


Procedure file

Basic information		
BUD - Budgetary procedure	2009/2078(BUD)	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in telecommunications sector in Germany		
Subject		
3.40.06 Electronics, electrotechnical industries, ICT, robotics		
4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF)		
4.15.12 Workers protection and rights, labour law		
5.03 Global economy and globalisation		
8.70.60 Previous annual budgets		
Geographical area		
Germany FR		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		20/09/2004
		PPE-DE BÖGE Reimer	
	Committee for opinion	Rapporteur for opinion	Appointed
	EMPL Employment and Social Affairs	The committee decided not to give an opinion.	
Council of the European Union			
European Commission	Commission DG	Commissioner	
	Budget	ŠEMETA Algirdas	

Key events			
10/08/2009	Non-legislative basic document published	COM(2009)0423	Summary
14/09/2009	Committee referral announced in Parliament		
05/10/2009	Vote in committee		Summary
07/10/2009	Budgetary report tabled for plenary	A7-0022/2009	
20/10/2009	Results of vote in Parliament		
20/10/2009	Decision by Parliament	T7-0049/2009	Summary
21/10/2009	Draft budget approved by Council		
21/10/2009	End of procedure in Parliament		

Technical information	
Procedure reference	2009/2078(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Mobilisation of funds
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/7/00719

Documentation gateway					
Non-legislative basic document		COM(2009)0423	10/08/2009	EC	Summary
Committee draft report		PE428.043	09/09/2009	EP	
Budgetary report tabled for plenary, 1st reading		A7-0022/2009	07/10/2009	EP	
Budgetary text adopted by Parliament		T7-0049/2009	20/10/2009	EP	Summary

Final act	
Decision 2009/843	
OJ L 304 19.11.2009, p. 0004	Summary

Mobilisation of the European Globalisation Adjustment Fund: redundancies in telecommunications sector in Germany

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) for two cases of redundancies in the mobile phone sector in Germany.

PROPOSED ACT: Decision of the European Parliament and of the Council.

CONTENT: Regulation (EC) No 1927/2006 established the European Globalisation Adjustment Fund (EGF) to provide additional support to redundant workers who suffer from the consequences of major structural changes in world trade patterns and to assist them with their reintegration into the labour market (see [COD/2006/0033](#)).

The [Interinstitutional Agreement of 17 May 2006 on budgetary discipline](#) allows for the mobilisation of the Fund through a flexibility mechanism, within the annual ceiling of EUR 500 million.

The Commission has carried out a thorough examination of the application for mobilisation of the Fund submitted by Germany and made the following comments:

Case EGF/2009/002 DE / Nokia: the application was received by the Commission from the German authorities on 6 February 2009, based upon the specific intervention criteria of Article 2(a) of Regulation (EC) No 1927/2006. The criteria require at least 1 000 redundancies over a four month period in an enterprise including workers made redundant in its suppliers and downstream producers. The application demonstrates that a total of 1 337 redundancies occurred in Nokia GmbH from 30 July 2008 to 29 November 2008.

Analysis of the link between the redundancies and the major structural changes in world trade patterns is based on the following information: the redundancies were caused by the decision of the telecommunications group Nokia to close its factory in Bochum and to delocalise production not only to China, but also to South Korea, India, Mexico and Brazil.

Repercussions: the territories concerned by the redundancies are the city of Bochum, the administrative region of Arnsberg. Germany states that the redundant workers fall within the competence of four local employment offices: Bochum, Gelsenkirchen, Recklinghausen and Dortmund, all of which have traditionally an unemployment rate that is significantly higher than in other parts of North Rhine Westphalia and in Germany. In the context of the current economic and financial crisis the employment situation in the affected areas seems particularly vulnerable, given the presence of the automotive (Opel) and steel industry. The Commission considers that the redundancies can be seen to have a significantly negative effect on the local economy.

In conclusion, it is proposed to accept application EGF/2009/002 DE/Nokia submitted by Germany, relating to the redundancies in Nokia GmbH. A co-ordinated package of eligible personalised services has been proposed of which the requested contribution of the EGF is EUR 5 553 850.

IMPACT ASSESSMENT: not applicable.

FINANCIAL IMPLICATIONS: the total annual budget available for the EGF is EUR 500 million. An amount of EUR 7 523 850 has already been mobilised for prior applications in 2009 leaving an amount of EUR 492 476 150.

On the basis of the application for support from the Fund submitted by Germany in support of workers made redundant by Nokia GmbH, the total estimates of the coordinated package of personalised services to be funded is EUR 5 553 850.

The Commission therefore proposes to deploy the European Union Globalisation Adjustment Fund for a total amount of EUR 5 553 850, to be allocated under heading 1a of the financial framework, via the simplified dialogue procedure, as required by Point 28 of the Inter-institutional Agreement of 17 May 2006.

