in planning the measures.
32. Regarding the activities undertaken to assist the displaced workers, Italy has reported that the 'general information and vocational guidance' had already been implemented and 179 displaced workers participated in up-skilling training related to logistics.

Complementarity with actions funded by national or Union funds

33. Italy has confirmed that the measures receiving a financial contribution from the EGF will not also receive financial contributions from other Union financial instruments.

²³ Banca d'Italia. L'economia della Sardegna. Rapporto annuale, giugno 2021.

²⁴ Banca d'Italia. L'economia della Sardegna. Rapporto annuale, giugno 2021.

²⁵ Banca d'Italia. L'economia della Sardegna. Rapporto annuale, giugno 2021.

²⁶ Ministry of Infrastructures and Transport, Ministry of Labour and Social Policies, Ministry of Economic Development and Ministry for the South and Territorial Cohesion.

²⁷ Confederazione Generale Italiana del Lavoro (CGIL), Unione Italiana del Lavoro (UIL), Federazione Italiana Lavoratori Trasporti- Confederazione Generale Italiana del Lavoro (FILT-CGIL), Federazione Italiana Trasporti-Confederazione Italiana Sindacati Lavoratori (FIT-CISL), UIL Trasporti, Unione Generale del Lavoro (UGL) Mare e Porti, Unione Sindacale di Base (USB) lavoro privato, and Rappresentanza Sindacale Unitaria (RSU).

²⁸ Assegno di ricollocazione-CIGS.

34. The coordinated package of personalised services complements actions funded by other national or EU funds such as the relocation assistance service linked to the CIGS scheme already mentioned.

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

35. The Sardinia Region, ASPAL, the Municipality of Cagliari, the Cagliari Port Authority and trade unions have jointly worked to identify appropriate measures and pathways to ensure the reemployment of former Porto Canale workers. Since November 2020, ANPAL²⁹ and the Sardinian authorities held several videoconferences with the aim of fine-tuning the package of measures and prepare the EGF application.

Targeted beneficiaries and proposed measures

Targeted beneficiaries

36. All 190 displaced workers are expected to participate in the measures. The breakdown of these workers by gender, age group and educational level is as follows:

Category		Number of expected beneficiaries	
Gender:	Men:	172	(90,5 %)
	Women:	18	(9,5 %)
	Non-binary	0	(0,0 %)
Age group:	Below 30 years:	0	(0,0 %)
	30-54 years:	187	(98,4 %)
	Over 54 years:	3	(1,6 %)
Educational level	Lower secondary education or less ³⁰	18	(9,5 %)
	Upper secondary ³¹ or post-secondary education ³²	159	(83,7 %)
	Tertiary education ³³	13	(6,8 %)

Proposed measures

37. The personalised services to be provided to displaced workers consist of the following measures:

²⁹ Agenzia Nazionale per le Politiche Attive del Lavoro (ANPAL), the Italian national agency for employment active policies.

³⁰ ISCED 0-2

³¹ ISCED 3

³² ISCED 4

³³ ISCED 5-8

- General information and vocational guidance: After general information on available measures, vocational guidance is provided to all the workers. This measure, already carried out, is not part of the EGF co-financed package. Nevertheless, the measure is described for the sake of coherence of the measures proposed to displaced workers.
- Counseling for career development: Profiling, which is part of the content of this measure, is designed to foster a process of personal awareness aimed at identifying areas of interest, skills, capabilities and competences, and areas for improvement. The outcome of this process will be the worker's personalised pathway for reintegration into employment.
- Job search assistance including the active search for local and regional employment opportunities, and job-matching.
- Mentoring for adjusting to a new job. Mentoring sessions are foreseen to help workers to adjust to the new job environment and organisational context.
- Support for business creation. Workers interested in becoming self-employed will receive group/individual tutoring sessions, which might cover planning, carrying out feasibility studies, preparing business plans, help with identifying financing possibilities, etc. The tool for entrepreneurial skills 'WeRentrepreneur'³⁴ will be at their disposal.
- Contribution to business creation. Workers who start a business or an activity as self-employed persons will receive a contribution up to EUR 22 000, to help them with setting-up costs.
- Training. Training offer related to logistics such as goods movements, transportation planning, etc., maintenance of machinery involved in freight distribution, or management and organization of logistic infrastructures. The main training is complemented by 30 hours of horizontal training (English or software related to the content of the main training).

