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COM(2017) 782 final

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund following an application from Sweden – EGF/2017/007 SE/Ericsson

EXPLANATORY MEMORANDUM

CONTEXT OF THE PROPOSAL

1. The rules applicable to financial contributions from the European Globalisation Adjustment Fund (EGF) are laid down in Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006¹ (the ‘EGF Regulation’).
2. On 9 August 2017, Sweden submitted an application EGF/2017/007 SE/Ericsson for a financial contribution from the EGF, following redundancies² in Ericsson (Telefonaktiebolaget LM Ericsson) in Sweden.
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/2017/007 SE/Ericsson |
| Member State | Sweden |
| Region(s) concerned (NUTS ³ level 2) | Stockholm (SE11) Östra Mellansverige (SE12) Sydsverige (SE22) Västsverige (SE23) |
| Date of submission of the application | 9 August 2017 |
| Date of acknowledgement of receipt of the application | 9 August 2017 |
| Date of request for additional information | 23 August 2017 |
| Deadline for provision of the additional information | 04 October 2017 |
| Deadline for the completion of the assessment | 27 December 2017 |
| Intervention criterion | Article 4(1)(a) of the EGF Regulation |
| Primary enterprise | Telefonaktiebolaget LM Ericsson ⁴ |
| Number of enterprises concerned | 1 |
| Sector(s) of economic activity | NACE Revision 2 Division 26 |

¹ OJ L 347, 20.12.2013, p. 855.

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

³ Commission Regulation (EU) No 1046/2012 of 8 November 2012 implementing Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS) as regards the transmission of the time series for the new regional breakdown (OJ L 310, 9.11.2012, p. 34).

⁴ Telefonaktiebolaget L. M. Ericsson is the Parent company and the global headquarter of Ericsson, stationed in Stockholm. Ericsson AB is a subsidiary to Telefonaktiebolaget L. M. Ericsson. 2 349 employees were laid off from the subsidiary Ericsson AB, and 39 employees were laid off from the parent company Telefonaktiebolaget L. M. Ericsson.

| | |
|-----------------------------------------------------------------------------------|------------------------------------------------------------|
| (NACE Revision 2 Division) ⁵ | (Manufacture of computer, electronic and optical products) |
| Number of subsidiaries, suppliers and downstream producers | 0 |
| Reference period (four months): | 17 January 2017 – 17 May 2017 |
| Number of redundancies during the reference period (<i>a</i>) | 1 990 |
| Number of redundancies before or after the reference period (<i>b</i>) | 398 |
| Total number of redundancies (<i>a + b</i>) | 2 388 |
| Total number of eligible beneficiaries | 2 388 |
| Total number of targeted beneficiaries | 900 |
| Number of targeted young persons not in employment, education or training (NEETs) | 0 |
| Budget for personalised services (EUR) | 3 408 644 |
| Budget for implementing EGF ⁶ (EUR) | 142 023 |
| Total budget (EUR) | 3 550 667 |
| EGF contribution (60 %) (EUR) | 2 130 400 |

ASSESSMENT OF THE APPLICATION

Procedure

4. Sweden submitted application EGF/2017/007 SE/Ericsson within 12 weeks of the date on which the intervention criteria set out in Article 4 of the EGF Regulation were met, on 9 August 2017. The Commission acknowledged receipt of the application on the same day, and requested additional information from Sweden by 23 August 2017. 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 27 December 2017.

Eligibility of the application

Enterprises and beneficiaries concerned

5. The application relates to 2 388 workers made redundant in Ericsson (the parent company Telefonaktiebolaget LM Ericsson and the subsidiary, Ericsson AB) out of whom 900 workers will be targeted. This enterprise operates primarily in the economic sector classified under the NACE Revision 2 Division 26 (Manufacture of computer, electronic and optical products). The redundancies made by Ericsson are mainly located in the NUTS level 2 regions of Stockholm (SE11), Västsverige (SE23), and Östra Mellansverige (SE12), but workers were also dismissed in the area of Sydsverige (SE22).

⁵ OJ L 393, 30.12.2006, p. 1.

⁶ In accordance with the fourth paragraph of Article 7 of Regulation (EU) No 1309/2013.

| Enterprises and number of dismissals within the reference period | |
|-------------------------------------------------------------------------|-------|
| Telefonaktiebolaget LM Ericsson (incl. Ericsson AB) | 1 990 |

Intervention criteria

6. Sweden submitted the application under the intervention 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.
7. The reference period of four months for the application runs from 17 January 2017 to 17 May 2017.
8. The redundancies during the reference period are as follows:
 - 1 990 workers made redundant in Ericsson.