The Commission invites the first of the two arms of the Budgetary Authority that reaches agreement on the draft mobilisation proposal, at appropriate political level, to inform the other arm and the Commission of its intentions.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in telecommunications sector in Germany

The Committee on Budgets adopted unanimously the report drawn up by Reimer BÖGE (EPP, ED) on the proposal for a decision of the European Parliament and of the Council on mobilisation of the European Globalisation Adjustment Fund for a total amount of EUR 5 553 850 in commitment and payment appropriations in favour of Germany, in order to cover the assistance to workers made redundant in mobile phone sector.

MEPs recall that the European Union set up the appropriate legislative and budgetary instruments to provide additional support to workers who suffer from the consequences of major structural changes in world trade patterns and to assist their reintegration into the labour market.

Given that Germany has requested assistance in respect of cases concerning redundancies in the telecommunications sector (workers made redundant by Nokia GmbH on 6 February 2009 in the region of Bochum) and has fulfilled the eligibility criteria set up by the EGF Regulation, MEPs invite the institutions involved to make the necessary efforts to accelerate the mobilisation of the European Globalisation Adjustment Fund (EGF) for the requested amount.

MEPs underline that the European Union should use all its means to face the consequences of the global economic and financial crisis. They note, in this respect, that the EGF can play a crucial role in the reintegration of the workers made redundant into the labour market.

Once again, they recall that the mobilisation of the EGF in payment appropriations should not jeopardise the funding of the European Union Social Fund. They express some doubts about whether complementarity with other existing instruments like the EU Social Fund is guaranteed.

In this context, the report commits the European Parliament to evaluate the functioning and added value of the EGF in the context of the general assessment of the programmes and other various instruments created by the [IIA](#) of 17 May 2006 on budgetary discipline and sound financial management, within the process of the 2007-2013 multiannual financial framework budget review.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in telecommunications sector in Germany

[The European Parliament adopted by 598 votes to 49, with 30 abstentions, a resolution approving a decision concerning the mobilisation of the European Globalisation Adjustment Fund.](#)

The fund will be mobilised for a total amount of EUR 5 553 850 in commitment and payment appropriations in favour of Germany, in order to cover the assistance to workers made redundant in mobile phone sector.

Parliament recalls that the European Union set up the appropriate legislative and budgetary instruments to provide additional support to workers who suffer from the consequences of major structural changes in world trade patterns and to assist their reintegration into the labour market.

Given that Germany has requested assistance in respect of cases concerning redundancies in the telecommunications sector (workers made redundant by Nokia GmbH on 6 February 2009 in the region of Bochum) and has fulfilled the eligibility criteria set up by the EGF Regulation, Parliament invites the institutions involved to make the necessary efforts to accelerate the mobilisation of the European Globalisation Adjustment Fund (EGF) for the requested amount.

Parliament underlines that the European Union should use all its means to face the consequences of the global economic and financial crisis. It notes, in this respect, that the EGF can play a crucial role in the reintegration of the workers made redundant into the labour market.

Lastly, Parliament recalls that the mobilisation of the EGF in payment appropriations should not jeopardise the funding of the European Union Social Fund. It expresses some doubts about whether complementarity with other existing instruments like the EU Social Fund is guaranteed. It is for this reason that the European Parliament commits itself to evaluate the functioning and added value of the EGF in the context of the general assessment of the programmes and other various instruments created by the [IIA](#) of 17 May 2006 on budgetary discipline and sound financial management, within the process of the 2007-2013 multiannual financial framework budget review.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in telecommunications sector in Germany

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) for two cases of redundancies in the mobile phone sector in Germany.

LEGISLATIVE ACT: Decision of the European Parliament and of the Council 2009/843/EC on the mobilisation of the European Globalisation

Adjustment Fund, in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management.

CONTENT: with this Decision, the European Parliament and the Council have deployed EUR 5 553 850 in commitment and payment appropriations from the European Globalisation Fund (EGF) in the framework of the 2009 budget. This amount shall assist Germany after it submitted an application to mobilise the EGF, in respect of workers made redundant by Nokia GmbH on 6 February 2009.

Given that this application complies with the requirements for determining the financial contributions as laid down in Article 10 of Regulation (EC) No 1927/2006 ([EGF](#)), the abovementioned amount has been granted to Germany to meet its request.

To recall, the European Globalisation Adjustment Fund (EGF) aims to provide additional support to redundant workers who suffer from the consequences of major structural changes in world trade patterns and to assist them with their reintegration into the labour market. The Interinstitutional Agreement of 17 May 2006 on budgetary discipline allows for the mobilisation of the Fund through a flexibility mechanism, within the annual ceiling of EUR 500 million.