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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 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 (application EGF/2013/008 ES/Comunidad Valenciana textiles from Spain)

EXPLANATORY MEMORANDUM

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 management¹ allows for the mobilisation of the European Globalisation Adjustment Fund (EGF) through a flexibility mechanism, within the annual ceiling of EUR 500 million over and above the relevant headings of the financial framework.

The rules applicable to the contributions from the EGF are laid down in Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 on establishing the European Globalisation Adjustment Fund².

On 8 October 2013, Spain submitted application EGF/2013/008 ES/Comunidad Valenciana textiles for a financial contribution from the EGF, following redundancies in 198 enterprises operating in the NACE Revision 2 Division 13 (Manufacture of textiles)³ in the NUTS II region of Comunidad Valenciana (ES52) in Spain.

After a thorough examination of this application, the Commission has concluded in accordance with Article 10 of Regulation (EC) No 1927/2006 that the conditions for a financial contribution under this Regulation are met.

SUMMARY OF THE APPLICATION AND ANALYSIS

Key data:	
EGF Reference no.	EGF/2013/008
Member State	Spain
Article 2	(b)
Enterprises concerned	198
NUTS II region	Comunidad Valenciana (ES52)
NACE Revision 2 Division	13 (Manufacture of textiles)
Reference period	1.11.2012 – 1.8.2013
Starting date for the personalised services	1.1.2014
Application date	8.10.2013
Redundancies during the reference period	560
Redundant workers expected to participate in the measures	300
Expenditure for personalised services (EUR)	1 600 000
Expenditure for implementing EGF ⁴ (EUR)	80 000
Expenditure for implementing EGF (%)	4,76
Total budget (EUR)	1 680 000
EGF contribution (50 %) (EUR)	840 000

1. The application was presented to the Commission on 8 October 2013 and supplemented by additional information up to 5 November 2013.
2. The application meets the conditions for deploying the EGF as set out in Article 2(b) of Regulation (EC) No 1927/2006, and was submitted within the deadline of 10 weeks referred to in Article 5 of that Regulation.

¹ OJ C 139, 14.6.2006, p. 1.

² OJ L 406, 30.12.2006, p. 1.

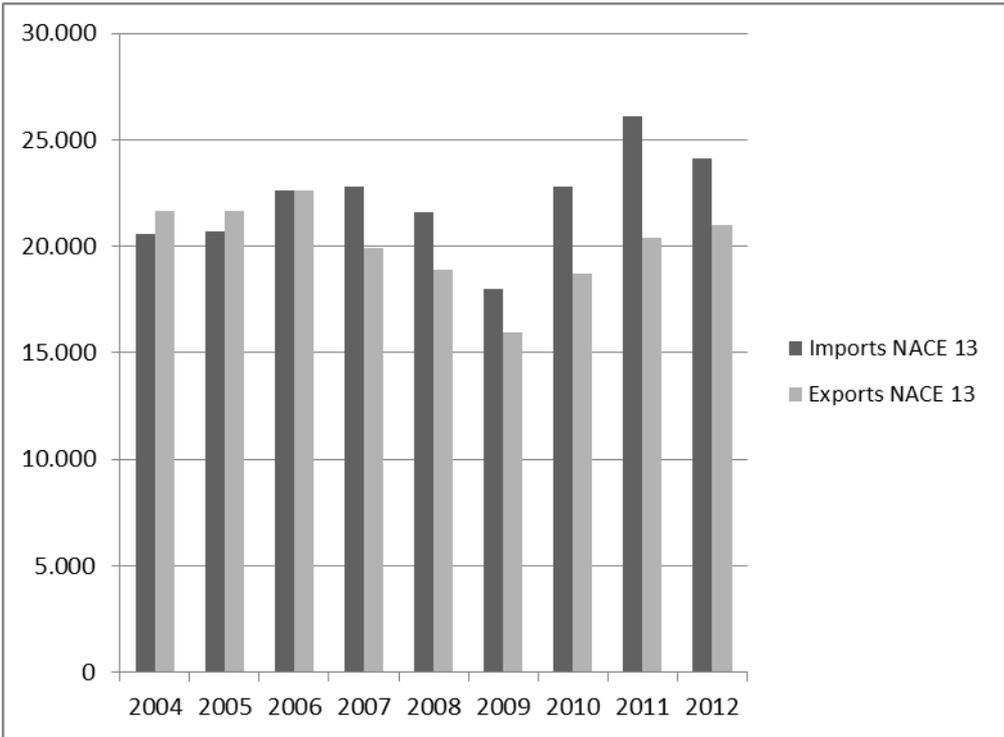
³ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).

