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# Mobilisation of the European Globalisation Adjustment Fund: application EGF/2014/008 FI/ STX Rauma — Finland

European Parliament resolution of 25 November 2014 on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, in accordance with point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (application EGF/2014/008 FI/STX Rauma, from Finland) (COM(2014)0630 - C8-0214/2014 -2014/2137(BUD))

# (2016/C 289/15)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2014)0630 C8-0214/ 2014),
- 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 (1) (EGF Regulation),
- having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (2), and in particular Article 12 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>3</sup>) (IIA of 2 December 2013), and in particular point 13 thereof,
- having regard to the trilogue procedure provided for in point 13 of the IIA of 2 December 2013,
- having regard to the letter of the Committee on Employment and Social Affairs,
- having regard to the letter of the Committee on Regional Development,
- having regard to the report of the Committee on Budgets (A8-0043/2014),
- A. whereas the Union has set up legislative and budgetary instruments to provide additional support to workers who are suffering from the consequences of major structural changes in world trade patterns and to assist their reintegration into the labour market,
- B. whereas the Union's financial assistance to workers made redundant should be dynamic and made available as quickly and efficiently as possible, in accordance with the Joint Declaration of the European Parliament, the Council and the Commission adopted during the conciliation meeting on 17 July 2008, and having due regard to the IIA of 2 December 2013 in respect of the adoption of decisions to mobilise the European Globalisation Adjustment Fund (EGF),

OJ L 347, 20.12.2013, p. 855. OJ L 347, 20.12.2013, p. 884.  $\binom{2}{\binom{3}{3}}$ 

OJ C 373, 20.12.2013, p. 1.

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- C. whereas the adoption of the EGF Regulation reflects the agreement reached between the European Parliament and the Council to reintroduce the crisis mobilisation criterion, to increase Union financial contribution to 60 % of the total estimated cost of the proposed measures, to increase efficiency for the treatment of EGF applications in the Commission and by the Parliament and the Council by shortening the time for assessment and approval, to widen the range of eligible actions and beneficiaries by introducing self-employed persons and young people and to finance incentives for setting up own businesses,
- D. whereas the Finnish authorities submitted application EGF/2014/008 FI/STX Rauma on 27 May 2014 following the dismissal of 577 workers in STX Finland Oy, an enterprise which operated in the economic sector classified under NACE Rev. 2 division 30 ('Manufacture of other transport equipment'),

E. whereas the application fulfils the eligibility criteria laid down in the EGF Regulation,

1. Notes that the Finnish authorities submitted the application under the intervention criterion of Article 4(1)(a) of the EGF Regulation, which requires at least 500 workers being made redundant or self-employed persons' activity ceasing, over a reference period of four months in an enterprise in a Member State, including workers made redundant or self-employed persons' activity ceasing in its suppliers and downstream producers;

2. Notes that the Finnish authorities submitted the application for EGF financial contribution on 27 May 2014, and that its assessment was made available by the Commission on 14 October 2014; welcomes the speedy evaluation period of less than five months;

3. Notes that the Finnish authorities argue that the global maritime industry has changed dramatically in recent years and that, in this global context, the EU market share in shipbuilding  $(^1)$  has plummeted from 13 % in 2007 to 5 % in the first three quarters of 2013, while the equivalent share of China, South Korea and Japan combined increased from 77 % in 2007 to 86 % in the first three quarters of 2013; notes that, in addition to this significant expansion by Asia in the shipbuilding market, reduced orders resulting from the economic crisis pushed the European sector into global overcapacity leading to tough competition;

4. Agrees that these factors are linked to major structural changes in world trade patterns due to globalisation and that the intervention criteria set out in Article 4(1)(a) of the EGF Regulation are met and that, therefore, Finland is entitled to a financial contribution under that Regulation;

5. Notes that, to date, the shipbuilding sector in broad terms has been the subject of six EGF applications, with one based on trade related globalisation and the other five on the global financial and economic crisis; considers that restructuring in the sector may alleviate the difficulties and that the shipbuilding industry in the different Member States could be supported by guidelines from a European perspective;

