EUROPEAN
COMMISSION

Brussels, 6.11.2015
COM(2015) 555 final

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund (application from Ireland – EGF/2015/006 IE/PWA International)

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 1927/2006[1] (the 'EGF Regulation').

2. On 19 June 2015, Ireland submitted application EGF/2015/006 IE/PWA International Ltd for a financial contribution from the EGF, following redundancies[2] in PWA International (PWAI) and one supplier in Ireland.

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/2015/006 IE/PWA International
Member State	Ireland
Region(s) concerned (NUTS level 2)	IE02- Southern and Eastern
Date of submission of the application	19 June 2015
Date of acknowledgement of receipt of the application	19 June 2015
Date of request for additional information	3 July 2015
Deadline for provision of the additional information	14 August 2015
Deadline for the completion of the assessment	6 November 2015
Intervention criterion	Article 4(2) of the EGF Regulation
Primary enterprise	PWA International Ltd
Number of enterprises concerned	2
Sector(s) of economic activity (NACE Revision 2 Division)[3]	Division 33 - Repair and installation of machinery and equipment
Number of subsidiaries, suppliers and downstream producers	1
Reference period (four months):	19 December 2014 - 19 April 2015

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1 OJ L 347, 20.12.2013, p. 855.
2 Within the meaning of Article 3 of the EGF Regulation.
3 OJ L 393, 30.12.2006, p. 1.

Number of redundancies during the reference period (*a*)	61
Number of redundancies before or after the reference period (*b*)	47
Total number of redundancies (*a* + *b*)	108
Total number of eligible targeted beneficiaries	108
Total number of targeted beneficiaries	108
Number of targeted young persons not in employment, education or training (NEETs)	108
Budget for personalised services (EUR)	707 670
Budget for implementing EGF[4] (EUR)	29 486
Total budget (EUR)	737 156
EGF contribution (60 %) (EUR)	442 293

ASSESSMENT OF THE APPLICATION

Procedure

4. Ireland submitted application EGF/2015/006 IE/PWA International within 12 weeks of the date on which the intervention criteria set out in Article 4 of the EGF Regulation were met, on 19 June 2015. The Commission acknowledged receipt of the application on the same day and requested additional information from Ireland within two weeks of the date of submission of the application, on 3 July 2015. Such additional information was provided within six weeks of the request. 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 6 November 2015.

Eligibility of the application

Enterprises and beneficiaries concerned

5. The application relates to 108 workers made redundant in PWA International Ltd. and one supplier. The primary enterprise operated in the economic sector classified under the NACE Revision 2 Division 33 (Repair and installation of machinery and equipment). The redundancies made by the enterprises are mainly located in the NUTS[5] level 2 region of Southern and Eastern (IE 02).

Enterprises and number of dismissals within the reference period			
PWA International	104	Manguard	4
Total no. of enterprises: 2		**Total no. of dismissals:**	**108**
Total no. of self-employed persons whose activity has ceased:			**0**
Total no. of eligible workers and self-employed persons:			**108**

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

5 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).

Intervention criteria

6. Ireland submitted the application under the intervention criteria of Article 4(2) derogating from the criteria of Article 4(1)(a) 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.

7. The reference period of four months for the application runs from 19 December 2014 to 19 April 2015.

8. The redundancies during the reference period are as follows:

   – 61 workers made redundant by PWA International Ltd.

Calculation of redundancies and of cessation of activity

9. The redundancies during the reference period have been calculated as follows:

   – 61 from the date of the de facto termination of the contract of employment or its expiry.

Eligible beneficiaries

10. In addition to the workers already referred to, the eligible beneficiaries include 47 workers made redundant before or after the reference period of four months. These workers were all made redundant after the general announcement of the projected redundancies on 10 October 2013. A clear causal link can be established with the event which triggered the redundancies during the reference period.