⁴ In accordance with the third paragraph of Article 3 of Regulation (EC) No 1927/2006.

Link between the redundancies and major structural changes in world trade patterns due to globalisation or the global financial and economic crisis

3. In order to establish the link between the redundancies and major structural changes in world trade patterns due to globalisation, Spain argues that since the closure of the World Trade Organization's (WTO) ten-year, transitional Agreement on Textiles and Clothing (ATC) at the end of 2004, the European Union market for textiles has been open to far more global competition⁵, particularly from China and other Far Eastern countries. The graph below shows that for NACE Division 13 there was a large increase in imports since the ending of the ATC.

**EU Exports and Imports of textiles⁶
(million euro)**



Source: Eurostat. Comext

4. Over the period 2004-2012 the EU trade balance in textiles has deteriorated substantially. There was a 17 % increase in imports of textiles into EU over the period whilst the export of textiles from the EU to the rest of the world decreased by 3 %. The trade balance for textiles of the EU decreased from a surplus of EUR 1 107 million in 2004 to a deficit of EUR 3 067 million in 2012.

⁵ The Agreement on Textiles and Clothing (ATC) and all restrictions thereunder terminated on January 1, 2005. The expiry of the ten-year transition period of ATC implementation means that trade in textile and clothing products is no longer subject to quotas under a special regime outside normal WTO/GATT rules but is now governed by the general rules and disciplines embodied in the multilateral trading system.

⁶ SITC 26 (Textile fibres -other than wool tops and other combed wool- and their wastes -not manufactured into yarn or fabric-) and SITC 65 (Textile yarn, fabrics, made-up articles, n.e.s., and related products).

Textiles mio EUR	2004	2006	2008	2010	2012	% growth 2004/2012
Imports into EU	20 585	22 637	21 574	22 789	24 098	17,07
Exports from EU	21 692	22 609	18 890	18 695	21 031	-3,05
Balance	1 107	-28	-2 684	-4 094	-3 067	

5. Furthermore, whilst the share in world exports of textiles of the EU decreased from 10 % to 8 % over the period 2000-2011 the share in world exports of textiles of China increased from 10 % to 32 %⁷.
6. In conclusion, the opinion of the Commission services is that the 560 redundancies in the Comunidad Valenciana region of Spain can be linked, as required by Article 1 and 2 of Regulation (EC) No 1927/2006, to major structural changes in world trade patterns, which have led to a substantial increase of imports into the EU, and a loss of EU market share in world markets.
7. To date, the manufacture of textiles sector has been the subject of 11 EGF applications⁸, all of them based on trade related globalisation.

Demonstration of the number of redundancies and compliance with the criteria of Article 2(b)

8. Spain submitted this application under the intervention criteria of Article 2(b) of Regulation (EC) No 1927/2006, which requires at least 500 redundancies over a nine-month period in enterprises operating in the same NACE Revision 2 Division in one region or two contiguous regions at NUTS II level in a Member State.
9. The application cites 560 redundancies in 198 enterprises operating in the NACE Revision 2 Division 13 (Manufacture of textiles) in the NUTS II region of Comunidad Valenciana (ES52) during the nine-month reference period from 1 November 2012 to 1 August 2013. Of these redundancies, 117 were calculated in accordance with the first indent of the second paragraph of Article 2 of Regulation (EC) No 1927/2006; 284 redundancies were calculated in accordance with the second indent and further 159 redundancies were calculated in accordance with the third indent of the same paragraph. The Commission has received the confirmation required under the third indent of the second paragraph of Article 2(2) that this is the actual number of redundancies effected.

Explanation of the unforeseen nature of those redundancies

10. The Spanish textile industry has undergone extensive restructuring and modernisation in response to the competition pressure that followed the expiry of the

⁷ WTO International Trade Statistics 2012.

⁸ EGF/2007/005 IT Sardegna, COM(2008) 609; EGF/2007/006 IT Piemonte, COM(2008) 609; EGF/2007/007 IT Lombardia, COM(2008) 609; EGF/2008/001 IT Toscana, COM(2008) 609; EGF/2009/003 LT Alytaus Textile, COM(2008) 547; EGF/2009/005 ES Cataluña, COM(2009) 371; EGF/2009/001 PT Norte-Centro, COM(2009) 371; EGF/2009/004 BE Oost en West Vlaanderen Textiel, COM(2009) 515; EGF/2009/005 BE Limburg Textiel, COM(2009) 515, EGF/2010/009 ES Comunidad Valenciana, COM(2010) 613 and EGF/2013/008 Comunidad Valenciana (the current case).

