

EUROPEAN COMMISSION

> Brussels, 28.10.2021 COM(2021) 936 final

2021/0338 (BUD)

Proposal for a

## DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund for Displaced Workers following an application from Italy – EGF/2021/002 IT/Air Italy

## EXPLANATORY MEMORANDUM

## CONTEXT OF THE PROPOSAL

- 1. The rules applicable to financial contributions from the European Globalisation Adjustment Fund for Displaced Workers (EGF) are laid down in Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013<sup>1</sup> (hereinafter called EGF Regulation).
- 2. On 15 July 2021, Italy submitted an application EGF/2021/002 IT/Air Italy for a financial contribution from the EGF, following displacements in Air Italy SpA in Italy.
- 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.

EGF application	EGF/2021/002 IT/Air Italy
Member State	Italy
Region(s) concerned (NUTS <sup>2</sup> level 2)	Sardegna (ITG2)
Date of submission of the application	15 July 2021
Date of acknowledgement of receipt of the application	29 July 2021
Date of request for additional information	29 July 2021
Deadline for provision of the additional information	19 August 2021
Deadline for the completion of the assessment	29 October 2021
Intervention criterion	Article 4(2)(a) of the EGF Regulation
Primary enterprise	Air Italy SpA
Number of enterprises concerned	1
Sector of economic activity (NACE Revision 2 division) <sup>3</sup>	Division 51 (Air transport)
Reference period (four months):	1 September 2020 - 1 January 2021
Number of displacements during the reference period ( <i>a</i> )	466 <sup>4</sup>

## SUMMARY OF THE APPLICATION

<sup>&</sup>lt;sup>1</sup> OJ L 153, 3.5.2021, p. 48.

<sup>&</sup>lt;sup>2</sup> Commission Delegated Regulation 2019/1755 of 8 August 2019 amending the Annexes to 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). OJ L 270, 24.10.2019, p. 1–56

<sup>&</sup>lt;sup>3</sup> OJ L 393, 30.12.2006, p. 1.

<sup>&</sup>lt;sup>4</sup> The number of displacements during the reference period, and before or after it, refers only to the Air Italy displaced workers based in Sardinia.

Number of displacements before or after the reference period $(b)$	145
Total number of displacements $(a + b)$	611
Total number of eligible beneficiaries	611
Total number of targeted beneficiaries	611
Budget for personalised services (EUR)	4 376 000
Budget for implementing EGF <sup>5</sup> (EUR)	182 400
Total budget (EUR)	4 558 400
EGF contribution (85 %) (EUR)	3 874 640

## ASSESSMENT OF THE APPLICATION

#### Procedure

4. Italy submitted application EGF/2021/002 IT/Air Italy within 12 weeks of the date on which the intervention criteria set out in Article 4 of the EGF Regulation were met, on 15 July 2021<sup>6</sup>. The Commission acknowledged receipt of the application and requested additional information from Italy on 29 July 2021. Such additional information was provided within 15 working days of the request. The deadline of 50 working days 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 29 October 2021.

## Eligibility of the application

#### Enterprises and beneficiaries concerned

5. The application relates to 466 displaced workers whose activity has ceased in Air Italy SpA. This enterprise operated in the economic sector classified under the NACE Revision 2 division 51 (Air transport). The redundancies made by Air Italy are located in the NUTS 2 region of Sardegna (ITG2).

#### Intervention criteria

- 6. Italy submitted the application under the intervention criteria of Article 4(2)(a) of the EGF Regulation, which requires the cessation of activity of at least 200 displaced workers 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 1 September 2020 to 1 January 2021.
- 8. There were 466 displaced workers in Air Italy during the reference period.

## Calculation of displacements and of cessation of activity

9. The cessation of activities of all displaced workers during the reference period have been calculated from the date on which the employer, in accordance with Article 3(1) of Council Directive 98/59/EC<sup>7</sup>, notified the competent public authority in writing of the projected collective redundancies. Italy confirmed prior to the date of the

<sup>&</sup>lt;sup>5</sup> In accordance with the fifth paragraph of Article 7 of Regulation (EU) 2021/691.

<sup>&</sup>lt;sup>6</sup> The time limit of 12 weeks was suspended between 1 January 2021 and 3 May 2021, in accordance with Article 8(2) of Regulation (EU) 2021/691.

