



Brussels, 4.10.2018
COM(2018) 667 final

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 Greece – EGF/2018/003 EL/Attica publishing**

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. On 22 May 2018, Greece submitted an application EGF/2018/003 EL/Attica publishing for a financial contribution from the EGF, following redundancies² in the economic sector classified under the NACE Revision 2 Division 58 (‘Publishing activities’) in the NUTS level 2 region of Αττική (Attica) (EL30) in Greece.
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/2018/003 EL/Attica publishing
Member State	Greece
Region(s) concerned (NUTS ³ level 2)	Αττική (Attica) (EL30)
Date of submission of the application	22 May 2018
Date of acknowledgement of receipt of the application	22 May 2018
Date of request for additional information	1 August 2018
Deadline for provision of the additional information	12 September 2018
Deadline for the completion of the assessment	24 October 2018
Intervention criterion	Article 4(1)(b) of the EGF Regulation
Number of enterprises concerned	3
Sector(s) of economic activity (NACE Revision 2 Division) ⁴	Division 58 (Publishing activities)
Reference period (nine months):	29 May 2017 – 28 February 2018
Total number of redundancies	550
Total number of eligible beneficiaries	550

¹ OJ L 347, 20.12.2013, p. 855.

² Within the meaning of Article 3 of the EGF Regulation.

³ 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).

⁴ OJ L 393, 30.12.2006, p. 1.

Total number of targeted beneficiaries	550
Budget for personalised services (EUR)	3 697 500
Budget for implementing EGF ⁵ (EUR)	150 000
Total budget (EUR)	3 847 500
EGF contribution (60 %) (EUR)	2 308 500

ASSESSMENT OF THE APPLICATION

Procedure

4. Greece submitted application EGF/2018/003 EL/Attica publishing within 12 weeks of the date on which the intervention criteria set out in Article 4 of the EGF Regulation were met, on 22 May 2018. The Commission acknowledged receipt of the application on the same date and requested additional information from Greece within two weeks of the date on which the Commission was in possession of the translation of the application, on 1 August 2018. Such additional information was provided within six weeks of the request, on 1 August 2018. The deadline of 12 weeks 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 24 October 2018.

Eligibility of the application

Intervention criteria

5. Greece submitted the application under the intervention criteria of Article 4(1)(b) of the EGF Regulation, which requires at least 500 workers being made redundant over a reference period of nine months in enterprises operating in the same economic sector defined at NACE Revision 2 Division and located in one region or two contiguous regions defined at NUTS 2 level in a Member State. There were 550 redundancies in the economic sector classified under the NACE Revision 2 Division 58 (Publishing activities) in the NUTS level 2 region of Αττική (Attica) (EL30)
6. The reference period of nine months for the application runs from 29 May 2017 to 28 February 2018.

Enterprises and beneficiaries concerned

7. Enterprises and number of dismissals within the reference period:

Enterprises	Dismissals within the reference period
Lambrakis Press SA (DOL)	324
Ethnos Publications SA	185
Pegasus Magazines Publications	41
Total no. of enterprises: 3	Total no. of dismissals: 550

Calculation of redundancies and of cessation of activity

8. All the redundancies during the reference period have been calculated as from the date of the employer's individual notice to lay off or to terminate the contract of employment of the worker.

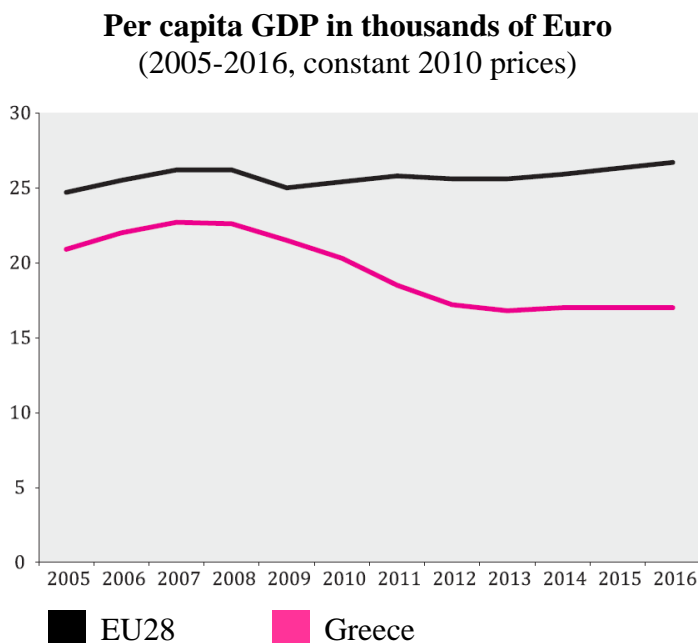
⁵ In accordance with the fourth paragraph of Article 7 of Regulation (EU) No 1309/2013.