World Trade Organisation Multifibre Arrangement and the Agreement on Textiles and Clothing which succeeded it. The Spanish authorities argue that the expected smooth transition reported in various papers⁹ had been disrupted by the unexpected strength of the Euro, leading to a far more rapid decline in the EU market share than foreseen.

Identification of the dismissing enterprises and workers targeted for assistance

11. The application relates to 560 redundancies in the following 198 enterprises.

Enterprises and number of dismissals			
A.C. CUERDAS SL	1	INNOVIA COPTALIA, S.A.	1
ABASIC, S.L.U.	1	IRPA SA	1
ACABADOS DE TEJIDOS INNOVADORES S.L.U.	1	IZPIEL SA	1
ACAPERSA	1	J.P. CARDENAL 1953 S.L.	1
ADELA ROY,S.L.	1	JARRES, S.L.	3
ADOLFO DOMINGUEZ SA	3	JOAQUIN GARCIA ROMAN	1
ALCOCERTEX, S.L.	3	JOAQUIN REINA, S.A.	16
ALGINET TEXTIL SA	3	JOHNSON CONTROLS IBERICA,S.A.	2
ALHAMBRA INTERNACIONAL S.A.	6	JOSE BARTUAL CASTELLETS S.L	4
ALTERCO S.A.	2	JOSE ROYO S.L.	1
ALYSA S.L	1	JOSEP AVELINO DEVIS	1
ANA MARI GOMEZ VAQUERO	1	JUAN FORNES FORNES SA	1
ANTONIO BORONAT SUCH	1	JUAN JOSE BARBER MATAIX	1
ANTONIO JORGE GUILLEM PICO S.L.	1	JUAN LUIS PEREZ VILAPLANA	1
ANTONIO MIGUEL QLCARAZ TEXTIL SL	1	LARA TEXTIL HIPER S.L.	1
APARISI & CIA	5	LECOUIR EXP IMP SL	1
ARBORA & AUSONIA, S.L.U.	3	LIZZO DESIGN SL	1
ARMANDO FERRE	2	LUIS HERNANDEZ LOPEZ	2
ATEVAL	1	LYONTEX, S.L.	2
ATHOS FABRICS, S.L.	1	MANTEROL, S.A.	9
ATIKA GRAVATS I DISSENY TEXTIL, S.L.	1	MANUEL GARCIA GUTIERREZ	1
ATRIUM RETAIL SERVICES S.L.	1	MANUEL REVERT Y CIA, S.A	1
ATTRACTION GROUP 2002 S.L.	1	MAPA SPONTEX IBERICA S.A	2
BELENGUER ROBA BETA S.L	1	MARIA DEL MAR CORDERO GARCIA	1
BENICAS GRUP S.L.	2	MARIA ESTELA AÑO SENAR	1
BETIS TEXTIL, S.A.	1	MARINA CASTRO GARCIA	1
BIARPRINT, S.L.	1	MEPABAN SA	1
BON ESTIL, S.L.	1	MIDUSO S.L.	1
BORDADOS MILENIUM EXPORT S.L.	2	MIGUEL JUAN TORREGROSA TOLEDO	1
BORDADOS SOLER SANTAMARIA SLL	1	MINIT SPAIN, S.A.	1
BOSCH DE LA FLOR CONFECCIONISTAS S.L	1	MODELAIN TEXTIL, S.L.	1
CALZADOS NAVARRO,S.L.	1	MONTE KINABALU SL	2
CAMBRASS	1	MURO PAPEL S.A.	1
CARPETFIL ALFOMBRAS S.L.U.	2	NAVARRO QUATTRO MODA, S.L.	1
CASTILLA RIENDA S.L	1	ORCHESTRA S.L	1
CLEYSOR, S.L.	1	OYSHIO ESPAÑA SA	1

⁹ COM(2003) 649 final: The future of the textiles and clothing sector in the enlarged European Union
WTO Secretariat Discussion Paper N° 5: The Global Textile and Clothing Industry post the Agreement on Textiles and Clothing (2004)

