



**EUROPEAN COMMISSION**

**PRESS RELEASE**

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## **Employment: Commission proposes €1.1 million from Globalisation Fund to help former workers of the ICT sector in Italy**

The European Commission has today proposed to provide Italy with €1.1 million from the European Globalisation Adjustment Fund (EGF) to help 480 workers made redundant by Jabil CM S.r.l and Anovo Italia S.p.A. - two manufacturers of electronic products for the ICT sector - with their re-integration into employment. The proposal now goes to the European Parliament and the EU's Council of Ministers for their approval.

EU Commissioner for Employment, Social Affairs and Inclusion László Andor said: *"Our proposal to provide the 1.1 million euros would help the former Anovo and Jabil workers find new jobs through training and support. By giving them new skills, the European Globalisation Fund would open up new opportunities for those workers."*

Italy applied for support from the EGF for 529 former workers of Jabil CM S.r.l and Anovo Italia S.p.A., two Italian manufacturers of electronic products for the ICT sector. Among the redundant workers, 480 are expected to participate in the EGF co-financed measures. The package is designed to help the workers by offering them tutoring and career counselling, skills assessment, matching of skills and jobs, entrepreneurship promotion, and mentoring after reintegration in a new job. The total estimated cost of the package is approximately €1.7 million, of which the EGF would provide €1.1 million.

### **Background**

The consequences of the global economic and financial crisis hit the information and communications technology (ICT) market in the EU particularly hard. Decreasing ICT demand and investment by both consumers and enterprises contributed significantly to the slow-down in the Italian ICT and electronic components sector from 2009 onwards, leading to the downsizing of ICT personnel in Italian enterprises.

The strong decline of the ICT sector in Italy has led Anovo Italia S.p.A. and Jabil CM S.r.l. to close their operations and dismiss their workers despite recent conversion and re-organisation efforts.

The territory concerned by these redundancies is the region of Lombardy and in particular the provinces of Milano and Varese where Jabil CM and Anovo Italia respectively were based.

As the manufacturing sectors are in decline, the Lombardy region needs to tackle major structural challenges, and, as elsewhere, the global financial and economic crisis aggravated the economic and labour market situation. Lombardy's industrial production contracted in 2009 by 9,4%, and the effects on the labour market were felt as a direct consequence: the unemployment rate in Lombardy has been increasing since 2008: it was 3,7 % in 2008, 5,4 % in 2009, 5,6 % in 2010, 5,8 % in 2011 and 7,5 % in 2012.

There have been 108 applications to the EGF since the start of its operations in 2007. Some €467 million has been requested to help about 98,000 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 some jobs, particularly in vulnerable sectors and affecting lower-skilled workers. This is why Commission President Barroso first 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 with 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 30 December 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.

On 20 June 2013, the EU's Council of Employment and Social Policy Ministers agreed a general approach to continue the EGF in the 2014-20 period and to reinstate the 'crisis clause', under which the EGF can also be used to help workers who lost their jobs as a consequence of the global financial and economic crisis. This will now allow to start discussions with the European Parliament in view of a possible first reading agreement on the legal proposal.

## **Further information**

László Andor's website: [http://ec.europa.eu/commission\\_2010-2014/andor/](http://ec.europa.eu/commission_2010-2014/andor/)

[EGF website](#)

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