Eligible beneficiaries

9. The total number of eligible beneficiaries is 550.

Link between the redundancies and the global financial and economic crisis addressed in Regulation (EC) No 546/2009

10. In order to establish the link between the redundancies the global financial and economic crisis addressed in Regulation (EC) No 546/2009, Greece argues that over the period 2008-2016 Greece's per capita real GDP declined by 25 %, (from EUR 22 600 to EUR 17 000) and unemployment increased by almost 16 percentage points (from 7,8 % to 23,6 %).

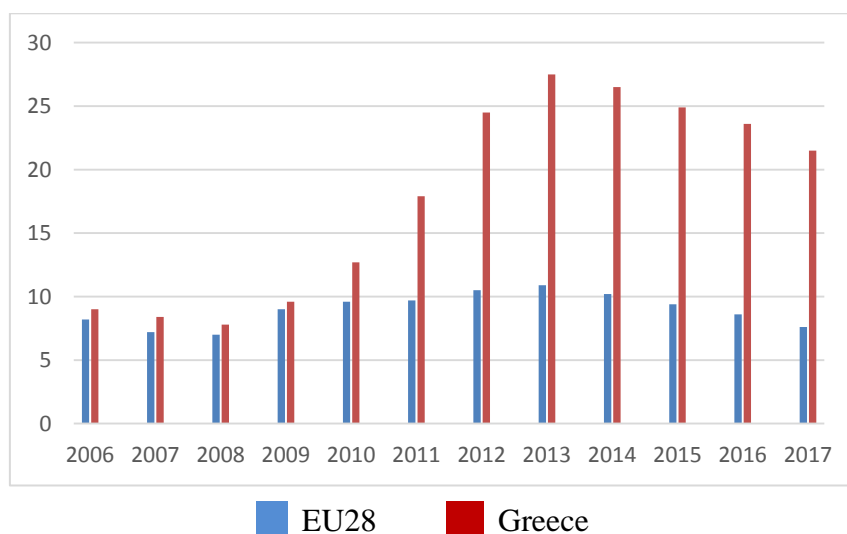


Source INE GSEE⁶, based on AMECO⁷ data.

⁶ [Source INE/GSEE. Hellenic economy and employment. Annual report 2017](#)

⁷ AMECO is the annual macro-economic database of the European Commission's Directorate General for Economic and Financial Affairs.

