








Procedure file

Basic information		
BUD - Budgetary procedure	2018/2240(BUD)	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in the publishing sector in Greece		
Subject 3.40.06 Electronics, electrotechnical industries, ICT, robotics 4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 8.70.58 2018 budget		
Geographical area Greece		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgets	 GARDIAZABAL RUBIAL Eider	17/09/2018
		Shadow rapporteur  DEPREZ Gérard	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Employment and Social Affairs	The committee decided not to give an opinion.	
	 Regional Development	Chair on behalf of committee	15/10/2018
		 MIHAYLOVA Iskra	
Council of the European Union	Council configuration	Meeting	Date
	Economic and Financial Affairs ECOFIN	3646	06/11/2018
European Commission	Commission DG	Commissioner	
	Budget	OETTINGER Günther	

Key events			
04/10/2018	Non-legislative basic document published	COM(2018)0667	Summary
22/10/2018	Committee referral announced in Parliament		
06/11/2018	Draft budget approved by Council		
21/11/2018	Vote in committee		
22/11/2018	Budgetary report tabled for plenary	A8-0377/2018	Summary
29/11/2018	Results of vote in Parliament		
29/11/2018	Decision by Parliament	T8-0471/2018	Summary

Technical information	
Procedure reference	2018/2240(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/8/14733

Documentation gateway					
Non-legislative basic document		COM(2018)0667	04/10/2018	EC	Summary
Specific opinion	REGI	PE629.508	18/10/2018	EP	
Committee draft report		PE629.510	19/10/2018	EP	
Amendments tabled in committee		PE630.375	06/11/2018	EP	
Budgetary report tabled for plenary, 1st reading		A8-0377/2018	22/11/2018	EP	Summary
Budgetary text adopted by Parliament		T8-0471/2018	29/11/2018	EP	Summary

Final act
Decision 2019/275 OJ L 054 22.02.2019, p. 0001

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the publishing sector in Greece

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to assist Greece facing redundancies in the publishing sector.

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

CONTENT: 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 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006.

In this context, the Commission examined the application for mobilisation of the EGF for Greece and has concluded the following:

Greece - EGF/2018/003 EL/Attica publishing: on 22 May 2018, Greece submitted an application EGF/2018/003 EL/Attica publishing for a financial contribution from the EGF, following 550 redundancies in the publishing sector in the NUTS level 2 region of Attica with the following enterprises: Lambrakis Press SA, Ethnos Publications SA and Pegasus Magazines Publications.

In order to establish the link between the redundancies the global financial and economic crisis, 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 %).

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. 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.

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 events giving rise to these redundancies are the great cut back in advertising expenditure of big advertisers, such as car producers and banks, and the decline in daily and periodical press sales. The decline in sales is also related to readers' audiences' shift from printed press to electronic press.

Over the decade 2005-2014, the publishing sectors turnover fell by 56.4 %.

Basis of the Greek request: 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. The reference period of nine months for the application runs from 29 May 2017 to 28 February 2018. There were 550 redundancies in the economic sector.

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. Attica accounts for 34.7 % of total Greek unemployment and for 36 % of long term unemployment.

The personalised services to be provided to redundant workers include the following actions: (i) occupational guidance; (ii) training, retraining and vocational training; (iii) contribution to business start-up; (iv) job search allowance and training allowance; (v) hiring incentives.

BUDGETARY IMPLICATION: 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.

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 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.

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 requested amount.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the publishing sector in Greece

The Committee on Budgets adopted the report by Eider GARDIAZABAL RUBIAL (S&D, ES) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund for an amount of EUR 2 308 500 in commitment and payment appropriations to assist Greece which is facing redundancies in the publishing sector.

The European Globalisation Adjustment Fund (EGF) is intended to provide support to redundant workers and self-employed persons who have ceased to work due to major structural changes in world trade patterns as a result of globalisation, due to the persistence of the global financial and economic crisis, or due to a new global financial and economic crisis, and to help them reintegrate into the labour market.

Basis for Greece's application: Greece submitted an application for a financial contribution from the EGF, following redundancies in the publishing industry in the Attica region. The request concerns 550 redundant workers, many of whom are women (41.82%). 14.73% of the dismissed workers are over 55 years of age and 1.6% are under 30 years of age.