Enterprises and number of dismissals

COLCHONES MIVIS, S.L.	2	OYSHIO ESPAÑA SA	1
COLORPINT FASHION S.L.	2	OYSHO SAU	1
COLORTEX 1967, S.L.	68	P. TOTEL, S.L.	1
COLORTEX, S.A.	16	PABEL BOCAIRENT SL	1
COMERCIAL INDUSTRIAL DE MANUFACTURADOS TEXTILES S.L.	1	PAU COLOMER S.L.	10
COMERCIAL TIFANY, S.L.	1	PEPE JEANS FOOTWEAR, S.L.	1
COMERSAN S.A.	1	PRODUCTOS DAMEL, SL.	1
CONFECCIONES ENRICH S.L.	1	PROTEC TEXTIL SL	1
CONFECCIONES MACOLSA, S.L.	1	PULL & BEAR ESPAÑA SA	5
CONFECCIONES SULFY, S.L.	1	PUNTO FA SL	3
CORSETERIA LEVANTINA, SL	1	RAFAEL CATALA, S.A.	19
CORTEFIEL SA	1	RAMDOM TEX S.L.	2
COSEFIL S.L.	2	RED NASSAU, S.L.	1
CREACIONES FAMISAX, S.L.	1	REIG MARTI, S.A.	42
CREVI MODA CONFECCIÓN S.L.	6	ROTATEX S.L.	1
DEBORA AUSONIA	2	ROYO GARMENTS, S.L.	10
DISCOMEL, S.L.	1	SANPERE LOGÍSTICA S.L.	1
DISFRIMUR S.L	1	SIXTY SPAIN RETAIL, S.L.U.	1
DISTRIBUCIONES DIRECTAS 2004 SL	1	SOCIEDAD TEXTIL LONIA SA	3
DORIAN TEXTIL, S.L.	2	SOLARMANES, S.L.	1
DUSEN, S.A.	1	SONNENGLANZ S.L.	1
ELIS MANOMATIC, S.A.	1	STRADIVARIUS ESPAÑA SA	2
ELISA ANDRES CARBONELL, S.L.	4	T. L. HONDURAS SL	1
ELISA MENUTS SL	2	T.M.V., S.L.	2
ENCONADOS Y TORCIDOS S.A.	1	TAMODERVA S.L	1
ESADE, S.L.	1	TAPICERIAS, S.A.	3
ESCRIG, S.L.	2	TAPIZADOS AROCA, C.B.	1
EURORED SL	1	TEIBOR S.L	1
EXCLUSIVAS SIRVENT, S.L.	1	TEJIDOS Y BORDADOS S.L.	1
EXPORT PABLO'S	1	TELAKASA HOGAR, S.L.	1
EZETI SL	1	TEX - COY S.L.	1
FAUSTINO SALCEDO, S.L.	1	TEX ATHENEA SL	5
FERNANDO JOSE PUYOL NADAL	1	TEXTIL SAMA	1
FETEXSA	2	TEXTIL DAIMIELEÑA S.A	1
FIBRESVAL, S.L.	2	TEXTIL GRECA, S.L.	1
FINANCIERA PRONOVIAS, S.A.	2	TEXTILES ANTILO, S.L.	1
FRAG COMERCIO INTERNACIONAL, S.L.	2	TEXTILES ATHENEA, S.A.	1
FRANCHISING CALZEDONIA ESPAÑA S.A.	1	TEXTILES EURO BLANKETS, S.L.	4
FRANCISCO FERRER MARIN, S.L.	1	TEXTILES PASTOR S.L.	1
FUNKY FISH SPAIN, S.L.	1	TEXTILES SAN JORGE SL	1
GALIANA NOVA, S.L.	6	TEXTILIN, S.L.	1
GAMES STORES IBERIA SL	2	THV, SL BLANCO FASHION, SL (SALERA)	1
GENERAL DE INNOVACION TEXTIL	1	TOLDOS LEVANTE S.L	2
GENEROS DE PUNTO GARCIA, S.L.	1	TUSSY XXI SL	1
GIL MAS, S.A.	10	TUTTO PICCOLO S.A.	3
GONZAGA EXPORT, S.L	2	UBESOL, S.L.	3
GREGORI GALINDO FCO JOSE S.L.N.E.	1	UBESOL, S.L.	1