11. The total number of eligible beneficiaries is therefore 108.

Link between the redundancies and major structural changes in world trade patterns due to globalisation

12. In order to establish the link between the redundancies and major structural changes in world trade patterns due to globalisation, Ireland argues that the closure of PWAI, a Maintenance Repair and Overhaul (MRO) enterprise and a joint venture between United Technologies Corporation's Pratt & Whitney (P&W) and Singapore Airlines Engineering Company (SIAEC), was made to consolidate the company’s operations in North America and Asia by the phased transfer from PWAI to other repair facilities within the P&W network, namely P&W PSD based in Arkansas (USA) and Eagle Services Asia based in Singapore.

13. Over the past 10 years Asia-based customers have accounted for approximately 50 % of PWAI’s business e.g. Japan Airlines (JAL), JAL Aeroparts, All Nippon Airways (ANA) and Mitsubishi Heavy Industries (MHI). Another 40 % of PWAI’s business has been with USA-based customers, like United Airlines, and just 10 % with European customers e.g. SR Technics in Switzerland and Lufthansa in Germany.

14. Worldwide engine shop visits for the PW4000 engine, representing approximately 90 % of the PWAI repair business, declined by 36 % between 2006 and 2013. A further decline by 54 % is forecast for the period 2006-2020. This is due to the early retirement of some wide-bodied and long-haul aircraft operating the PW4000, as more efficient engines such as the Rolls-Royce Trent and the P&W GP7000 have become available.

15. PWAI repairs and overhauls engine cases for Large Commercial Aircraft Engines Technological shifts towards new generation aircraft also help to explain the reduced

demand for activity by PWAI at an Irish location and the migration of such activity outside the EU. The future world aircraft fleet is likely to be dominated by single aisle / narrow-body aircraft typical of, and including B737-600/700/800/900 and A32 family types. The proportion of this type is expected to grow from 64 % of today's world fleet to over 70 % in future. This growth is predicted to emanate from Asia, where the aviation sector is expanding and there is a requirement to replace older aircraft types with narrow body types[6]. SAIEC, a wholly-owned subsidiary of Singapore Airlines and one half of the PWAI joint venture, is the main driver of Singapore's national efforts to develop and build employment in international aviation activities.

16. PWAI had been affected on an ad-hoc basis in recent years by the absence of a clause in the EU-Korea Free Trade Agreement (FTA) which would exempt repaired goods from customs duties on re-entry. Korea's FTA with the US includes such a clause. While Korea has extended the current duty exemption until the end of 2016, long term customers have been advised that in the future certain tariffs would apply on re-entry to Korea of aviation products which have been repaired in the EU, whereas such tariffs would not apply on re-entry to Korea following repair in the US. A former PWA sister site in the US would consequently benefit from such preferential conditions, whereas PWAI would not. Though a number of issues were resolved, this situation overhung certain contract negotiations. Prior to this, Korean Airlines had been a large customer of the Dublin site facility.

17. The trend towards locating MRO activity near centres of global aviation expansion, and the adverse impacts of global trade deals, has seriously affected Europe and in particular Ireland. SR Technics closed its plant at Dublin Airport in 2009, with the loss of over 1 100 jobs (EGF/2009/021 IE/SR Technics). Lufthansa Technik Airmotive Ireland closed its plant in 2014, with the loss of over 420 jobs (EGF/2014/016 IE/Lufthansa Technik).

18. To date, the "repair and installation of machinery and equipment" sector has been the subject of these three EGF applications, two of which based on trade related globalisation [7] and one [8] on the global financial and economic crisis.

Events giving rise to the redundancies and cessation of activity

19. The event giving rise to these redundancies is the closure of PWAI, based in Rathcoole, Co Dublin. It was originally established in 1989 as a joint venture between United Technologies Corporation and Airmotive Ireland Holdings, more recently known as Lufthansa Technik Airmotive Ireland.

20. On 10 October 2013, the PWAI Board of Directors announced plans to close the business on a phased basis over an 18-month period, with final closure in June 2015. The PWAI Board of Directors, during consultations with the employee representatives, confirmed that the decision to close the PWAI facility was not a reflection on the employees, as productivity and efficiency had increased and all critical targets had been achieved or even exceeded e.g. annual revenue, profits, environmental health & safety and quality.