<sup>&</sup>lt;sup>7</sup> Council Directive 98/59/EC of 20 July 1998 on the approximation of the laws of the Member States relating to collective redundancies (OJ L 225, 12.8.1998, p. 16).

completion of the assessment by the Commission that these 466 redundancies have actually been effected.

Eligible beneficiaries

- 10. In addition to the workers already referred to, the eligible beneficiaries include 145 displaced workers whose activity ceased before or after the reference period of four months. In line with Article 6 (b) of the EGF Regulation, all these workers ceased their activity within the six months before the start of the reference period on 1 September 2020 and/or between the end of the reference period and the day before of the adoption of this proposal. A clear causal link can be established with the event that triggered the cessations of activity of the displaced workers during the reference period.
- 11. The total number of eligible beneficiaries is therefore 611.

## Description of the events that led to the displacements and cessation of activity

- 12. In 1963, Alisarda, a privately owned airline, was set up with the aim of boosting tourism development in Costa Smeralda (northeast Sardinia) served only by sea at the time. In 1991, Alisarda changed its name to Meridiana as part of a strategic repositioning on the international market. In the 1990s, Meridiana's operating turnover increased annually by around 10%, on average. In 2004, Meridiana carried 3.5 million passengers and competed directly with Alitalia and AirOne on the Milan Linate-Rome Fiumicino route, the route with the highest traffic in Italy. In 2006, Meridiana took over Eurofly, initiating an integration process that was completed in 2010. The airline was rebranded Meridiana Fly.
- 13. In 2013, Meridiana Fly acquired Air Italy, an air carrier founded for charter and scheduled short, medium and long haul air transport in 2005.
- 14. In 2018, the two companies merged to create the new Air Italy owned by AQA Holding<sup>8</sup>. AQA Holding presented an ambitious plan to cover a wide range of destinations in Italy, and to boost intercontinental flights from the airline's international hub at Milan Malpensa airport<sup>9</sup>.
- 15. Since its inception, Air Italy faced various issues, such as the disputes with Alitalia over routes between mainland Italy and Sardinia<sup>10</sup> or the strong reaction of American Airlines, Delta and United that viewed Air Italy as a way for Qatar Airways to expand in the United States. In an open letter to President Trump<sup>11</sup>, the three carriers asked to stop Air Italy's increase of nonstop flights between the U.S. and Europe<sup>12</sup>. The request made it difficult for any potential partnerships when Air Italy was seeking its first interline and codeshare deals across the Atlantic<sup>13</sup>.
- 16. Moreover, the fleet grew less quickly than expected (in January 2020, the fleet consisted of 11 aircraft, four Airbus A330s and seven Boeing 737s); and the purchased three new Boeing 737 Max had to be grounded due to security flaws

<sup>&</sup>lt;sup>8</sup> AQA Holding shareholders are Alisarda with 51% of the shares and Qatar Airways with 49%. Alisarda is an industrial group, which also holds the majority of the shares in Olbia airport.

<sup>&</sup>lt;sup>9</sup> <u>https://www.ilsole24ore.com/art/air-italy-quel-piano-ambizioso-qatar-airways-mai-decollato-ACS5ggIB</u>

<sup>&</sup>lt;sup>10</sup> www.quifinanza.it/soldi/air-italy

<sup>&</sup>lt;sup>11</sup> <u>https://www.politico.com/f/?id=0000016a-26c5-d80c-a7ea-7fc56fae0000</u>

<sup>&</sup>lt;sup>12</sup> https://www.inc.com/bill-murphy-jr/american-delta-united-airlines-just-begged-president-trump-to-do-1-very-big-thing-for-them-was-asking-for-this-brilliant-or-insane.html

<sup>&</sup>lt;sup>13</sup> <u>https://www.flightglobal.com/strategy/why-did-air-italy-fail/136685.article</u>

found in the tragic accidents in Indonesia and Ethiopia<sup>14</sup>. Some routes were cancelled shortly after starting<sup>15</sup> and others were announced and never launched<sup>16</sup>.