Calculation of redundancies and of cessation of activity

9. The redundancies during the reference period have been calculated as follows:
 - 1 990 from the date of the employer's individual notice to lay off or to terminate the contract of employment of the worker.

Eligible beneficiaries

10. In addition to the workers already referred to, the eligible beneficiaries include 398 workers made redundant before or after the reference period of four months. These workers were given the collective redundancy notification on 31 October 2016, but their individual notices were outside the 4-month reference period of this claim.
11. The total number of eligible beneficiaries is therefore 2 388.

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 cessations of activity and major structural changes in world trade patterns due to globalisation, Sweden argues that redundancies occurred in the hardware-centric business line of the telecom industry due to the negative growth in this sector for the company in Sweden, because of global competition.
13. This is already Sweden's second EGF application in relation to Ericsson. The enterprise has recently moved much of its hardware-centric production to Asia because of the favourable cost-quality relations of production in India and China, and because of the size of the growing markets near the production facilities for the hardware products.
14. As part of the ongoing severances at Ericsson, Sweden's first application on behalf of a previous group of dismissed workers (at the start of the ongoing globalisation-induced offshoring) was submitted on 31 March 2016 and approved by the Parliament and Council on 11 October 2016.
15. A study conducted by EY in Europe in 2013⁷ showed that IT and telecom production industries were especially prone to being outsourced and offshored to Asia. This trend is set to continue as global competition to cut costs increases, and many companies in the sector undergo additional outsourcing.

⁷ [http://www.ey.com/Publication/vwLUAssets/Outsourcing_in_Europe_2013/\\$FILE/EY-outsourcing-survey.pdf](http://www.ey.com/Publication/vwLUAssets/Outsourcing_in_Europe_2013/$FILE/EY-outsourcing-survey.pdf)

16. According to data by Ericsson, the company has been gradually cutting staff in Sweden (from 21 178 in 2005⁸, to 14 483 in June 2017⁹). Despite Swedish dismissals, the number of Ericsson workers employed globally grew between 2005 and 2014 from 56 055 to 118 055 employees¹⁰, but has since declined to 109 127 employees in June 2017¹¹. This reflects the hardships and competition the company is facing globally, not just in Sweden.
17. To date, the NACE Revision 2 Division 26 sector (manufacture of computer, electronic and optical products) has been the subject of 17 EGF applications, 14 of which based on trade related globalisation (including the present application) and 3 on the global financial and economic crisis¹².

Events giving rise to the redundancies and cessation of activity

18. The events giving rise to these redundancies and cessations of activity are part of the restructuring and offshoring activities of the telecoms company which started in 2014. During this time, telecom hardware production lines were closed at various sites and 3 entire Ericsson factories were shut down (Kumla, Borås and Katrinenholm).
19. Ericsson faces an uncertain future due to the structural changes that the industry has undergone because of globalisation and globalisation-induced increased competition from competitors, especially in Asia, who can undercut European prices.
20. Ericsson sees its competitive advantage rather in software development, and is trying to shift its focus in line with globalisation-induced demand issues. The enterprise is thus not only moving its production abroad but also shifting its focus from hardware-centric production to service and software related sales. The share of this sector has grown to 67 % of production in 2016, from 50 % ten years ago¹³.
21. The Radio Access Network (RAN) infrastructure market was previously a major area of deployment for Ericsson, however its market share in this sector is declining due to globalisation and competition. Huawei (a Chinese telecoms company) has already overtaken Ericsson in this area¹⁴.
22. To stay atop of global trends, a major new field where Ericsson aims to expand in the future is cloud technology. In order to overcome the company's problems arising from global competition, much of Ericsson's planned R&D in this area will not be spent on Swedish workers or Swedish sites, but for example in China, where both the employee talent pool and overall demand are much bigger – for example globally 40,8 % of people employed in cloud technology are in China¹⁵.

⁸ <https://www.ericsson.com/assets/local/investors/documents/financial-reports-and-filings/annual-reports/ericsson-annual-report-2014-en.pdf>

⁹ <https://www.ericsson.com/assets/local/investors/documents/financial-reports-and-filings/interim-reports-archive/2017/6month17-en.pdf>

¹⁰ <https://www.ericsson.com/assets/local/investors/documents/financial-reports-and-filings/annual-reports/ericsson-annual-report-2014-en.pdf>

¹¹ <https://www.ericsson.com/assets/local/investors/documents/financial-reports-and-filings/interim-reports-archive/2017/6month17-en.pdf>