[6] Lufthansa Technik HR Department report to IDA Ireland of 28 March 2014.
[7] EGF/2014/016 IE/Lufthansa Technik and EGF/2015/006 IE/PWA International.
[8] EGF/2009/021 IE/SR Technics.

21. At the time of the official letter to the Minister, notifying the collective redundancy, the number of people employed at the PWAI site in Rathcoole was 107 in total (98 permanent, four fixed-term employees and five agency workers).

22. The first workers were made redundant on 22 May 2014, and all workers, with the exception of the last two, had left by 28 August 2015. These final two workers left on 30 September 2015.

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

23. The PWAI plant is situated in the centre of the county of South Dublin. As at March 2015, the 104 PWAI workers resided in the geographical counties of Dublin (51), Kildare (34), Meath (4), Wicklow (4) and other surrounding counties (11). Of the Dublin residents, 14 lived in areas near Rathcoole such as Tallaght and Clondalkin (South Dublin) and in Blanchardstown/Coolmine (Fingal).

24. The latest Census (2011) provides various detailed statistics. Thus, of a total population over the age of 15, the South Dublin unemployment rate was only slightly higher (11,61 %) than the national average (10,83 %), but these figures conceal pockets of considerable local disadvantage. For instance, Blanchardstown-Tyrrelstown, Tallaght-Killinarden, Clondalkin-Rowlagh and Tallaght-Fettercairn were among the top 25 of 3 409 electoral districts nationally, with unemployment figures of between 22 and 25 %. Lower secondary education was the highest level of education attained for some 25,4 %[9] of the population in Tallaght-Killinarden while local authority housing represented some 49,4 % of housing tenure in Tallaght-Fettercairn. Other socio-economic indicators such as low employment rates, lack of professional qualifications, high number of households headed by lone parents and high dependency levels point to considerable local disadvantage and poverty.

25. Despite reductions in the unemployment figures in more recent times, over the period December 2014 to March 2015, the number of persons under the age of 25 years on the Live Register of unemployed persons in the Dublin region actually increased while the State average dropped by -1,85 %.

26. The redundancies at PWAI are already having an adverse impact on the economy and labour markets of parts of the Dublin and Eastern region, with particularly negative impacts on those local areas where a large part of the PWAI workforce resides. With unemployment rates recently trending upwards in those regions and fewer opportunities within the MRO and wider manufacturing sector, former PWAI workers, particularly older male workers, face increased competition for jobs and an increased risk of entering into long-term unemployment.

Explanation of the exceptional circumstances underlying the admissibility of the application

27. Ireland argues that this application should be assimilated to an application under Article 4(1)(a) of the EGF Regulation due to exceptional circumstances having a serious impact on employment and the local, regional or national economy. This argument is based on the pre-existing difficult situation of the area, combined with the cumulative effect of three major closures in the MRO sector within a short period, and no employers remaining in this sector in the whole of Ireland.

28. PWAI commenced its commercial life in 1989 as ‘Airmotive Ireland Holdings Ireland’ a subsidiary of parent Lufthansa Technik and located only 200 meters from

[9] http://airo.maynoothuniversity.ie/external-content/census-2011-national-mapping-viewer.

the parent plant, before later being acquired by UTC and becoming PWAI. Thereafter the development of PWAI echoed that of Lufthansa Technik with strong growth in the 1990s and early 2000s and then reduction in turnover and activity and eventual closure in 2014/15 for the same types of reasons (global competition from Asia and elsewhere, delocalisation to emerging markets affording greater expansion opportunities,etc). PWAI operated in the same sector as Lufthansa Technik and, if these redundancies had occurred some months earlier, they could have been included with those of Lufthansa Technik as part of a sectoral EGF application.

29. Ireland, starting at a low employment base, had since the 1990s been slowly carving out a niche for itself in the MRO sector, attracting substantial foreign direct investment and creating much well-paid employment in the sector.

30. In February 2009, SR Technics at Dublin Airport announced its closure with the loss of 1 135 MRO jobs (EGF/2009/021 IE/SR Technics).