Enterprises and number of dismissals			
GRUPO ANTOLIN AUTOTRIM S.A.U	1	UBIOTEX, S.L.	1
GRUPO BONATEL S.L.U.	1	UNION COMPOSITES S.L.	1
GRUPO TAVEX S.A.	11	VALENCIA MENKES S.A	1
HENNES Y MAURITZ S.L.	1	VALMEXIN S.L	1
HIJOS DE SILVIO COLOMINA SL	5	VANICO S.A.	1
HILADOS BENAMER S.L.	18	VERDE VELENO SL	3
HILATURAS EL RAVALET, SL	11	VICENTA SIFRE GALLART, SL	1
HILATURAS FERRE S.A.	1	VIDAL Y SANZ S.A.	5
HILATURAS MARSANS S.L.	1	VISOR FALL NERS, S.L.	1
HOGARLLEGO, S.L.	1	VIVES Y MARI S.L.	7
ID P&C PATRONAJE Y CREACION S.L.	10	VORTUMNA S.L.	1
INDUFIBRAS	2	XIRIVELLA AVINYO TAPISSEROS, S.L.	18
INDUSTRIAL DEL TORCIDO S.A.	1	YAHYA JEBBOURI	1
INDUSTRIAL NEOTEC SL	1	ZARA ESPAÑA S.A.	4
INDUTER S.L.	2	ZARA HOME ESPAÑA, S.A.	1
INNOVACIONES TEXTILES PLA S.L.	5	ZIPPY COMERCIO Y DISTRIBUCION, SA	1
Total enterprises: 198		Total dismissals: 560	

12. All the redundant workers will be offered the possibility to participate in the measures. However, the Spanish authorities, based on their previous experience in managing EGF cases, estimate that about 300 workers will opt to participate in the EGF measures.

13. The break-down of the dismissed workers is as follows:

Category	Number	Percent
Men	317	56,61
Women	243	43,39
EU citizens	550	98,21
Non EU citizens	10	1,79
15-24 years old	10	1,79
25-39 years old	225	40,18
40-54 years old	213	38,03
55-59 years old	59	10,54
> 60 years old	53	9,46

14. In terms of occupational categories, the break-down is as follows:

Category	Number	Percent
Managers	1	0,18
Technicians	60	10,71
Craft and related trade workers	455	81,25
Plant and machine operators	10	1,79
Elementary occupations	34	6,07

15. In accordance with Article 7 of Regulation (EC) No 1927/2006, Spain has confirmed that a policy of equality between women and men as well as non-discrimination has been applied, and will continue to apply, during the various stages of the implementation of and, in particular, in access to the EGF.

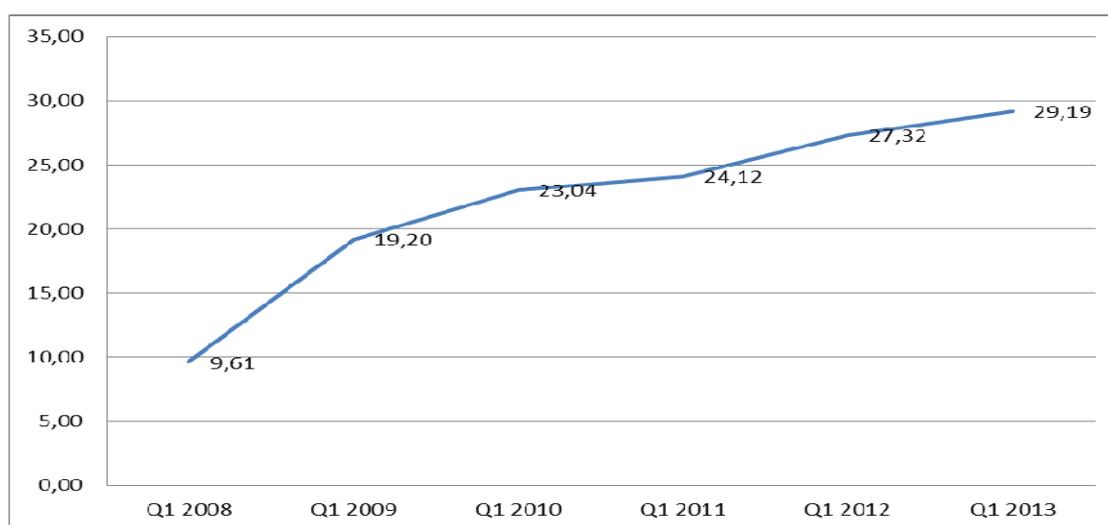
Description of the territory concerned and its authorities and stakeholders

16. The territory concerned by the redundancies is the NUTS II region of Comunidad Valenciana. Of all Spanish enterprises 11,5 % are based in this region. The manufacturing sector represents 26 % of total employment here, while the service sector represents 60 %, construction 10 % and the primary sector 4 %. The business model in Comunidad Valenciana is characterised by a high proportion of small and medium-sized enterprises specialised mainly in the manufacture of furniture, shoes, textiles, ceramics and toys. These industries are concentrated in districts around a limited number of municipalities.
17. The main stakeholders are the *Generalitat Valenciana* (the autonomous government of Comunidad Valenciana) and in particular the SERVEF (public labour offices of the autonomous government); the employers' association *Asociación de empresarios textiles de la Comunidad Valenciana-ATEVAL*¹⁰; and the trade unions UGT-PV and CCOO-PV.