¹² <http://ec.europa.eu/social/main.jsp?catId=582&langId=en>

¹³ <https://www.ericsson.com/assets/local/investors/documents/2016/ericsson-annual-report-2016-en.pdf>

¹⁴ <http://www.delloro.com/news/massive-4g-lte-deployments-worldwide-not-enough-to-turn-around-ran-market-2>

¹⁵ <http://www.forbes.com/sites/louiscolumbus/2014/12/12/where-cloud-computing-jobs-will-be-in-2015/>

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

23. The expected impact of the redundancies on the local and regional economy and employment vary; however, the issues facing the regions are similar. Overall a major problem is that there are a lot of older discharged workers with specialised skills in an industry which is no longer extant.
24. While there is a huge demand for people with skills in IT across the different regions, there is a skills mismatch from those dismissed by Ericsson and labour market requirements. Nationally the labour market is in a fairly good shape in Sweden. The challenge is that many people with the same skills are being made redundant at the same time, in the same geographical areas.
25. Blue-collar workers are in a more difficult situation as there are very few traditional manufacturing jobs left in Sweden. They will require major retraining to be able to work in the service sectors in the private and public realm, the main sectors with a demand for employees. This is why the EGF funds for the 900 workers will be used to concentrate mainly on helping blue-collar workers, who will find reemployment opportunities much harder. The loss of blue-collar jobs in Ericsson production sites most affects the Kumla and Borås sites¹⁶.
26. People made redundant by Ericsson who have a higher education should have a better chance of finding employment, especially in fields such as public procurement and education, and also in completely new competence areas such as IT, which require major retraining. There is a demand for workers in these fields and retraining courses should help white-collar workers find jobs in these sectors. Specifically, Karlskrona, but also Stockholm, Göteborg and Linköping¹⁷ were mentioned as Ericsson sites where white-collar redundancies would affect the regional economy and employment the most.
27. For the quarterly country review, the latest statistics from the second quarter of 2017 show that the long-term unemployment rate in the 25-74 group in Sweden overall is 25,5%. For the age group 25-49 this drops to 20,5%, however, for the 55-64 age bracket, long-term unemployment above 12 months is at a staggering 39% of total unemployment¹⁸. It is clear that although the employment situation is currently relatively stable in Sweden, finding employment is hard for workers in the 55-64 age-bracket.
28. This group constitutes more than 30% of the 900 targeted dismissed workers. The project specifically aims to focus on this group under the "Measures for Disadvantaged Groups" heading. Many of the workers in this group have been working for Ericsson for a long-time with skills that are not needed outside the company and offshored telecoms hardware industry. These workers are facing a very difficult job market with outdated skillsets, often little experience out in the job market, and the very real threat of becoming long-term unemployed. It is not possible to receive a study-allowance from the state above the age of 47 in Sweden, for example, which means that retraining opportunities are just one way in which this targeted group is specifically in need of solidarity from the EGF, in order to be able to retrain and find work in a new sector and profession.

¹⁶ NUTS 2 regions SE12 and SE23, respectively.

¹⁷ NUTS 2 regions SE22, SE11, SE23, SE12 respectively.

¹⁸ <http://ec.europa.eu/eurostat/data/database> Eurostat code: lfsq_upgal, data last updated on 03/10/2017.

Targeted beneficiaries and proposed actions

Targeted beneficiaries

29. The estimated number of redundant workers expected to participate in the measures is 900. The breakdown of these workers by sex, citizenship and age group is as follows:

| | Category | Number of targeted beneficiaries (percentages rounded) | |
|---------------------------|------------------|--------------------------------------------------------|------------|
| Sex: | Men: | 600 | (66,67 %) |
| | Women: | 300 | (33,33 %) |
| Citizenship: | EU citizens: | 900 | (100,00 %) |
| | non-EU citizens: | 0 | (0 %) |
| Age group ¹⁹ : | 15-24 years: | 1 | (0,11 %) |
| | 25-29 years: | 5 | (0,56 %) |
| | 30-54 years: | 617 | (68,56 %) |
| | 55-64 years: | 272 | (30,22 %) |
| | over 64 years: | 5 | (0,56 %) |

Eligibility of the proposed actions

30. The personalised services to be provided to redundant workers consist of the following actions:

Counselling and career planning:

- **In-depth assessment and individual planning:** This measure includes a general registration process, a standardised survey of prior experience and training, an assessment of the applicant's employability, and the creation of an individual "action plan", several in-depth individual meetings and assessments. Several job officers will be involved to provide a service tailored to the individual needs of the applicants.
- **Job-search related help:** This measure combines standard Swedish Public Employment Service (PES), or Arbetsförmedlingen, services in the job-search field, including CV seminars and interview training, with new individually tailored measures. These new measures and additional help that will be provided with EGF financing include cooperation and meetings with representatives from outplacement companies, direct contact with companies that are hiring, individual and group support in helping applicants match their individual skills to jobs available on the market, and presentations on how the different labour markets in the regions are affected. The applicants will also receive help in how to specifically market their existing skills in new fields of work.