31. In October 2013, PWA International Ltd announced its closure with the loss of 107 MRO jobs (EGF/2015/006 IE PWA International).

32. In November 2013, Lufthansa Technik announced its closure and 415 redundancies (EGF/2014/016 IE/Lufthansa Technik).

33. A total of 1 657 jobs have therefore been lost within less than five years within one subsector (aircraft maintenance, repair and overhaul) in one delimited area (Dublin). This significant loss of employment in a small open economy like Ireland is exceptionally severe in terms of jobs and revenue.

34. The skills profile of the affected workers under the SR Technics EGF programme was very similar to that of the PWAI workers. The SR Technics EGF programme led to positive outcomes, with some 53,45 % of beneficiaries back in employment in September 2012, almost 12 months after programme end.

35. The re-employment potential in Ireland for workers with an aviation MRO skillsets background is much reduced. Opportunities to seek such employment in Northern Ireland, too, have been severely curtailed, with the announcements in 2014 and 2015 of a total of 800 job losses at Bombardier, an aviation manufacturing company based in Belfast, located 165 km from Dublin.

Targeted beneficiaries and proposed actions

Targeted beneficiaries

36. The estimated number of redundant workers expected to participate in the measures is 108. The breakdown of these workers by sex, citizenship and age group is as follows:

Category		Number of targeted beneficiaries	
Sex:	Men:	98	(90,74 %)
	Women:	10	(9,26 %)
Citizenship:	EU citizens:	108	(100 %)
	non-EU citizens:	0	(0 %)

Age group:	15-24 years:	2	(1,85 %)
	25-29 years:	3	(2,78 %)
	30-54 years:	85	(78,70 %)
	55-64 years:	17	(15,74 %)
	over 64 years:	1	(0,93 %)

37. Additionally, Ireland will provide personalised services co-financed by the EGF to up to 108 young people not in employment, education or training (NEETs) under the age of 25 on the date of submission of the application, given that 61 of the redundancies occurred in the NUTS level 2 region of Southern and Eastern (IE02), which is eligible under the Youth Employment Initiative.

38. The total estimated number of targeted beneficiaries expected to participate in the measures, including NEETs, is therefore 216.

Eligibility of the proposed actions

39. The personalised services to be provided to redundant workers and NEETs consist of the following actions:

   – Guidance and career planning and development

     Early and comprehensive occupational guidance and career planning is very important to workers made redundant who can initially feel disoriented and unsure of a route back into the labour market.

     Supports will include individualised profiling, needs identification, learning assessment, CV preparation, career guidance and planning, job search assistance and other related supports and advice.

     The Department of Social Protection, the Education and Training Boards, the SOLAS EGF Coordination Unit and other specialists, where appropriate, will assist the redundant workers, including the delivery of formal QQI-accredited career planning courses[10] which serve as stepping stones to more formal employment-oriented training and education courses.

     PWAI itself implemented an outplacement programme prior to the redundancy of individual workers, which offered them the opportunity to receive individual career and financial counselling.

   – EGF Training Grants

     The EGF Training Grants mechanism provides flexibility for the EGF beneficiary to identify and select tailored and approved training courses, further and higher education, in addition to those provided through the public system. Such programmes can be funded with the EGF training grant and are either industry-accredited or accredited by Quality and Qualifications Ireland.

   – Training and Further Education Programmes

     These measures are provided mainly by state agencies such as Education and Training Boards[11] but also by approved private providers.

[10] QQI - www.qqi.ie
[11] http://www.etbi.ie/etbs/directory-of-etbs/

Specific internship, work placements, work experience, traineeship and community-oriented training programmes may also be provided in consultation with the Department of Social Protection (DSP) and other State bodies which have national responsibility for such interventions.

– Higher Education Programmes

Higher Education programmes will comprise full and part-time programmes for the targeted population, delivered through State-funded institutions mainly in the Dublin region and hinterland.