- 17. In 2018, the first year of operations of Air Italy, losses amounted to almost 160 million (57% of turnover). In 2019, despite the increase in turnover (about EUR 330 million), the losses reached EUR 230 million, i.e. 70% of turnover<sup>17</sup>.
- 18. Air Italy needed EUR 200 million to continue operations. Qatar Airways seemed to be willing to invest additionally, but a further purchase of shares would have turned Qatar Airways into the major shareholder and Air Italy would have lost its license of airline of the European Union<sup>18</sup>.
- 19. On 11 February 2020, Air Italy announced that its shareholders had approved a voluntary liquidation and the cancellation of all operations as from 25 February 2020.
- 20. Two days after the stop of all operations, Air Italy initiated a collective redundancy procedure concerning its whole workforce (1 453 employees). However, the procedure was put on hold until September 2020, because of the entry into force of the decree law<sup>19</sup> preventing the displacement of workers during the early months of the pandemic.

# Application of the EU Quality Framework for anticipation of change and restructuring (QFR)

21. In its application, Italy has described how the recommendations set out in the EU Quality Framework for anticipation of change and restructuring were taken into account. The authorities involved in the case of Air Italy (Ministries of Labour and Social Policy, Transport, and Economic Development along with the Regions concerned) tried to identify any possible measures to avoid the collective redundancies such as identifying a buyer for the company put into liquidation on 11 February 2020.

Faced with the impossibility of avoiding Air Italy collective redundancies, ASPAL, the regional public employment services, and Regione Sardegna took direct actions to achieve the objectives recommended in the QFR regarding training, certification and re-employment. ASPAL identified the most appropriate measures to ensure the workers' re-employability, providing them with transferable skills such as IT, languages or entrepreneurial skills. The social partners were fully involved in planning the measures. Local enterprises expressed interest in participating in job-matching exercises involving former Air Italy employees. During the meetings held in the context of the collective redundancy procedure, the trade unions asked Air Italy to consider requesting the special wage integration scheme<sup>20</sup> to mitigate the social impact of its decision to stop activities, while supporting the redeployment of displaced workers through the intensive relocation assistance services<sup>21</sup> linked to the

<sup>&</sup>lt;sup>14</sup> www.quifinanza.it/soldi/air-italy

<sup>&</sup>lt;sup>15</sup> The routes Milan-Bangkok and Milan-Delhi stopped at the end of March 2019.

<sup>&</sup>lt;sup>16</sup> The route Milan-Chicago, announced in December 2018 with an estimated start date of March 2019 was never launched.

<sup>&</sup>lt;sup>17</sup> <u>https://www.ilsole24ore.com/art/air-italy-quel-piano-ambizioso-qatar-airways-mai-decollato-</u> ACS5ggIB

<sup>&</sup>lt;sup>18</sup> www.quifinanza.it/soldi/air-italy

<sup>&</sup>lt;sup>19</sup> Decreto Legge 17 marzo 2020, n.18. art. 46

<sup>&</sup>lt;sup>20</sup> The special wage integration referred to in Article 94 of Decree-Law n. 18/2020,

<sup>&</sup>lt;sup>21</sup> Assegno di ricollocazione-CIGS.

wage integration scheme. All displaced workers were granted the wage integration scheme and the associated relocation assistance services.

22. Regarding the activities undertaken to assist the displaced workers, Italy has reported that the 'general information and vocational guidance' measure has already been implemented. Forty workers chose the path of self-employment. As a contribution to the measures implemented by Regione Sardegna, Air Italy provided support (including medical examinations) for the licenses renewal up to 30 June 2021. Several trainings, such as Basic Life Support and Defibrillation or Pilots Recurring Training, took place in May 2021.

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

- 23. The pandemic crisis has led to a significant deterioration of the Sardinian labour market, which due to its insularity away from the mainland, constitutes a small labour market.
- 24. The number of people in employment, which had been increasing over 2018-19, fell sharply in 2020. According to the Italian National Institute of Statistics (ISTAT) labour force survey, the decline (-4,6%) was 2,6 percentage points (pp) higher than the average of Italy as a whole  $(-2,0\%)^{22}$ .
- 25. In 2020, the difference between job creation and job destruction was negative (-6 000 jobs). This represents a loss of 2,6 full jobs per every 100 employees. The decline was mainly driven by tourism, entertainment and leisure services, and maritime freight (mainly transhipment), while the construction sector recorded positive developments. The activity rate decreased by 3,1 pp. compared with 2019, to  $60,3\%^{23}$ .
- 26. In the first half of 2020, hours worked in Sardinia decreased by almost 20% compared to the same period in 2019. The reduction in the number of hours worked did not result in unemployment thanks to the extensive use of short-time work schemes and the decree law referred to in paragraph 20.
- 27. The Sardinian economy is not only suffering from the negative impact of the displacements in Air Italy but also from the displacements in Porto Canale, subject of another EGF application<sup>24</sup>. In the general employment context and when the situation of air transport is still fragile, the workers displaced from Air Italy will need additional support to overcome the issues of the Sardinian small labour market and find new jobs.