Total unemployment rate (%)
– Percentage of active population –



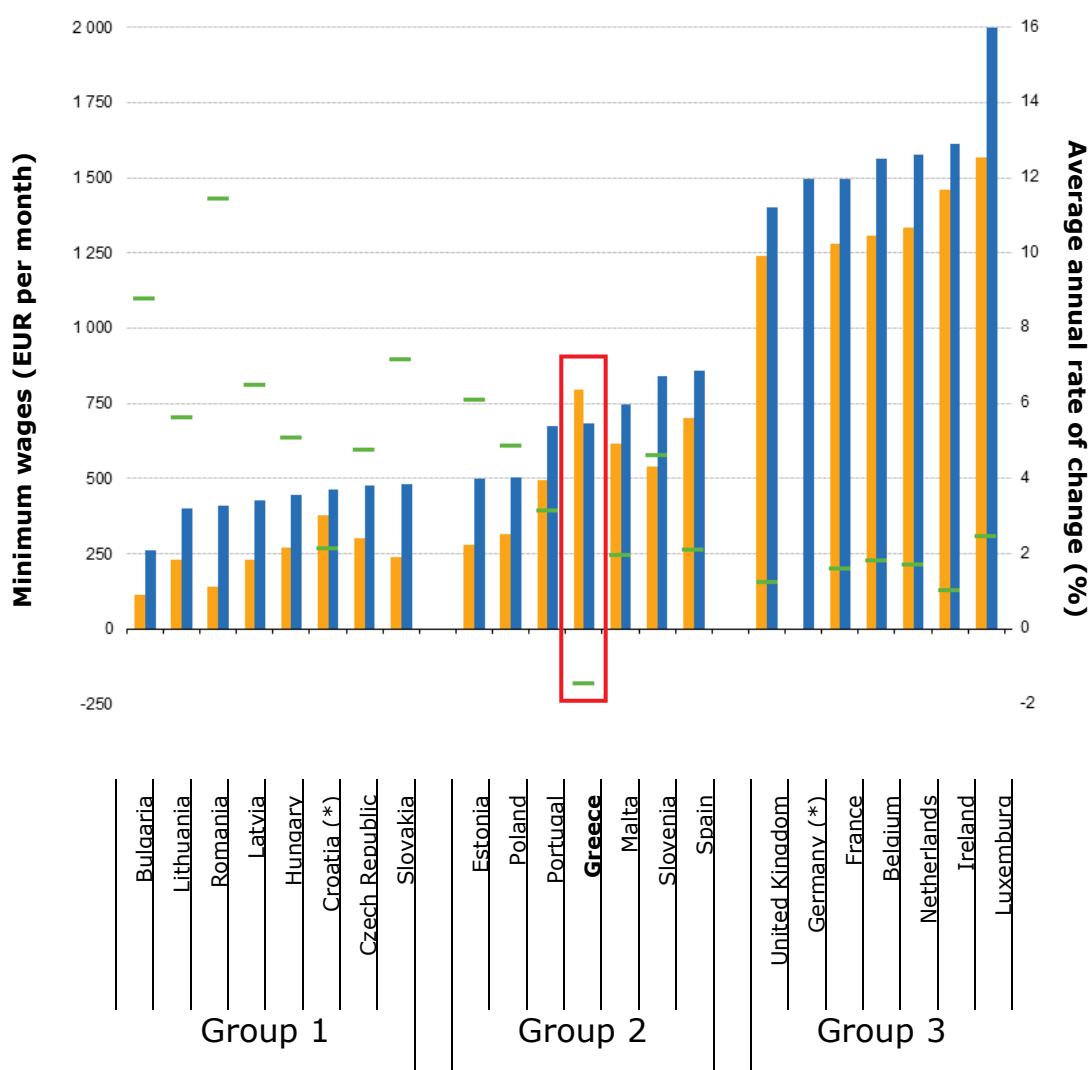
*Source: Eurostat*⁸

11. Furthermore, to deal with foreign debt repayments, since 2008 the Greek government has been taking unpopular measures such as increasing tax rates, streamlining public expenditure and decreasing public employees' salaries. Salaries in the private sector have also been decreasing in an attempt to increase the competitiveness of the Greek economy.
12. Over the period January 2008-January 2018, there was a rise in the minimum wage in the EU Member States. Only Greece showed a decrease of 14 % in the national minimum wage.

⁸

<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tps00203>

Minimum wages (January 2008 and January 2018)



■ Minimum wages, January 2008 (left hand scale)
■ Minimum wages, January 2018 (left hand scale)
■ Average annual rate of change, Jan 08 to Jan 18 (right hand scale)

Note: Denmark, Italy, Cyprus, Austria, Finland and Sweden: no national minimum wage

