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Mobilisation of the European Globalisation Adjustment Fund: application EGF/2016/002 SE/ Ericsson

European Parliament resolution of 4 October 2016 on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund (application from Sweden — EGF/2016/002 SE/Ericsson) (COM(2016)0554 — C8-0355/2016 — 2016/2214(BUD))

(2018/C 215/42)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2016)0554 — C8-0355/2016),
 - 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 (A8-0272/2016),
- 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 Sweden submitted application EGF/2016/002 SE/Ericsson for a financial contribution from the EGF, following redundancies in the economic sector classified under the NACE Revision 2 Division 26 (Manufacture of computer, electronic and optical products) mainly in the NUTS level 2 regions of Stockholm (SE11), Östra Mellansverige (SE12), Sydsverige (SE22) and Västsverige (SE23); and whereas 918 out of 1 556 redundant workers eligible for the EGF contribution are expected to participate in the measures;
- E. whereas the application was submitted under the intervention criteria of point (a) of Article 4(1) 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 workers made redundant by suppliers and downstream producers and / or self-employed persons whose activity has ceased;
- F. whereas facing stagnating growth and simultaneously harder competition with Asian producers, Ericsson has been scaling down telecom hardware production, a process that started two decades ago;
1. Agrees with the Commission that the conditions set out in point (a) of Article 4(1) of the EGF Regulation are met and that, therefore, Sweden is entitled to a financial contribution of EUR 3 957 918 under that Regulation, which represents 60 % of the total cost of EUR 6 596 531, that will help 918 targeted beneficiaries return to the labour market;
 2. Notes that Sweden submitted the application for a financial contribution from the EGF on 31 March 2016, and that following additional information provided by Sweden, its assessment was finalised by the Commission on 5 September 2016 and notified to Parliament the same day, thereby respecting the deadline of 12 weeks from receipt of the completed application;
 3. Notes that the IT and telecommunication industries are dominated by Asian manufacturers which have become an outsourcing destination; points out that Ericsson has gradually been cutting staff in Sweden (from 21 178 in 2005 to 17 858 in 2014), but in the meantime been growing tremendously worldwide (from 56 055 in 2005 to 118 055 in 2014);
 4. Emphasises that the regions affected are faced with a relatively large group of older workers with similar backgrounds who have been made redundant at the same time and that most of them, particularly those located in Kista, the town with the highest number of redundancies, do not possess the skills sought by the local labour market;
 5. Welcomes Sweden's decision to concentrate potential EGF assistance on the Kista, Katrineholm and Kumla sites, which face the greatest challenges, while also offering individualised help to workers made redundant at the other sites;
 6. Recalls the diversity of employees, both blue- and white-collar, affected by the redundancies; and is concerned that some workers face a labour market with rather low demand in traditional manufacturing industries; acknowledges the opportunities for these workers in the public or private sector service industries, which would require major retraining efforts;
 7. Acknowledges Arbetsförmedlingen's (the Swedish Public Employment Service) assessment that blue-collar workers have potential opportunities in public or private sector service industries, provided major retraining is offered to them;
 8. Recognises that most of the affected white-collar workers are engineers, some of whom are specialised in niches that are unique to Ericsson, but welcomes the confidence of the Swedish Public Employment Service that a personalised package of training programmes and coaching will enable most of those redundant employees to find new jobs of high quality;
 9. Notes that the EGF co-funded personalised services for the redundant workers include: counselling and career guidance; sheltered and supported employment and rehabilitation measures; education and training; and job search allowances; welcomes the special emphasis that will be placed on participants aged 50 and above when providing motivational coaching and career planning;

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10. Notes that the income support measures amount to 33,92 % of the overall package of personalised measures, close to the maximum 35 % set out in the EGF Regulation and that these actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities; considers this relatively high percentage to be justified in view of the significant proportion of older workers concerned and the provision of individual support to participants with learning disabilities;
 11. Notes that the coordinated package of personalised services has been drawn up in consultation with the targeted beneficiaries and their representatives as well as with local public actors, taking into consideration that 22 % of workers are female and 78 % male;
 12. 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;
 13. 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;
 14. Welcomes the Swedish authorities' assurance that special efforts will be undertaken to break traditional gender barriers, including encouraging male beneficiaries to find jobs in the health care sector, as well as the contribution the measures will make to the 16 Swedish Environmental Quality Objectives;
 15. Asks the Commission to further set out, in future proposals, the sectors in which the workers are likely to find employment and if the training on offer is aligned to the future economic prospects and labour market needs in the regions concerned by the dismissals;
 16. Notes that the Swedish authorities have confirmed that the proposed actions will not receive financial support from other Union funds or financial instruments, that any double financing will be prevented and that those actions are complementary to actions funded by the Structural Funds; 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;
 17. Notes that the Manufacture of computer, electronic and optical products sector has been the subject of another 14 EGF applications, 11 of which have been based on trade related globalisation and three on the global financial and economic crisis;
 18. Reiterates that assistance from the EGF must not replace actions which are the responsibility of companies by virtue of national law or collective agreements nor of measures for restructuring companies or sectors;
 19. 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;
 20. Asks the Commission to ensure public access to the documents related to EGF cases;
 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.
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ANNEX

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**on the mobilisation of the European Globalisation Adjustment Fund (following an application from Sweden —
EGF/2016/002 SE/Ericsson)**

(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2016/1858.)