#### Targeted beneficiaries and proposed measures

#### Targeted beneficiaries

28. The estimated number of displaced workers expected to participate in the measures is 611. The breakdown of these workers by gender, age group and educational level is as follows:

Category	Number of
	expected
	beneficiaries

<sup>&</sup>lt;sup>22</sup> Banca d'Italia. <u>L'economia della Sardegna. Rapporto annuale, giugno 2021</u>.

<sup>&</sup>lt;sup>23</sup> Ibid.

<sup>&</sup>lt;sup>24</sup> EGF/2021/004 IT / Porto Canale. COM(2021) 935

Gender:	Men:	317	(51,89 %)
	Women:	294	(48,11 %)
	Non-binary	0	(0,0 %)
Age group:	Below 30 years:	0	(0,0 %)
	30-54 years:	423	(69,23 %)
	Over 54 years:	188	(30,77 %)
Educational level	Lower secondary education or less <sup>25</sup>	6	(1,0 %)
	Upper secondary <sup>26</sup> or post-secondary education <sup>27</sup>	570	(93,3 %)
	Tertiary education <sup>28</sup>	35	(5,7 %)

#### Proposed measures

- 29. The personalised services to be provided to displaced workers consist of the following measures:
  - <u>General information and vocational guidance</u>: After general information on available measures, vocational guidance (including profiling) is provided to all the workers. Profiling is designed to foster a process of personal awareness aimed at identifying areas of interest, skills, capabilities and competences, and areas for improvement. The outcome of this process will be the worker's personalised pathway for reintegration into employment.
  - <u>Job search assistance</u>, including the active search for local and regional employment opportunities, and job-matching.
  - <u>Training</u>. To avoid the downgrading of their professional profiles, pilots, flight attendants and aircraft maintenance technicians will follow the required training to retain their licences. The workers, who are short-listed for a job offer following job-matching, will receive training to address any skill shortages identified by the potential employer. Priority will be given to the most vulnerable groups of workers, particularly those aged over 55). Training will focus on the green economy, blue economy<sup>29</sup>, personal services, health and social services, promotion of cultural heritage and cultural activities. Training on digital skills (up to 90 hours) and on vocational qualifications included in the national or regional catalogues are also part of the training offer.
  - <u>Support for business creation</u>: Workers interested in becoming self-employed will receive group/individual tutoring sessions, which might cover planning, carrying out feasibility studies, preparing business plans, help with identifying

<sup>&</sup>lt;sup>25</sup> ISCED 0-2

<sup>&</sup>lt;sup>26</sup> ISCED 3

<sup>&</sup>lt;sup>27</sup> ISCED 4

<sup>&</sup>lt;sup>28</sup> ISCED 5-8

<sup>&</sup>lt;sup>29</sup> <u>https://ec.europa.eu/oceans-and-fisheries/ocean/blue-economy/sustainable-blue-economy\_en</u>

financing possibilities, etc. The tool for entrepreneurial skills 'WeRentrepreneur'<sup>30</sup> will be at their disposal.