(¹) July 2008 instead January 2008

(²) January 2008 and average annual rate change not available

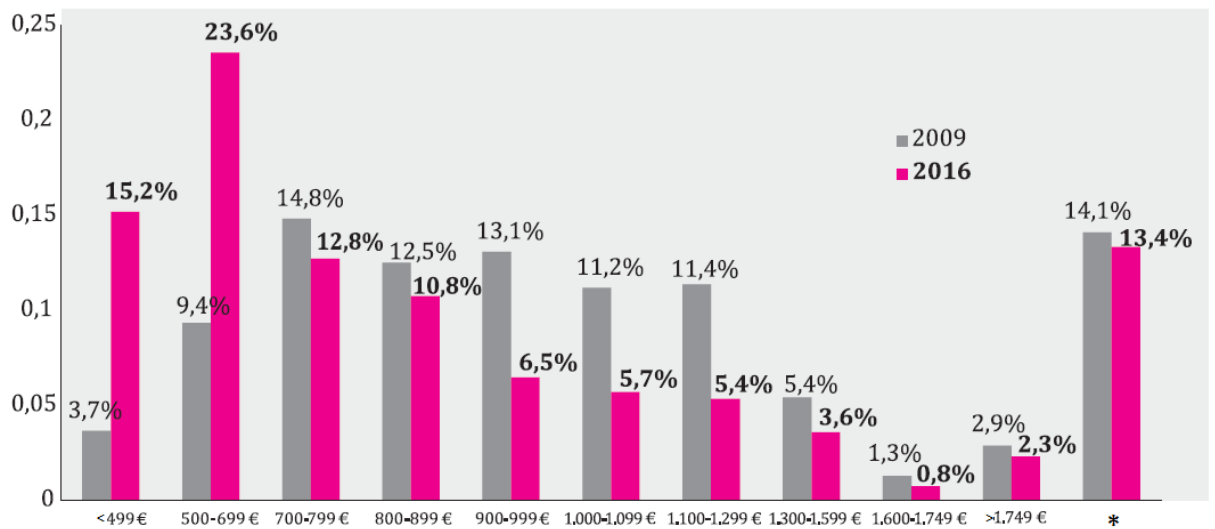
Source: Eurostat (online data code earn_mw_cur)

13. According to the results of the Labor force survey of Q2 2016, the percentage of workers/employees whose monthly earnings were below EUR 700, increased by about 26 percentage points (from 13,1 % to 38,8 %) over the period 2009-2016; while the number of workers/employees earning more than EUR 700 decreased in all salary brackets⁹.

⁹

[Source INE/GSEE. Hellenic economy and employment. Annual report 2017](#)

Evolution of the salaries in the private sector in Greece (2009-2016)

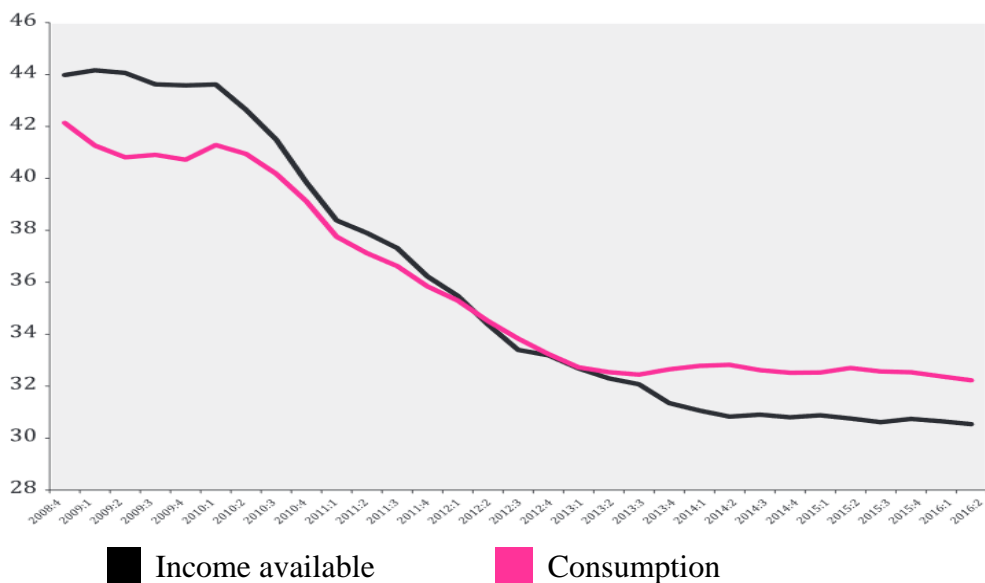


(*) Do not know or do not respond

Source INE/GSEE, based on ELSTAT, Labour Force Survey (Q2 2009 and Q2 2016)¹⁰

14. Because of rising unemployment and decreasing salaries, household income in Greece has been declining since the beginning of the economic and financial crisis in 2008. The immediate effect of this decline has been a decrease in consumption. Household consumption in Greece steadily declined over the period 2008-2013 and has been flat since then. Households have substantially cut all non-essential expenses and reduced some of the essential ones.

