



EUROPEAN COMMISSION

PRESS RELEASE

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Employment: European Globalisation Fund pays €24.2 million to help redundant workers in Austria, Denmark, Finland, Italy, Romania, Spain and Sweden

The European Commission has just made payments to Austria, Denmark, Finland, Italy, Romania, Spain and Sweden from the European Globalisation adjustment Fund (EGF). The total amount of €24.2 million will help 5,271 workers in those countries back into employment, following their dismissals in a wide variety of sectors including automotive, motorcycles, mobile phones, metal products, electronic equipment and social work activities.

European Commissioner for Employment, Social Affairs and Inclusion László Andor said "The EGF is an effective tool in supporting workers laid off as a result of changing world trade patterns. It has also proven its worth in cases of lay-offs resulting from the economic crisis. The Commission welcomes the fact that the Member States have agreed to continue the EGF for the next programming period 2014-2020".

The break-down of the total €24.2 million is as follows:

€8.2 million will help 2,416 former workers of **Nokia** (1,000 in **Finland** and 1,416 in **Romania**) who lost their job as a result of the transfer of mobile phone assembly lines to Asian countries. For more details about the proposed measures to help the dismissed workers, see also [IP/12/1122](#) and [IP/12/1123](#).

€5.4 million will help 1,350 former workers of **Saab** in **Sweden**. The redundancies are a consequence of the geographical shift of production to Asia, due to the growing demand for passenger cars in Asian markets. For more details about the proposed measures to help the dismissed workers, see also [IP/12/1124](#).

€5.2 million will help 350 workers made redundant in **Steiermark** in **Austria**. The dismissals in Steiermark's mobile social services sector (provision of mobile social services for the disabled and mobile youth assistance) is a consequence of social budget cuts resulting from the current economic and financial crisis. For more details about the proposed measures to help the dismissed workers, see also [IP/12/1119](#).

€2.6 million will help 502 workers dismissed by ten manufacturers of **motorcycles, spare parts or components for the motorcycle and moped industry** in **Italy**, which is Europe's main centre of production in this sector. The redundancies are the result of the drop in demand for such vehicles throughout Europe. For more details about the proposed measures to help the dismissed workers, see also [IP/12/1120](#).

€1.3 million will help 616 former workers of **Flextronics Denmark**, a producer of printed circuit boards. The redundancies are a direct consequence of the major structural changes in world trade patterns, whereby electronic equipment facilities are moving to Asia. In this case, the Singapore Flextronics headquarters decided to close the Danish subsidiary. For more details about the proposed measures to help the dismissed workers, see also [IP/12/1121](#).

€1.2 million will help 500 dismissed workers from **Spanish manufacturers of fabricated metal products**. The metal products sector is a major supplier of a wide range of manufacturing industries, notably in the shipbuilding, construction and automotive sectors. All these activities were significantly impacted across the EU by the economic crisis, as demonstrated in previous applications for EGF support. For more details about the proposed measures to help the dismissed workers, see also [IP/12/1125](#).

These payments are the result of proposals made by the Commission to the European Parliament and the Council of Ministers, following applications for EGF funding by the countries concerned. Council and Parliament have approved these proposals, leading to the release of the funds.

Background

There have been 105 applications to the EGF since the start of its operations in 2007. Some €454 million has been requested to help about 94,500 workers. EGF applications are being presented to help redundant workers in a growing number of sectors, and by an increasing number of Member States.

More open trade with the rest of the world leads to overall benefits for growth and employment, but it can also cost jobs, particularly in vulnerable sectors and affecting lower-skilled workers. This is why Commission President Barroso proposed setting up a fund to help those adjusting to the consequences of globalisation. The EGF was established at the end of 2006 and was designed to demonstrate solidarity from the many who benefit from open markets to the few who face the sudden shock of losing their jobs. In June 2009, the EGF rules were revised to strengthen the role of the EGF as an early intervention instrument forming part of Europe's response to the financial and economic crisis. The revised EGF Regulation entered into force on 2 July 2009 and applied to all applications received from 1 May 2009 to 31 December 2011. In the absence of an agreement in the Council, the EGF's crisis response function could not be prolonged beyond 2011.

Building on the experience acquired with the EGF since 2007 and its value added for the assisted workers and affected regions, the Commission has proposed to maintain the Fund also during the 2014-2020 multiannual financial framework, while further improving its functioning. This includes covering lay-offs resulting from the economic crisis as well as new categories of workers such as temporary and self-employed workers. The proposal has been approved by the Council and is now being discussed at the Parliament.

For more information

László Andor's website:

http://ec.europa.eu/commission_2010-2014/andor/index_en.htm

[EGF website](#)

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