- <u>Contribution to business start-up</u>: Beneficiaries who start a business or an activity as self-employed persons will receive a contribution up to EUR 22 000 per each, to help them with setting-up costs.
- Incentives and contribution to specific costs: (1) Hiring incentives. Enterprises recruiting former Air Italy workers will receive EUR 3 500 for full-time permanent contract and EUR 1 500 for fixed-term contracts (2) Reimbursement of mobility costs. To support the geographical mobility of the workers in the case of re-employment in an enterprise in a different region or at 200 km or more from the place of residence of the worker, a reimbursement of the moving expenses is foreseen<sup>31</sup>. (3) Contribution to the accommodation and traveling cost incurred when participating in licencing training<sup>32</sup>. (4) Job-search allowance. The workers will receive an allowance equivalent to one day of the Italian subsistence allowance 'CIGS'<sup>33</sup> for each day of participation.
- 30. The Measures were planned to be in line with the Italian National Strategy for Sustainable Development (SNSvS)<sup>34</sup>. The training on digital skills (middle level general IT training, IT security and web) caters for the dissemination the skills required in the digital industrial age and in a resource-efficient economy, in line with Article 7.2 of the EGF Regulation.
- 31. The proposed coordinated package of personalised services constitutes of active labour market measures within the eligible measures set out in Article 7 of the EGF Regulation. The proposed services do not substitute passive social protection measures.
- 32. Italy has provided the required information on measures 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 measures.

## Estimated budget

- 33. The estimated total costs are EUR 4 558 400, comprising expenditure for personalised services of EUR 4 376 000 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 182 400.
- 34. The total financial contribution requested from the EGF is EUR 3 874 640 (85 % of total costs).
- 35. The national pre-financing and co-funding is provided by Regione Sardegna.

<sup>&</sup>lt;sup>30</sup> <u>www.werentrepreneur.com</u>

<sup>&</sup>lt;sup>31</sup> EUR 1 500 on average.

<sup>&</sup>lt;sup>32</sup> EUR 350 on average.

<sup>&</sup>lt;sup>33</sup> CIGS is a scheme under Italian law, consisting of a financial benefit paid by Istituto Nazionale della Previdenza Sociale-INPS (National Institute of the Social Security) in favour of workers suspended from undertaking the work performance or working reduced hours.

<sup>&</sup>lt;sup>34</sup> <u>Strategia Nazionale per lo Sviluppo sostenibile (SNSvS)</u>

		1	1
Measures	Estimated number of participants	Estimated cost per participant (EUR) <sup>35</sup>	Estimated total costs (EUR) <sup>36</sup>
Personalised services (measures under Article 7(2)(	a) of the EGF Re	gulation)	
General information and vocational guidance (Presa in carico e orientamento)	611	327	200 000
Job search assistance (Assistenza alla ricerca e servizi di accompagnamento al lavoro)	569	439	250 000
Training (Formazione e riqualificazione professionale. Voucher formativo specialistico)	611	2455	1 500 000
Support for business creation (Assistenza all'autoimprenditorialità)	42	500	21 000
Contribution to business start-up (Bonus per la creazione di un'impresa)	42	20 952	880 000
Sub-total (a): Percentage of the package of personalised services	_		2 851 000 (65,15 %)
Allowances and incentives (measures under Article	7(2)(b) of the EC	GF Regulation)	
Hiring benefits (Incentivo all'assunzione)	400	2 500	1 000 000
Reimbursement of mobility costs (Bonus per la mobilità territoriale)	100	1 500	150 000
Accomodation and travelling when in training (Contributo per le spese di formazione: viaggi e pernottamenti)	221	339	75 000
Job-search allowances (Indennità CIGS)	611	491	300 000
			1 525 000
Sub-total (b): Percentage of the package of personalised services:	_		(34,85 %)
Measures under Article 7(5) of the EGF Regulation			·
1. Preparatory activities		_	65 000

<sup>35</sup> 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 Italy. 36

Totals do not tally due to rounding.

2. Management	_	60 000
3. Information and publicity	-	8 000
4. Control and reporting	-	49 400
Sub-total (c): Percentage of the total costs :	_	182 400 (4,00 %)
Total costs $(a + b + c)$ :	-	4 558 400
EGF contribution (85 % of total costs)	_	3 874 640

- 36. The costs of the measures identified in the table above as measures under Article 7(2)(b) of the EGF Regulation do not exceed 35 % of the total costs for the coordinated package of personalised services. Italy confirmed that these measures are conditional on the active participation of the targeted beneficiaries in job-search or training activities.
- 37. Italy confirmed that the costs of investments for self-employment, business start-ups and employee take-overs will not exceed EUR 22 000 per beneficiary.