Household Income and Consumption in Euros (Greece, Q4 2008 – Q2 2016, constant 2010 prices)



Source INE GSEE¹¹, based on Eurostat data

¹⁰ Ibid

15. Over the period 2011-2017, daily and periodical press sales plummeted in Greece. Newspapers sales fell from 144 million copies in 2011 to 57 million in 2017 and magazines sales fell from 60 million copies to 23 million. The steady decline is the consequence of the economic and financial crisis whose effects still affect the Greek economy (reduced household income, high unemployment, etc.) coupled with the rapid digital evolution, which is transforming the publishing sector.

Daily and Periodical Press sales 2012-2017
% year over year

	2012	2013	2014	2015	2016	2017
Daily press (newspapers)	-18,9	-10,5	-8,9	-10,7	-15,9	-19,6
Periodical press (magazines)	-22	-15,0	-7,3	-19,8	-9,0	-15,4

Source: IBHS base on ELSTADT's Daily and periodical press survey 2017¹²

16. The current application is a follow up of application EGF/2014/018 GR Attica publishing. The arguments provided at the time remain valid.
17. To date, the Publishing activities sector has been the subject of three EGF applications, all of them based on the global financial and economic crisis¹³.

Events giving rise to the redundancies and cessation of activity

18. The events giving rise to these redundancies are the great cut back in advertising expenditure of big advertisers, such car producers and banks, and the decline in daily and periodical press sales; both triggered by the economic downturn. The decline in sales is also related to readers audiences' shift from printed press to electronic press due to easy accessibility to the contents and its immediacy, but also caused by the fact that the digital version of newspapers is mainly free (64 % of the respondents to the survey on 'the impact of electronic media in the change of reader's attitudes' agreed that they no longer choose printed information as they did in the past due to its cost¹⁴).
19. Publishing companies met serious problems in terms of viability, as their turnover worsened during the crisis period. Over the decade 2005-2014, the publishing sector's turnover fell by 56,4 %. Throughout the past three years, the turnover has further declined by 14,3 % in 2015, 8,3 % in 2016 and 19,5 % in 2017, reflecting both the drop in advertising revenue and in sales revenue. The difficulties to access loans and the cash flow shortage, as a side effect of the recession of the Greek

¹¹ Ibid

¹² <https://www.ibhs.gr/joomla-pages/joomla-content/list-all-categories/23-news/arthrography/172-newspapers-magazines>

¹³ EGF/2009/024 NL Noord Holland and Zuid Holland publishing, COM(2010) 532

EGF/2014/018 GR Attica publishing, COM(2015) 040 and the current application.

¹⁴ [The influence of electronic media on the changing attitudes of the reading audience towards the printed press. Karamanlis Michalis, Athens, September 2016](#)

economy, added to the difficulties of the enterprises in the publishing sector, this resulting in suspension of activities, auctioning the enterprises and redundancies.

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

20. All the redundancies occurred in Attica. The expected impact in the territory is linked to the difficulties of redeployment due to the scarcity of jobs and the great number of job-seekers, in particular long-term.
21. Although the Greek unemployment rate has been declining since 2014, when it reached its highest peak (27,2 %); in January 2018 unemployment was still above 20 %¹⁵ and long-term unemployment (>12 months) represented 55,2 % of total unemployment¹⁶.
22. Attica accounts for 34,7 % of total Greek unemployment and for 36 % of long term unemployment. In addition, in this region long-term job-seekers are 57,4 % of the total job-seekers (two percentage points higher than the national average)¹⁷.

