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P8_TA(2015)0454

Mobilisation of the European Globalisation Adjustment Fund: application from Ireland — EGF/2015/006 IE/PWA International

European Parliament resolution of 16 December 2015 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/2015/006 — IE/PWA International, from Ireland) (COM(2015)0555 — C8-0329/2015 — 2015/2295(BUD))

(2017/C 399/53)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2015)0555 — C8-0329/2015),
 - 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⁽³⁾ (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 (A8-0363/2015),
- 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 or of the global financial and economic crisis 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);
- C. whereas the adoption of the EGF Regulation reflects the agreement reached between the Parliament and the Council to reintroduce the crisis mobilisation criterion, to set the Union financial contribution to 60 % of the total estimated cost of 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 eligible actions and beneficiaries by introducing self-employed persons and young people and to finance incentives for setting up own businesses;

⁽¹⁾ OJ L 347, 20.12.2013, p. 855.

⁽²⁾ OJ L 347, 20.12.2013, p. 884.

⁽³⁾ OJ C 373, 20.12.2013, p. 1.

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- D. whereas Ireland submitted application EGF/2015/006 IE/PWA International for a financial contribution from the EGF following 108 redundancies in PWA International Ltd (PWA), operating in the NACE Rev. 2 division 33 ('Repair and installation of machinery equipment')⁽¹⁾ in the NUTS level 2 region of Southern and Eastern Ireland, and whereas all redundant workers are expected to participate in the measures;
- E. whereas the application does not fulfil the traditional eligibility criteria set down by the EGF Regulation in terms of number of redundancies and is submitted under the intervention criteria of Article 4(2) of that Regulation, which allows for derogation under exceptional circumstances;
1. Agrees with the Commission that the arguments put forward by Ireland qualify as 'exceptional circumstances' and that, therefore, Ireland is entitled to a financial contribution of EUR 442 293 under that Regulation;
 2. Notes that the Irish authorities submitted the application for a financial contribution from the EGF on 19 June 2015, and that its assessment was finalised by the Commission on 6 November 2015; welcomes the speedy evaluation period of less than five months;
 3. Notes that PWA was established in 1989 in Rathcoole, Co Dublin as a joint venture between United Technologies Corporation and Lufthansa Technik Airmotive Ireland;
 4. Notes that Ireland specialised in the Maintenance Repair and Overhaul (MRO) sector in the 1990s, which served it well at that time, but made it particularly vulnerable to the recent trend to locate MRO activity near centres of global aviation expansion, i.e. Asia, and to the adverse impacts of global trade deals; considers the existence of two other Irish EGF applications in the 'repair and installation of machinery and equipment' sector⁽²⁾ as proof of this vulnerability; notes also that MRO activities have been seriously affected in Europe, in particular Ireland, with the closure of SR Technics in 2009 and the closure of Lufthansa Technik Airmotive Ireland in 2014 which resulted in the loss of approximately 1 520 jobs;
 5. Notes that although the South Dublin unemployment rate (11,61 %) is only slightly higher than the national average (10,83 %), these figures conceal pockets of considerable local disadvantage and that the closure of PWA has had a serious impact on employment and on the local, regional or national economy based on the pre-existing difficult situation in the area combined with the cumulative effect of three major closures in the MRO sector within a short period;
 6. Agrees that the pre-existing difficult situation in the area, combined with the cumulative effect of three major closures in the MRO sector within a short period, and the fact that no employers in this sector remain in Ireland may justify a derogation from the threshold of 500 redundancies set out in article 4(1) of the EGF regulation; reiterates, in this regard, its recommendation to the Commission to either clarify the derogation criteria set out in Article 4(1) of the EGF Regulation, or lower the threshold of 500 workers being made redundant;
 7. Welcomes the fact that, in order to provide workers with speedy assistance, the Irish authorities decided to initiate the implementation of the personalised services to the affected workers on 22 May 2015, well ahead of the decision on the granting of EGF support for the proposed coordinated package;
 8. Further welcomes the fact that 108 young people not in employment, education or training (NEETs) under the age of 25 on the date of submission of the application will also have access to personalised services co-financed by the EGF;
 9. Notes that Ireland is planning five types of measures for redundant workers covered by this application: (i) guidance and career planning and development, (ii) EGF Training Grants, (iii) Training and Further Education Programmes, (iv) Higher Education Programmes, and (v) Time Limited Allowances; recommends that this EGF programme follows a programme similar to the EGF programme for SR Technics which led to positive outcomes with 53,45 % of beneficiaries back in employment in September 2012, less than 12 months after the programme ended; notes that the expenditure for those measures will be eligible for a financial contribution from the EGF between 22 May 2014 and 19 June 2017;

⁽¹⁾ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).

⁽²⁾ EGF/2014/016 IE/Lufthansa Technik (COM(2013)0047) and EGF/2009/021 IE/SR Technics (COM(2010)0489).

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10. Welcomes the variety of training measures to be provided to the beneficiaries; notes that the enterprise and self-employment support measures will only be available to a limited number of beneficiaries;
11. Notes that the authorities estimate that 24,81 % of the costs will be used for time limited allowances, which remains much below the maximum allowed 35 % of all costs;
12. Notes that the coordinated package of personalised services has been drawn up in consultation with the social partners;
13. Recalls that, in line with Article 7 of the EGF Regulation, the design of the coordinated package of personalised services supported by the EGF should anticipate future labour market perspectives and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy;
14. Recalls the importance of improving the employability of all workers by means of adapted training and the recognition of skills and competences gained throughout a worker's professional career; expects the training on offer in the coordinated package to be adapted not only to the needs of the dismissed workers but also to the actual business environment;
15. Notes that the Irish authorities confirm that the eligible actions do not receive assistance from other Union financial instruments; reiterates its call to the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect for existing regulations and that no duplication of Union-funded services can occur;
16. Appreciates the improved procedure put in place by the Commission, following the Parliament's request for the accelerated release of grants; notes the time pressure that the new timetable implies and the potential impact on the effectiveness of case instruction;
17. Calls on the Commission to ensure that trade policy decisions are examined from the perspective of their potential impact on the Union labour market;
18. Regrets that EGF mobilisation is proposed for only 108 redundant employees who are to benefit from the instrument and points out that wider interpretation of Article 4(1) of the EGF Regulation may not be appropriate;
19. Observes that this proposal aims to mobilise the EGF with effectively the smallest number of laid off workers proposed so far;
20. Notes that almost 80 % of the redundant employees are aged 30-54 and therefore represent a highly employable group with lower risk of long-term unemployment;
21. Points out that all 108 redundancies are in the economic sector classified as 'repair and installation of machinery and equipment', and more specifically aviation jet engines, which renders the workers skilled and adaptable to the labour market;
22. Underlines that the redundancies took place in Rathcoole, which is located in the vicinity of Dublin, an economic and industrial hub where decreasing unemployment, increased business activity and overall economic growth are observed;
23. Draws attention to the fact that any reference to application EGF/2009/021 IE/SR Technics is too far reaching as the case in question dates back to 2009;
24. Approves the decision annexed to this resolution;

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25. 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*;
 26. Instructs its President to forward this resolution, including its Annex, to the Council and the Commission.
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ANNEX

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
on the mobilisation of the European Globalisation Adjustment Fund
(application from Ireland — EGF/2015/006 IE/PWA International)

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2015/2458.)