6. Notes that these redundancies will further aggravate the unemployment situation in Southwest Finland, as most of the dismissed workers have a poor standard of education in combination with relatively advanced age, which is likely to increase the risk of prolonged unemployment; is all the more concerned about the effects of this closure on the region as the shipyard and metal industry constitute core economic activities and have historic tradition, making the transition to new economic activities all the more difficult;

7. Notes that in addition to the 577 redundancies within the reference period, 57 workers dismissed after the reference period of four months are also included in the number of eligible beneficiaries, which amounts in total to 634 persons; of which the number of targeted beneficiaries of the EGF measures is 565;

8. Notes that the estimated total costs amount to EUR 2 378 000, of which EUR 113 000 is dedicated to implementation, and that the financial contribution of the EGF amounts to EUR 1 426 800, which represents 60 % of the total costs;

<sup>(&</sup>lt;sup>1</sup>) measured by production volume.

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9. Welcomes the fact that, in order to provide workers with speedy assistance, the Finnish authorities decided to initiate the implementation of the personalised services to the affected workers on 15 January 2014, ahead of the final decision on granting the EGF support for the proposed coordinated package and even of the application for a financial contribution from the EGF;

10. Notes that the Finnish authorities have indicated that the coordinated package of personalised services has been drawn up in consultation with the social partners concerned as well as various other stakeholders and welcomes that consultations continue in the form of a working group convened by the Ministry of Employment and the Economy specifically to address the redundancies at STX Finland;

11. Notes that the personalised services which are to be provided consist of the following three types of measures for the redundant workers covered by this application: (i) helping them transfer to a new job, (ii) helping them start their own business, and (iii) providing training or education;

12. Welcomes the establishment of Service Points amongst the proposed actions; appreciates that these points are expected to provide an even more personal and in-depth service than the public employment office;

13. Notes that a high proportion (41,42 %) of the dismissed workers are between the age of 55 and 64 years; further notes that this age group is at a higher risk of prolonged unemployment and exclusion from the labour market; considers therefore that these workers may have specific needs when it comes to providing them with personalised services;

14. Welcomes especially the measure entitled "Enterprise survey", by which a survey of jobs in the Rauma region is to be carried out together with businesses and industries in Rauma, so as to produce up-to-date information on enterprises' personnel needs and to steer the targeted workers in the right direction and provide them with the necessary training;

15. Welcomes the idea that those planning to start a business can experience what it is like to be an entrepreneur by means of a placement in an existing enterprise; notes the potential added value of starting a business after being made redundant for the persons in question and for society as a whole;

16. Notes that the purpose of the pay subsidies is to ensure that targeted workers hired by new employers do not lose out in the first period of their new employment; considers that such measure could serve as an incentive to searching and engaging in a broader spectrum of new and unfamiliar jobs for the workers;

17. Recalls that, in line with Article 7 of the EGF Regulation, the design of the coordinated package of personalised services should anticipate future labour market perspectives and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy;

18. Calls for the European Social Fund (ESF) measures planned within the new ESF programming period to complement the measures proposed and to facilitate the worker's reintegration in future-oriented and sustainable economic sectors;

19. Recalls that employability depends also on the level of integration in society and therefore calls for special attention to be put on the older and less qualified workers' social accompaniment;

20. Welcomes that the principles of equality of treatment and non-discrimination will be respected in the access to the proposed actions and their implementation;

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21. Approves the decision annexed to this resolution;

22. Instructs its President to sign the decision with the President of the Council and arrange for its publication in the Official Journal of the European Union;

23. Instructs its President to forward this resolution, including its annex, to the Council and the Commission.

#### ANNEX

# DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund, in accordance with point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (application EGF/2014/008 FI/STX Rauma, from Finland)

(The text of this annex is not reproduced here since it corresponds to the final act, Decision 2014/878/EU.)