Targeted beneficiaries and proposed actions

Targeted beneficiaries

23. All the 550 redundant workers are expected to participate in the measures. The breakdown of these workers by sex, citizenship and age group is as follows:

Category		Number of targeted beneficiaries	
Sex:	Men:	320	(58,18 %)
	Women:	230	(41,82 %)
Citizenship:	EU citizens:	549	(99,82 %)
	non-EU citizens:	1	(0,18 %)
Age group:	15-24 years:	3	(0,55 %)
	25-29 years:	6	(1,09 %)
	30-54 years:	460	(83,63 %)
	55-64 years:	80	(14,55 %)
	over 64 years:	1	(0,18 %)

Eligibility of the proposed actions

24. The personalised services to be provided to redundant workers consist of the following actions:
 - **Occupational guidance:** This accompanying measure will be offered to all participants and consists of individual sessions (except the general information session which will be a collective session) covering the following stages:
 1. General information. This first measure addressed to all workers provides basic information about the project and their prospects as participants.

¹⁵ Source: ELSTAT, [press release of 12 April 2018](#)

¹⁶ Source: OAED. [Unemployed job-seekers registered in OAED, January 2018](#)

¹⁷ Ibid

2. Intake and registration. This includes information on available services and training programmes and on skills and training requirements.

3. Personal and occupational paper. This is intended to help workers to identify their own strengths and weaknesses, the opportunities related to their own interests, and to establish a realistic career plan. Following these assessments, a personal and occupational paper is put together, setting out an individual project and an action plan.

4. Job-search support and career guidance. This includes: (1) training in horizontal issues such as development of social skills, adjustment to new situations and decision making; (2) job-search assistance including information on available jobs, active research of the local and regional employment opportunities, job-search techniques, and training on drafting of CVs and cover letters and how to prepare a job interview; (3) career guidance. The counsellors will provide vocational guidance to the dismissed workers and will steer them towards specific job offers.

5. Guidance towards employment. The counsellors will also accompany the workers during the implementation of their training pathways and individual plans of reintegration into employment. The participants interested in setting up a business will receive general support and counselling towards entrepreneurship in the framework of this stage.

6. Monitoring. This provides for a follow up of the participants during the six months that follow the end of the implementation of the measures. This activity will be carried out at Member State expense.

- **Training, retraining and vocational training.** This measure consists in providing vocational training courses which correspond to recognised needs in the labour market and in areas and sectors with good development prospects. The trainings will also cater for the workers' needs, as identified during the occupational guidance. Two types of training will be provided: vocational training programmes (300 hours each) as well as specialised courses leading to certification or licences and educational programmes. The planned training offer reflects the more popular training among the workers of the case Attica I¹⁸, such as business administration; e-commerce; sales, marketing and social media; basic and advanced IT skills; web design; and logistics. Yet, the final training offer will integrate the outcome of the occupational guidance.
- **Contribution to business start-up.** The workers who set up their own businesses will receive up to EUR 15 000, as a contribution to cover setting-up costs. In Greece, one of the major difficulties that entrepreneurs face when starting up a business is access to funding. Banks turn down the majority of loan requests due to the shortage of cash. This measure aims to promote entrepreneurship through this financial support.
- **Job-search allowance and training allowance.** To cover the expenses incurred when participating in the occupational guidance activities, the beneficiaries will receive EUR 40 per day of participation. While in training the allowance will be EUR 3,33 per hour.

¹⁸ EGF/2014/018 GR Attica publishing, COM(2015) 040

- **Hiring incentives.** This payment benefits the redundant workers by facilitating their re-employment in a different enterprise. The hiring enterprise will receive EUR 650 per month for a maximum of six months, on condition the worker will be kept in the job once the incentive has ended, for at least additional six months.
25. 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.
26. Greece 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

27. The estimated total costs are EUR 3 847 500, comprising expenditure for personalised services of EUR 3 697 500 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 150 000.
28. The total financial contribution requested from the EGF is EUR 2 308 500 (60 % of total costs).

Actions	Estimated number of participants	Estimated cost per participant (EUR)	Estimated total costs (EUR) ¹⁹
Personalised services (Actions under Article 7(1)(a) and (c) of the EGF Regulation)			
Occupational guidance (Επαγγελματική συμβουλευτική)	550	1 250	687 500
Training, retraining and vocational training (Επαγγελματική Κατάρτιση, Εξειδικευμένη κατάρτιση)	550	1 573	865 000
Contribution to business start-up (Συνεισφορά για σύσταση επιχείρησης)	60	15 000	900 000
Sub-total (a): Percentage of the package of personalised services		–	2 452 500 (66,33 %)
Allowances and incentives (Actions under Article 7(1)(b) of the EGF Regulation)			
Job-search allowance	550	1 000	550 000
Training allowance	500	1 000	500 000

¹⁹ Totals do not tally due to rounding.