¹⁹ Because the percentages have been rounded up automatically in the SFC system, they may not always add up to 100% exactly. In this case the sum of the percentages of the divisions by age add up to 100,01%.

- Motivational coaching and career planning: This measure will provide the applicants with motivational and inspirational help and support, through career meetings and conference events with external speakers selected specifically for the EGF beneficiaries. These events will encourage workers towards new skills, education, and training. The conferences will provide information about the labour market, what skills are important in which fields, opportunities for training, as well as networking with other stakeholders – both at individual level and in groups. Especially older laid-off workers above the age of 50 are expected to benefit from this measure.

Measures for disadvantaged groups

- This measure will specifically concentrate efforts on helping disadvantaged laid-off employees, those above the age of 50 who are in danger of becoming long-term unemployed, and those with learning or physical disabilities who might need extra support. The measure includes specialist help (incl. psychologist and physical therapist) to help people into new professions. Since it is not possible to receive a study-allowance above the age of 47 in Sweden, the re-education of this group, who are especially vulnerable and in need of solidarity, will be financed through the EGF.

Entrepreneurship support

- This measure will promote entrepreneurship amongst the applicants by giving them the opportunity to apply for start-up grants through the PES programme (this includes detailed business consultancy and feasibility services before the 6-month grant is approved).

Education and training

- This measure includes job-training opportunities combining formal education and experience at companies (not normally offered by PES), as well as using the services of outplacement organisations. On top of this, the measure will help applicants access academic and tailor-made courses, as well as specialised education for up to 12 months, or up to two semesters at third level education institutions. Education or training courses the duration of which is two years or more may be approved for up to 6 months longer, until 9 February 2020, if this is found to be necessary during the in-depth assessment. Focus will be placed on gender mainstreaming and motivating applicants to undertake new careers in non-gender-traditional roles.
- Overall emphasis will be on short (re)training courses, supplementary education and certification. Due to the background of the workers and labour market demands these retraining courses will mostly be in the IT sector. The areas of competence targeted through these measures may however be broadened as the project evolves, focus will nevertheless be on the individual and the individual needs of the clients.

Job search and mobility allowances

- These measures will help the applicants live their day-to-day lives, and pay for travel costs to get to interviews (above SEK 600²⁰), training, etc. while looking for a job. The allowance will be conditional on the applicants providing proof

²⁰ SEK 600 is approximately EUR 60.

of their job-searching activities, as well as dependent in sum on the specific programmes that the applicants will be taking part in.

31. 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.
32. The project will contribute to sustainable economic development in Sweden. Arbetsförmedlingen (PES) is obliged to include environmental demands in its calls for tender and in its own practice, and thus the training programmes are in line with the Swedish Environmental Code or the 16 Swedish Environmental Quality Objectives.
33. Sweden 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

34. The estimated total costs are EUR 3 550 667, comprising of expenditure for personalised services of EUR 3 408 644 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 142 023.
35. The total financial contribution requested from the EGF is EUR 2 130 400 (60 % of total costs).

| Actions | Estimated number of participants | Estimated cost (rounded) per participant (EUR) ²¹ | Estimated total costs (EUR) ²² |
|-------------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------------------|-------------------------------------------|
| Personalised services (Actions under Article 7(1)(a) and (c) of the EGF Regulation) | | | |
| Counselling and Career Planning | 900 | 438 | 393 841 |
| Measures for Disadvantaged Groups (Sheltered and supported employment) | 130 | 1 005 | 130 700 |
| Entrepreneurship Support | 85 | 1 538 | 130 700 |
| Education and Training (Providing education or training to get a new job) | 155 | 10 119 | 1 568 394 |
| Sub-total (a): | | | 2 223 635 |
| Percentage of the package of personalised services | | — | (65,24 %) |
| Allowances and incentives (Actions under Article 7(1)(b) of the EGF Regulation) | | | |

²¹ 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 Sweden.

²² Totals do not tally due to rounding.