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

18. Employment in Comunidad Valenciana has been severely affected by the crisis. The unemployment rate in the region increased rapidly, rising from 9,61 % (Q1 2008) to 29,19 % (Q1 2013). The employment situation in the affected region seems particularly fragile, given the impact of the crisis on traditional sectors such as toys, ceramics, footwear and construction, as well as textiles, which are very important for the region's economy.

Unemployment rate in Comunidad Valenciana



Source: *Encuesta de Población Activa (EPA)*¹¹

19. The Spanish authorities argue that the redundancies in the textile sector in Comunidad Valenciana will further aggravate the unemployment situation, since the region and in particular the NUTS 3 region Alicante is highly dependent on this sector. Of all workers in the manufacturing industry in Alicante, 8,24 % are textile workers.

¹⁰ Association of Textile Entrepreneurs in Comunidad Valenciana.

¹¹ EPA (Labour Force Survey)

<http://www.datosmacro.com/paro-epa/ccaa/valencia?sector=Tasa-de-paro&sc=EPA->

20. In March 2010¹² Spain submitted an application for a financial contribution from the EGF for workers made redundant in the textile sector in Comunidad Valenciana. The current application covers further redundancies in the same sector and territories. Furthermore, following redundancies in Comunidad Valenciana in sectors other than NACE Revision 2 Division 13 Manufacture of textiles, Spain submitted applications for financial contributions from the EGF in September 2009¹³ (ceramics), March 2010¹⁴ (natural stone), July¹⁵ and December 2011¹⁶ (construction and footwear, respectively) and 2013¹⁷ (building materials).

Co-ordinated package of personalised services to be funded and a breakdown of its estimated costs, including its complementarity with actions funded by the Structural Funds

21. All the following measures combine to form a co-ordinated package of personalised services which aims at re-integrating the redundant workers into employment:
- Welcome and information sessions: This is the first measure to be offered to all redundant workers and includes: (1) general information sessions and individual information sessions on skills and training requirements; on available counselling and training programmes; and on allowances and incentives; (2) enrolment procedure.
 - Profiling, occupational guidance and counselling: This involves the profiling of the participant workers and the design of the customised reintegration pathway, as well as counselling and follow-up of the personalised support throughout the implementation period.
 - Training: The training measure will include a variety of training courses: **(1) Training in transversal skills.** The training offer will include workshops on job-search techniques, training in personal skills (such as emotional intelligence, managing change, etc.), in information and communication technologies (ICT), and in foreign languages. **(2) Vocational training.** The vocational training will focus on sectors where opportunities exist or will arise, such as for nursing assistants in geriatrics, or jobs which require vocational licensing such as food handling, passenger transport CPC¹⁸, private security guard, pesticide handler, etc. **(3) On-the-job training.** This vocational training activity will be designed to cater for the identified needs of local enterprises. The distinguishing feature of this training activity is that the class room training will be complemented by on-the-job training. **(4) Training towards entrepreneurship.** Specific training activities will be provided for workers who wish to establish an enterprise. It is estimated that 200 workers will participate in these training activities.
 - Support towards entrepreneurship. This measure seeks to assist redundant workers who envisage creating their own businesses. The support is organised in two phases: (1) Counselling on projects and initiatives. This aims to develop, produce and guide viable business or self-employment projects. The tutors will also try to

¹² EGF/2010/009 ES Comunidad Valenciana, COM(2010) 613.

¹³ EGF/2009/014 ES Comunidad Valenciana ceramics. COM(2010) 216.

¹⁴ EGF/2010/005 ES Comunidad Valenciana cutting, shaping and finishing of stone. COM (2010) 617.

¹⁵ EGF/2011/006 ES Comunidad Valenciana construction. COM(2012) 053.

¹⁶ EGF/2011/020 ES Comunidad Valenciana footwear. COM(2012) 204.

¹⁷ EGF/2013/004 ES Comunidad Valenciana building materials. COM(2013) 635

¹⁸ Certificate of Professional Competence (CPC) is the certificate attesting that certain professional drivers passed the courses and tests required by Directive 2003/59/EC.

find openings for self-employment within and outside the workers' place of residence and propose them to the participants in the measure. (2) Accompaniment towards business creation. This will consist of personalized tutoring during the whole process of starting the business (development of a business idea, feasibility analysis, and assistance for preparing a business plan) and support regarding tax, legal and administrative requirements. It is estimated that 70 workers will participate in the first phase and 40 workers in the second phase.