Hiring incentives (Επιδότηση θέσεων εργασίας)	50	3 900	195 000
Sub-total (b): Percentage of the package of personalised services:		–	1 245 000 (33,67 %)
Actions under Article 7(4) of the EGF Regulation			
1. Preparatory activities		–	10 000
2. Management		–	80 000
3. Information and publicity		–	30 000
4. Control and reporting		–	30 000
Sub-total (c): Percentage of the total costs :		–	150 000 (3,90 %)
Total costs (a + b + c):		–	3 847 500
EGF contribution (60 % of total costs)		–	2 308 500

29. 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. Greece confirmed that these actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities.
30. Greece 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

31. Greece started providing the personalised services to the targeted beneficiaries on 22 August 2018. The expenditure on the actions will therefore be eligible for a financial contribution from the EGF from 22 August 2018 to 22 August 2020.
32. Greece started incurring the administrative expenditure to implement the EGF on 22 June 2018. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 22 June 2018 to 22 February 2021.

Complementarity with actions funded by national or Union funds

33. The source of national pre-financing or co-funding is the National Public Investment Programme of the Greek Ministry of Economy and Development).
34. Greece has confirmed that the measures described above receiving a financial contribution from the EGF will not also receive financial contributions from other Union financial instruments.

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

35. Greece has indicated that the application and the co-ordinated package of personalised services were discussed by representatives of the Journalist's union of Athens daily newspapers (ΕΣΗΕΑ), the Athens daily publications worker's association (ΕΠΗΕΑ) and the Ministry of Labour on 11 May 2018.

Management and control systems

36. The application contains a description of the management and control system, which specifies the responsibilities of the bodies involved. Greece has notified the Commission that the financial contribution will be managed and controlled as follows:
- the NSRF²⁰ Executive Directorate of the Ministry of Labour, Social Security and Social Solidarity will act as managing authority,
 - the EDEL (the Financial Audit Committee) as audit authority, and
 - the Special Service for Certification and Verification of Co-financed Programs of the Ministry of Economy, Infrastructure, Tourism and Marine as certification authority.

Commitments provided by the Member State concerned

37. Greece 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,
 - the dismissing enterprises, which have continued their activities after the lay-offs, have complied with their legal obligations governing the redundancies and provided for their 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

38. The EGF shall not exceed a maximum annual amount of EUR 150 million (2011 prices), as laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020²¹.
39. 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 2 308 500, representing 60 % of the total costs of the proposed actions, in order to provide a financial contribution for the application.
40. The proposed decision to mobilise the EGF will be taken jointly by the European Parliament and the Council, as laid down in point 13 of the Interinstitutional

²⁰ National Strategic Reference Framework (NSRF)

²¹ OJ L 347, 20.12.2013, p. 884.

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 management²².

Related acts

41. 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 2 308 500.
42. 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.

²² OJ C 373, 20.12.2013, p. 1.

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund following an application from Greece – EGF/2018/003 EL/Attica publishing

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 1927/2006²³, and in particular Article 15(4) 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 management²⁴, and in particular point 13 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 150 million (2011 prices), as laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013²⁵.
- (3) On 22 May 2018, Greece submitted an application to mobilise the EGF, in respect of redundancies in the economic sector classified under the Statistical classification of economic activities in the European Community ('NACE') Revision 2 Division 58 (Publishing activities) in the Nomenclature of Territorial Units for Statistics ('NUTS')²⁶ level 2 region of Αττική (Attica) (EL30) in Greece. 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.

²³ OJ L 347, 20.12.2013, p. 855.

²⁴ OJ C 373, 20.12.2013, p. 1.

²⁵ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

²⁶ 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).

- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 2 308 500 in respect of the application submitted by Greece.
- (5) 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 2018, the European Globalisation Adjustment Fund shall be mobilised to provide the amount of EUR 2 308 500 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.