The workers who are short-listed for a job offer following job-matching, will receive training to address any skill shortages identified by the potential employer. Priority will be given to the most vulnerable groups of workers, particularly those with low schooling or aged over 55. Training will focus on the green economy, blue economy³⁵, personal services, health and social services, promotion of cultural heritage and cultural activities. Training on vocational qualifications included in the national or regional catalogues are also part of the training offer.

Workers aiming at self-employment will receive a training voucher to be used for training related to business creation and management.

- Incentives and contribution to specific costs. (1) Hiring incentives. Enterprises recruiting former Porto Canale workers will receive EUR 3 500 for full-time permanent contracts and EUR 1 500 for fixed-term contracts. (2) Reimbursement of mobility costs. To support the geographical mobility of the workers in the case of re-employment in an enterprise in a different region or at 200 km or more from the place of residence of the worker, a

³⁴ www.werentrepreneur.com

³⁵ https://ec.europa.eu/oceans-and-fisheries/ocean/blue-economy/sustainable-blue-economy_en

reimbursement of the moving expenses is planned. (3) Training incentive. The workers who actively participate in training will receive a lump sum of EUR 500.

38. The Measures were planned to be in line with the Italian National Strategy for Sustainable Development (SNSvS)³⁶. The package will contribute to the dissemination of horizontal skills required in the digital industrial age as well as in a resource-efficient economy, in line with Article 7.2 of the EGF Regulation.
39. The proposed coordinated package of personalised services, here described, constitutes of active labour market measures within the eligible measures set out in Article 7 of the EGF Regulation. The proposed services do not substitute passive social protection measures.
40. Italy has provided the required information on measures 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 measures.

Estimated budget

41. The estimated total costs are EUR 1 756 950, comprising expenditure for personalised services of EUR 1 686 750 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 70 200.
42. The total financial contribution requested from the EGF is EUR 1 493 407 (85 % of total costs).
43. The national pre-financing and co-funding is provided by Regione Sardegna.

Measures	Estimated number of participants	Estimated cost per participant (EUR) ³⁷	Estimated total costs (EUR) ³⁸
Personalised services (measures under Article 7(2)(a) of the EGF Regulation)			
Counseling for career development (<i>counselling per lo sviluppo di carriera e patto di azione</i>)	190	280	53 200
Job search assistance (<i>accompagnamento e assistenza alla ricerca attiva di lavoro</i>)	150	280	42 000
Mentoring for adjusting to a new job (<i>accompagnamento all'inserimento lavorativo</i>)	150	175	26 250
Support for business creation (<i>accompagnamento alla creazione d'impresa</i>)	20	525	10 500

³⁶ [Strategia Nazionale per lo Sviluppo sostenibile \(SNSvS\)](#)

³⁷ 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 Italy.

³⁸ Totals do not tally due to rounding.

Contribution to business creation (<i>bonus per la creazione di un'impresa</i>)	20	22 000	440 000
Training (<i>formazione professionale su misura, voucher formativo specialistico, formazione specialistica in gestione aziendale</i>)	176	2 993	526 800
Sub-total (a): Percentage of the package of personalised services		–	1 098 750 (65,14 %)
Allowances and incentives (measures under Article 7(2)(b) of the EGF Regulation)			
Hiring incentives (<i>Incentivo all'assunzione</i>)	170	2 235	380 000
Reimbursement of mobility costs (<i>bonus per la mobilità territoriale</i>)	80	1 500	120 000
Training incentive (<i>indennità per la frequenza della formazione</i>)	176	500	88 000
Sub-total (b): Percentage of the package of personalised services:		–	588 000 (34,86 %)
Activities under Article 7(5) of the EGF Regulation			
1. Preparatory activities		–	15 000
2. Management		–	30 000
3. Information and publicity		–	4 200
4. Control and reporting		–	21 000
Sub-total (c): Percentage of the total costs :		–	70 200 (4,00 %)
Total costs (a + b + c):		–	1 756 950
EGF contribution (85 % of total costs)		–	1 493 407

44. The costs of the measures identified in the table above as measures under Article 7(2)(b) of the EGF Regulation do not exceed 35 % of the total costs for the coordinated package of personalised services. Italy confirmed that these measures are conditional on the active participation of the targeted beneficiaries in job-search or training activities.