- Intensive job-search assistance. This will involve an intensive employment search, including search for local and regional employment opportunities and job-matching. A website will be created to provide the workers with online tools which can help them with their individual job search. Tutors will accompany the workers through the selection processes. Individual tutoring sessions will follow to help the workers reintegrated into employment to settle into their new jobs.
 - Incentives. There will be four types of incentives: **(1) Job-search incentive**. The workers will be granted a lump sum of EUR 300 for carrying out their own personalised package of measures completely. **(2) Contribution to commuting expenses and contribution for carers of dependent persons**. Due to the lack of suitable public transport between the localities in the region, the participants will have to use their own vehicles to commute from their places of residence to the location where the measures will take place. The commuters will receive EUR 10 per day of participation in the EGF measures as a contribution to their commuting expenses. Workers with dependent persons (children, elderly or disabled persons) will receive EUR 15 per day of participation as a contribution towards the expenses incurred for carers of dependent persons. This aims to cover the additional costs faced by the workers with caring responsibilities in order to avail themselves of training or other measures. It is estimated that 90 workers will receive these two incentives. **(3) Outplacement incentives**. A wage subsidy of EUR 350 per month for a maximum of two months will be paid to workers who return to employment as employees or as self-employed workers. Part-time employees will receive the wage subsidy proportionately prorated. The subsidy is designed to encourage quick reintegration into the labour market. It is estimated that 130 workers will receive this incentive. **(4) Support for setting up a business**. The workers who start their own businesses will receive up to EUR 3 000 to cover setting-up costs. It is estimated that 20 workers will receive this incentive.
22. The expenditure for implementing the EGF, which is included in the application in accordance with Article 3 of Regulation (EC) No 1927/2006, covers management and control activities as well as information and publicity.
23. The personalised services presented by the Spanish authorities are active labour market measures within the eligible actions defined by Article 3 of Regulation (EC) No 1927/2006. The Spanish authorities estimate the total costs at EUR 1 680 000, of which the expenditure for personalised services at EUR 1 600 000 and the expenditure for implementing the EGF at EUR 80 000 (4,76 % of the total amount). The total contribution requested from the EGF is EUR 840 000 (50 % of the total costs).

Actions	Estimated number of workers targeted	Estimated cost per worker targeted (EUR) (*)	Total costs (EGF and national cofinancing) (EUR) (**)
Personalised services (first paragraph of Article 3 of Regulation (EC) No 1927/2006)			
Welcome and information sessions (<i>Acogida</i>)	300	200	60 000
Profiling, occupational guidance and counselling (<i>Orientación</i>)	300	750	225 000
Training (<i>Formación</i>)	200	3 370	674 000
Support towards entrepreneurship (<i>Servicios de emprendedurismo</i>)	70	1 857	130 000
Intensive job-search assistance (<i>Servicios de inserción</i>)	300	780	234 000
Incentives (<i>Incentivos</i>)	300	923	277 000
Sub total personalised services			1 600 000
Expenditure for implementing EGF (third paragraph of Article 3 of Regulation (EC) No 1927/2006)			
Management			70 000
Information and publicity			5 000
Control activities			5 000
Sub total expenditure for implementing EGF			80 000
Total estimated costs			1 680 000
EGF contribution (50 % of total costs)			840 000

(*) To avoid decimals, the estimated costs per worker have been rounded. However the rounding has no impact on the total cost of each measure which remains as in the application submitted by Spain.

(**) Totals do not tally due to roundings.

24. Spain confirms that the measures described above are complementary with actions funded by the Structural Funds and that all double financing will be prevented.
25. The main objectives of the 2007-13 ESF operational programmes for the Comunidad Valenciana are promoting workers' lifelong learning and decreasing the risk of early school leaving, focusing in particular on the most vulnerable people or people at risk of social exclusion, mainly young workers, or those over 45 years old, women and disabled people, while the EGF measures will be focused on former textiles workers without applying any restriction related to age, education, etc.
26. Continuous follow-up of ESF and EGF actions pursuing similar purposes and the workers concerned will prevent any overlap between ESF and EGF measures.

Date(s) on which the personalised services to the affected workers were started or are planned to start

27. Spain started the personalised services to the affected workers included in the co-ordinated package proposed for co-financing to the EGF on 1 January 2014. This date therefore represents the beginning of the period of eligibility for any assistance that might be awarded from the EGF.