Since the redundancies in three companies active in the Greek publishing sector are expected to have a significant negative impact on the local economy, Members agree with the Commission that the conditions laid down in Article 4(1)(b) of the Fund Regulation are met and that Greece is entitled, under this Regulation, to a financial contribution of EUR 2 308 500, representing 60% of the total cost of EUR 3 847 500.

Reasons for the redundancies: according to Greece, the redundancies are linked to the global financial and economic crisis, and in particular to its effects on the Greek economy, in particular the fall in real GDP per capita, the rise in unemployment, the fall in wages and household incomes and the rapid digital evolution which, combined with the reduction in advertising expenditure by major advertisers, is transforming the publishing sector, which is facing a decline in advertising and commercial revenues.

The report highlights the importance of active labour market measures co-financed by the EGF to improve the chances of re-integrating these vulnerable groups into the labour market.

Package of personalised services: Members note that Greece is considering five types of actions for redundant employees covered by this request: (i) vocational guidance and job search assistance, (ii) training, retraining and vocational training according to labour market needs, (iii) contribution to business creation, (iv) job search allowance and training allowance and (v) incentives to hire.

Financial allowances and incentives, i.e. recruitment incentives, job-search allowances and training allowances, are close to the maximum of 35% set by the EGF Regulation. No measures are planned for young people who are not employed and not in education and training (NEET), although NEET rates remain high in Greece.

Members stress that financial allocations are granted subject to the active participation of the beneficiaries concerned and can provide a real incentive in the specific economic context of Greece. They also recall that the design of the coordinated package of personalised services should anticipate future labour market prospects and skills requirements and be compatible with the transition to a resource-efficient and sustainable economy.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the publishing sector in Greece

The European Parliament adopted by 556 votes to 76 with 4 abstentions a resolution on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund following a request from Greece - EGF/2018/003 EL/Attica publishing.

Parliament approved the proposal for a decision to mobilise the EGF in order to provide a financial contribution of EUR 2 308 500 in commitment and payment appropriations in the framework of the Union budget for 2018 to assist Greece facing redundancies in the publishing sector.

It is recalled that on 22 May 2018, Greece submitted an application for EGF assistance following 550 redundancies in the Attica region.

Reasons for the redundancies: according to Greece, the redundancies are linked to the global financial and economic crisis, and in particular to its effects on the Greek economy, in particular the decline in per capita real GDP, the rise in unemployment, decreasing salaries and reduced household incomes coupled with the rapid digital evolution which, together with cuts in the advertising expenditure.

The redundancies that occurred in three enterprises operating in the Greek publishing sector are expected to have a significant adverse effect on the local economy. Member expressed concern that the Attica region accounts for a large proportion of unemployment and long-term unemployment in Greece where unemployment still remains high.

Measures envisaged: Members noted that Greece is planning five types of actions for the redundant workers covered by this application: (i) occupational guidance and job search assistance; (ii) training, retraining and vocational training in accordance with needs of the labour market; (iii) contribution to business start-up; (iv) job-search allowance and training allowance; (v) hiring incentives.

Financial allowances and incentives, i.e. hiring incentives, job-search and training allowances are close to the maximum of 35 % set out in the EGF Regulation. No measures are planned for young people not in employment, education or training (NEET) despite NEET rates remaining at high levels in Greece.

The coordinated package of personalised services has been drawn up in consultation with representatives of the Journalists Union of the Athens Daily Newspapers, the Employees Union of Athens Daily Newspapers (?????) and the Ministry of Labour.

In addition, the Greek authorities confirmed that the eligible actions do not receive assistance from other Union funds or financial instruments and that any double financing will be prevented.

Beneficiaries: the application relates to 550 workers made redundant, of whom a large number are women (41.82 %). 14.73 % of the redundant workers are over 55 years of age and 1.6 % are below 30 years of age. In view of this, Parliament stressed the importance of active labour market measures co-funded by the EGF for improving the chances of reintegration in the labour market of these vulnerable groups.

The Commission was asked to: (i) urge national authorities to provide more details, in future proposals, on the sectors which have growth prospects and are therefore likely to hire people, (ii) gather substantiated data on the impact of the EGF funding, including on the quality of jobs and the reintegration rate achieved through the EGF.