45. Italy confirmed that the costs of investments for self-employment, business creation and employee take-overs will not exceed EUR 22 000 per beneficiary.

Period of eligibility of expenditure

46. Italy started providing the personalised services to the targeted beneficiaries on 8 October 2020. The expenditure on the measures will therefore be eligible for a

financial contribution from the EGF from 8 October 2020 until 24 months after the date of the entry into force of the Financing Decision".

47. Italy started incurring the administrative expenditure to implement the EGF on 18 January 2021. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 18 January 2021 until 31 months after the date of the entry into force of the Financing Decision.

Management and control systems

48. The application contains a description of the management and control system, which specifies the responsibilities of the bodies involved. Italy has notified the Commission that the financial contribution will be managed by ANPAL as follows: ANPAL—Divisione IV will act as managing authority and ANPAL—Divisione VI as certification authority. The Ministero del lavoro e delle politiche sociali-MLPS—Segretariato Generale will act as audit authority. ASPAL will be the intermediate body for the managing authority.

Commitments provided by the Member State concerned

49. Italy has provided all necessary assurances regarding the following:
- the principles of equality of treatment and non-discrimination will be respected in access to the proposed measures and their implementation,
 - the requirements laid down in national and EU legislation concerning collective redundancies have been complied with,
 - any double financing will be prevented,
 - the financial contribution from the EGF will comply with the procedural and material Union rules on State aid.

BUDGETARY IMPLICATION

Budgetary proposal

50. The EGF shall not exceed a maximum annual amount of EUR 186 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027³⁹.
51. Having examined the application in respect of the conditions set out in Article 13(1) and (2) of the EGF Regulation, and having taken into account the number of targeted beneficiaries, the proposed measures and the estimated costs, the Commission proposes to mobilise the EGF for the amount of EUR 1 493 407, representing 85 % of the total costs of the proposed measures, in order to provide a financial contribution for the application.
52. 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

³⁹ OJ L 433, 22.12.2020, p. I/11.

new own resources, including a roadmap towards the introduction of new own resources⁴⁰.

Related acts

53. 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 the amount of EUR 1 493 407.
54. At the same time as it adopted this proposal for a decision to mobilise the EGF, the Commission adopted a decision on a financial contribution that constitutes a financing decision within the meaning of Article 110 of the Financial Regulation⁴¹. That financing decision will enter into force on the date on which the Commission is notified of the approval of the budgetary transfer by the European Parliament and the Council.

⁴⁰ OJ L 433, 22.12.2020, p. I/29.

⁴¹ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 OJ L 193, 30.7.2018, p. 1

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund for Displaced Workers following an application from Italy – EGF/2021/003 IT Porto Canale

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) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013⁴², and in particular Article 15(1) 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 resources⁴³, and in particular point 9 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund for Displaced Workers (EGF) aims to demonstrate solidarity and promote decent and sustainable employment in the Union by providing support for displaced workers and self-employed persons whose activity has ceased in the case of major restructuring events and assisting them in returning to decent and sustainable employment as soon as possible.
- (2) The EGF is not to exceed a maximum annual amount of EUR 186 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) 2020/2093⁴⁴.
- (3) On 15 July 2021, Italy submitted an application to mobilise the EGF, in respect of workers' displacements in Porto Industriale di Cagliari SpA in Italy. It was supplemented by additional information provided in accordance with Article 8(5) of Regulation (EU) 2021/691. That application complies with the conditions for a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) 2021/691.
- (4) In accordance with Article 4(3) of Regulation (EU) 2021/691, the application from Italy is considered admissible since the territory concerned by the redundancies is a small labour market and the redundancies have a serious impact on employment and the regional economy.

⁴² OJ L 153, 3.5.2021, p. 48.

⁴³ OJ L 433, 22.12.2020, p. I/29

⁴⁴ Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 433, 22.12.2020, p. I/11).

- (5) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 1 493 407 in respect of the application submitted by Italy.
- (6) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the Union for the financial year 2021, the European Globalisation Adjustment Fund for Displaced Workers shall be mobilised to provide the amount of EUR 1 493 407 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.*