Procedures for consulting the social partners

28. The proposed application was discussed at several meetings with the social partners referred to under point 18 above. During the meetings held on 19 April, 8 and 29 July, 26 August and 16 September 2013 the social partners were consulted on various issues such as the contents of the integrated package of measures; the allocation of roles and distribution of tasks; and the scheduling of actions. In the meeting of 8 July the social partners agreed on contributing 10 % of the national co-funding of total costs of the measures described above.
29. The Spanish authorities confirmed that the requirements laid down in national and EU legislation concerning collective redundancies have been complied with.

Information on actions that are mandatory by virtue of national law or pursuant to collective agreements

30. As regards the criteria contained in Article 6 of Regulation (EC) No 1927/2006, the Spanish authorities in their application:
 - confirmed that the financial contribution from the EGF does not replace measures which are the responsibility of companies by virtue of national law or collective agreements;
 - demonstrated that the actions provide support for individual workers and are not to be used for restructuring companies or sectors;
 - confirmed that the eligible actions referred to above do not receive assistance from other EU financial instruments.

Management and control systems

31. Spain has notified the Commission that the financial contribution will be managed and controlled by the same bodies that manage and control the ESF. The Directorate-General for European Projects and Funds of the Regional Ministry of Finance and

Government of the Comunidad Valenciana¹⁹ will be the intermediate body for the managing authority.

Financing

32. On the basis of the application from Spain, the proposed contribution from the EGF to the coordinated package of personalised services (including expenditure to implement EGF) is EUR 840 000, representing 50 % of the total cost. The Commission's proposed allocation under the Fund is based on the information made available by Spain.
33. Considering the maximum possible amount of a financial contribution from the EGF under Article 10(1) of Regulation (EC) No 1927/2006, as well as the scope for reallocating appropriations, the Commission proposes to mobilise the EGF for the total amount referred to above, to be allocated under heading 1a of the financial framework.
34. The proposed amount of financial contribution will leave more than 25 % of the maximum annual amount earmarked for the EGF available for allocations during the last four months of the year, as required by Article 12(6) of Regulation (EC) No 1927/2006.
35. By presenting this proposal to mobilise the EGF, the Commission initiates the simplified dialogue procedure, as required by Point 28 of the Interinstitutional Agreement of 17 May 2006, with a view to securing the agreement of the two arms of the budgetary authority on the need to use the EGF and the amount required. 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. In case of disagreement by either of the two arms of the budgetary authority, a formal dialogue meeting will be convened.
36. The Commission presents separately a transfer request in order to enter in the 2014 budget specific commitment appropriations, as required in Point 28 of the Interinstitutional Agreement of 17 May 2006.

Source of payment appropriations

37. Appropriations allocated to the EGF budget line in the 2014 budget will be used to cover the amount of EUR 840 000 needed for the present application.

¹⁹ Dirección General de Proyectos y Fondos Europeos de la Consellería de Hacienda y Administraciones Públicas de la Generalitat Valenciana

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

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 (application EGF/2013/008 ES/Comunidad Valenciana textiles from Spain)

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 the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management²⁰, and in particular point 28 thereof,

Having regard to Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 establishing the European Globalisation Adjustment Fund²¹, and in particular Article 12(3) thereof,

Having regard to the proposal from the European Commission²²,

Whereas:

- (1) The European Globalisation Adjustment Fund (EGF) was established to provide additional support for workers made redundant as a result of major structural changes in world trade patterns due to globalisation and to assist them with their reintegration into the labour market.
- (2) The Interinstitutional Agreement of 17 May 2006 allows the mobilisation of the EGF within the annual ceiling of EUR 500 million.
- (3) Spain submitted an application to mobilise the EGF, in respect of redundancies in 198 enterprises operating in the NACE Revision 2 Division 13 (Manufacture of textiles) in the NUTS II region of Comunidad Valenciana (ES52), on 8 October 2013 and supplemented it by additional information up to 5 November 2013. This application complies with the requirements for determining the financial contributions as laid down in Article 10 of Regulation (EC) No 1927/2006. The Commission, therefore, proposes to mobilise an amount of EUR 840 000.
- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution for the application submitted by Spain,

²⁰ OJ C 139, 14.6.2006, p. 1.

²¹ OJ L 406, 30.12.2006, p. 1.

²² OJ C [...], [...], p. [...].

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the European Union for the financial year 2014, the European Globalisation Adjustment Fund (EGF) shall be mobilised to provide the sum of EUR 840 000 in commitment and payment appropriations.

Article 2

This Decision shall be published in the *Official Journal of the European Union*.

Done at Brussels,

For the European Parliament
The President

For the Council
The President