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|--------|------------------------|
| Job Search Allowances: - Labour Market Training Programme - Activity Support (for Traineeships, Start-ups, etc.) - Participation Allowance and Activity Support for Rehabilitation Programme | 95 | 10 823 | 1 028 170 |
| Mobility Allowance | 70 | 2 241 | 156 839 |
| Sub-total (b): Percentage of the package of personalised services: | | – | 1 185 009 (34,76 %) |
| Actions under Article 7(4) of the EGF Regulation | | | |
| 1. Preparatory activities | | – | - |
| 2. Management | | – | 95 846 |
| 3. Information and publicity | | – | 17 427 |
| 4. Control and reporting | | – | 28 750 |
| Sub-total (c): Percentage of the total costs : | | – | 142 023 (4 %) |
| Total costs (a + b + c): | | – | 3 550 667 |
| EGF contribution (60 % of total costs) | | – | 2 130 400 |

36. The costs of the actions identified in the table above as actions under Article 7(1)(b) of the EGF Regulation do not exceed 35 % of the total costs for the coordinated package of personalised services. Sweden confirmed that these actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities.

37. Sweden confirmed that the costs of investments for self-employment, business start-ups and employee take-overs will not exceed EUR 15 000 per beneficiary.

Period of eligibility of expenditure

38. Sweden started providing the personalised services to the targeted beneficiaries on 7 February 2017. The expenditure on the actions will therefore be eligible for a financial contribution from the EGF from 7 February 2017 to 9 August 2019 with the exception of third level education or training courses the duration of which is two years or more, which will be eligible until 9 February 2020.

39. Sweden started incurring the administrative expenditure to implement the EGF on 7 February 2017. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 7 February 2017 to 9 February 2020.

Complementarity with actions funded by national or Union funds

40. The source of national pre-financing or co-funding is the Arbetsförmedlingen budget.

41. Sweden 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

42. Sweden 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 local public actors. PES has been working closely with Ericsson since the start of the structural readjustment processes, and this is already a new wave of redundancies for which Sweden is asking for EGF support. As in the first case, PES has also been meeting and consulting with representatives of the company, local authorities, various unions as well as outplacement agencies during this new period of dismissals.

Management and control systems

43. The application contains a description of the management and control system which specifies the responsibilities of the bodies involved. Sweden has notified the Commission that the financial contribution will be managed by Arbetsförmedlingen, as in the previous Ericsson case. This organisation is formally appointed as the managing and paying authority. The project accounts will be examined by the Internal Audit Unit, which is a separate body attached to the board of Arbetsförmedlingen. It is the job of this body to examine the internal control and verification process at Arbetsförmedlingen and suggest improvements, as well as providing advice and support for the Board and the Director General. Project auditing will take place on a regular basis.

Commitments provided by the Member State concerned

44. Sweden 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,
 - Ericsson, which has continued its activities after the lay-offs, has complied with its legal obligations governing the redundancies and provided for its workers accordingly,
 - the proposed actions will not receive financial support from other Union funds or financial instruments and any double financing will be prevented,
 - the proposed actions will be complementary with actions funded by the Structural Funds,
 - the financial contribution from the EGF will comply with the procedural and material Union rules on State aid.

BUDGETARY IMPLICATION

Budgetary proposal

45. 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 2014-2020²³.

46. 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 2 130 400, representing 60 % of the total costs of the proposed actions, in order to provide a financial contribution for the application.
47. 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 management²⁴.

Related acts

48. At the same time as it presents this proposal for a decision to mobilise the EGF, the Commission will present to the European Parliament and to the Council a proposal for a transfer to the relevant budgetary line for the amount of EUR 2 130 400.
49. 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.

²³ OJ L 347, 20.12.2013, p. 884.

²⁴ OJ C 373, 20.12.2013, p. 1.

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund following an application from Sweden – EGF/2017/007 SE/Ericsson

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 1927/2006²⁵, 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 management²⁶, 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 1311/2013²⁷.
- (3) On 9 August 2017, Sweden submitted an application to mobilise the EGF, in respect of redundancies in Ericsson (Telefonaktiebolaget LM Ericsson) in Sweden. It was supplemented by additional information provided in accordance with Article 8(3) of Regulation (EU) No 1309/2013. That application complies with the requirements for determining a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) No 1309/2013.
- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 2 130 400 in respect of the application submitted by Sweden.
- (5) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

²⁵ OJ L 347, 20.12.2013, p. 855.

²⁶ OJ C 373, 20.12.2013, p. 1.

²⁷ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the Union for the financial year 2018, the European Globalisation Adjustment Fund shall be mobilised to provide the amount of EUR 2 130 400 in commitment and payment appropriations.

Article 2

This Decision shall enter into force on the day of its publication in the Official Journal of the European Union. It shall apply from *[the date of its adoption]**.

Done at Brussels,

*For the European Parliament
The President*

*For the Council
The President*

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