The Institutes of Technology of Tallaght, Blanchardstown, Carlow, Dublin and Dublin City University are key higher education institutions serving the general catchment area in which the affected workers reside.

Short-term conversion courses targeted at recognized skills shortages and funded under initiatives such as Springboard and Momentum[12] may also be provided in appropriate cases.

The EGF Training Grant is available to targeted clients to access privately-provided third level programmes where they are not available through the publicly-funded system or are highly specialised. Education and training programme content is validated by QQI.

PWAI has put an "Employee Scholar Programme" in place, which sponsors exiting employees who commence or continue with third level education of at least ordinary degree level for a period of 12 months after their exit date. This complementary activity is not mandatory and is not being charged to the EGF.

– Time Limited Allowances

To facilitate participation in guidance, training and education courses, an EGF Course Expenses Contribution (CEC) scheme will be provided to defray some of the ancillary costs involved. The CEC is administered by the EGF Co-ordination Unit and contributes towards some of the costs associated with mobility, subsistence, course materials, equipment, childcare, etc. subject to certain financial limits.

Other time limited supports may include education, training, employment and activation allowances.

40. 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.

41. Ireland 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

42. The estimated total costs are EUR 737 156, comprising expenditure for personalised services of EUR 707 670 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 29 486.

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12 www.springboardcourses.ie; www.momentumskills.ie.

43. The total financial contribution requested from the EGF is EUR 442 293 (60 % of total costs).

Actions	Estimated number of participants	Estimated cost per participant *(EUR)*	Estimated total costs *(EUR)*
Personalised services (Actions under Article 7(1)(a) and (c) of the EGF Regulation)			
Guidance and career planning	190	450	85 500
EGF Training Grants	122	1 800	219 600
Training and Further Education Programmes	44	2 500	110 000
Higher Education Programmes	15	5 800	87 000
Enterprise and self-employment supports	6	5 000	30 000
Sub-total (a): Percentage of the package of personalised services	–		532 100 (75,19 %)
Allowances and incentives (Actions under Article 7(1)(b) of the EGF Regulation)			
Time-limited allowances	181	970	175 570
Sub-total (b): Percentage of the package of personalised services:	–		175 570 (24,81 %)
Actions under Article 7(4) of the EGF Regulation			
1. Preparatory activities	–		
2. Management	–		8 000
3. Information and publicity	–		1 486
4. Control and reporting	–		20 000
Sub-total (c): Percentage of the total costs :	–		29 486 (4,00 %)
Total costs (a + b + c):	–		737 156
EGF contribution (60 % of total costs)	–		442 293

44. The costs of the actions identified in the above table 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. Ireland confirmed that these actions are conditional

on the active participation of the targeted beneficiaries in job-search or training activities.

Period of eligibility of expenditure

45. Ireland started providing the personalised services to the targeted beneficiaries on 22 May 2014. The expenditure on these actions will therefore be eligible for a financial contribution from the EGF from 22 May 2014 to 19 June 2017, with the exception of third level education, which will be eligible for a financial contribution until 19 December 2017.

46. Ireland started incurring the administrative expenditure to implement the EGF on 10 October 2013. The expenditure for preparatory, management, information and publicity, control and reporting activities will therefore be eligible for a financial contribution from the EGF from 10 October 2013 to 19 December 2017.

Complementarity with actions funded by national or Union funds

47. The source of national pre-financing is the Irish Exchequer, which will also co-fund the programme. Expenditure will be drawn from the National Training Fund and voted expenditure subheads of the Department of Education and Skills and other relevant Government Departments.

48. Ireland 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

49. Ireland has indicated that the co-ordinated package of personalised services has been drawn up in consultation with the targeted beneficiaries and their representatives as well as the trade unions.

50. Following receipt of the notification from the Department of Jobs, Enterprise and Innovation of impending collective redundancies in October 2013, the EGF Managing Authority (EGF MA), in conjunction with the Industrial Development Authority, contacted the company management and the trade unions SIPTU[13], TEEU and Unite the Union to identify and discuss the potential labour market re-integration needs of the workers being made redundant.

51. In April 2014 a survey of worker training preferences conducted by PWAI and showing broad interest in technical and aviation-related training was provided to the EGF MA Bilateral contact continued between the EGF Managing Authority and the company and trade unions during the remainder of 2014.

52. Further contacts by the EGF MA culminated in a meeting on 25 February 2015, a month prior to the exit date of the largest single cohort of PWAI workers at which the EGF MA, SOLAS EGF Coordination Unit, PWAI workers and trade unions were represented and the potential of the EGF to assist the redundant workforce was discussed. All workers were subsequently surveyed in March 2015 by the EGF Coordinating Unit regarding their potential labour market re-integration needs. The results of this consultation helped inform the proposed EGF measures included in the application.

[13] Services Industrial Public and Technical Union; Technical Engineering and Electrical Union.

53. A consultative forum or other interactive process will be established to complement the ongoing work of the EGF Coordination Unit and in order to afford the redundant workers and relevant stakeholders the opportunity to provide input, on an ongoing basis, to the effective implementation of the EGF programme.

Management and control systems

54. Ireland has notified the Commission that the financial contribution will be managed by the designated staff of the Department of Education and Skills, who have been appointed as the EGF Managing Authority (MA). The main role of the EGF MA is to verify that the programme of personalised services and supports, co-financed through the EGF, has been properly delivered and to ensure that the services rendered are fully supported by verifiably accurate documentation.

55. The Intermediate Body performs additional checks to ensure that the declaration of final expenditure by the Public Beneficiary Bodies in respect of claims is accurate and supported by a clear audit trail before formal declaration is made of the total amount of eligible expenditure.

56. Public Beneficiary Bodies are responsible for the claiming of EGF funding from the EGF MA and in most cases for its disbursement. They are also responsible for verification that the purpose, scope and scale of funding is appropriate within the terms of the EGF programme. In addition, they ensure that monitoring and adequate recording and internal control procedures in relation to all EGF-related expenditure and claims are established by service providers and duly documented.

57. The EGF Certifying Authority is responsible for the certification of expenditure related to EGF co-financed measures. In doing so, the authority satisfies itself on compliance with all requirements relating to the accuracy, legality, eligibility and regularity of the expenditure.

58. An externally-sourced independent audit company will be contracted by the MA to provide an audit opinion on whether expenditure for which EU co-financing has been provided is legal and regular; the accounts detailing the programme expenditure give a true and fair view and control systems put in place function properly.

Commitments provided by the Member State concerned

59. Ireland 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 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

60. 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 2014-2020[14].

61. 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 442 293, representing 60 % of the total costs of the proposed actions, in order to provide a financial contribution for the application.

62. 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[15].

Related acts

63. 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 442 293.

64. 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.

[14] OJ L 347, 20.12.2013, p. 884.
[15] OJ C 373, 20.12.2013, p. 1.

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund (application from Ireland – EGF/2015/006 IE/PWA International)

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 1927/2006[16], 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 management[17], 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 1311/2013[18].

(3) On 19 June 2015, Ireland submitted an application EGF/2015/006 IE/PWA International for a financial contribution from the EGF, following redundancies in PWA International Ltd. and one supplier in Ireland. 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 in accordance with Article 13 of that Regulation.

(4) In accordance with Article 6(2) of Regulation (EU) No 1309/2013, Ireland has decided to provide personalised services co-financed by the EGF also to 108 young persons not in employment, education or training (NEETs).

(5) In accordance with Article 4(2) of Regulation (EU) No 1309/2013, the application from Ireland is considered admissible since the redundancies have a serious impact on employment and the local, regional or national economy.

16 OJ L 347, 20.12.2013, p. 855.

17 OJ C 373, 20.12.2013, p. 1.

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

(6) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 442 293 in respect of the application submitted by Ireland.

(7) 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 European Union for the financial year 2015, the European Globalisation Adjustment Fund shall be mobilised to provide the sum of EUR 442 293 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	*For the Council*
The President	*The President*

[*] Date to be inserted by the Parliament before the publication in OJ.