## Period of eligibility of expenditure

- 38. Italy started providing the personalised services to the targeted beneficiaries on 4 November 2020. The expenditure on the measures will therefore be eligible for a financial contribution from the EGF from 4 November 2020 until 24 months after the date of the entry into force of the Financing Decision.
- 39. Italy started incurring the administrative expenditure to implement the EGF on 4 November 2020. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 4 November 2020 until 31 months after the date of the entry into force of the Financing Decision.

#### Complementarity with actions funded by national or Union funds

- 40. Italy 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.
- 41. The coordinated package of personalised services complements measures funded by other national or EU funds such as the relocation assistance service linked to the wage integration scheme, or the support for the licenses renewal provided by Air Italy.

# Consultation of targeted beneficiaries or their representatives or the social partners as well as local and regional authorities

42. On 6 November 2020, the Regione Sardegna and ASPAL met by videoconference with Air Italy and the relevant trade unions<sup>37</sup> to discuss the planned package of measures to promote the redeployment of Air Italy displaced workers.

<sup>&</sup>lt;sup>37</sup> Federazione Italiana Lavoratori Trasporti- Confederazione Generale Italiana del Lavoro (FILT-CGIL), Federazione Italiana Trasporti-Confederazione Italiana Sindacati Lavoratori (FIT-CISL), Unione Italiana del Lavoro (UIL) – trasporti; and Unione Generale del Lavoro (UGL) - transporto aereo.

#### Management and control systems

43. The application contains a description of the management and control system, which specifies the responsibilities of the bodies involved. Italy has notified the Commission that the financial contribution will be managed by Agenzia Nazionale per le Politiche Attive del Lavoro (ANPAL)<sup>38</sup> as follows: ANPAL—Divisione IV will act as managing authority and ANPAL—Divisione VI as certification authority. The Ministero del Lavoro e delle Politiche Sociali-MLPS—Segretariato Generale will act as audit authority. ASPAL will be the intermediate body for the managing authority.

### Commitments provided by the Member State concerned

- 44. Italy has provided all necessary assurances regarding the following:
  - the principles of equality of treatment and non-discrimination will be respected in access to the proposed measures and their implementation,
  - the requirements laid down in national and EU legislation concerning collective redundancies have been complied with,
  - any double financing will be prevented,
  - 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 186 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027<sup>39</sup>.
- 46. Having examined the application in respect of the conditions set out in Article 13(1) and (2) of the EGF Regulation, and having taken into account the number of targeted beneficiaries, the proposed measures and the estimated costs, the Commission proposes to mobilise the EGF for the amount of EUR 3 874 640, representing 85 % of the total costs of the proposed measures, 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 9 of the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources<sup>40</sup>.

<sup>&</sup>lt;sup>38</sup> Agenzia Nazionale per le Politiche Attive del Lavoro (ANPAL), the Italian national agency for employment active policies.

<sup>&</sup>lt;sup>39</sup> OJ L 433, 22.12.2020, p. I/11.

<sup>&</sup>lt;sup>40</sup> OJ L 433, 22.12.2020, p. I/29.

#### **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 the amount of EUR 3 874 640.
- 49. At the same time as it adopted this proposal for a decision to mobilise the EGF, the Commission adopted a decision on a financial contribution that constitutes a financing decision within the meaning of Article 110 of the Financial Regulation<sup>41</sup>. That financing decision will enter into force on the date on which the Commission is notified of the approval of the budgetary transfer by the European Parliament and the Council.

<sup>&</sup>lt;sup>41</sup> Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 OJ L 193, 30.7.2018, p. 1

2021/0338 (BUD)

## Proposal for a

## DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

## on the mobilisation of the European Globalisation Adjustment Fund for Displaced Workers following an application from Italy – EGF/2021/002 IT/Air Italy

#### 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) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013<sup>42</sup>, and in particular Article 15(1) thereof,

Having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources<sup>43</sup>, and in particular point 9 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund for Displaced Workers (EGF) aims to demonstrate solidarity and promote decent and sustainable employment in the Union by providing support for displaced workers and self-employed persons whose activity has ceased in the case of major restructuring events and assisting them in returning to decent and sustainable employment as soon as possible.
- (2) The EGF is not to exceed a maximum annual amount of EUR 186 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) 2020/2093<sup>44</sup>.
- (3) On 15 July 2021, Italy submitted an application to mobilise the EGF, in respect of workers' displacements in Air Italy SpA in Italy. It was supplemented by additional information provided in accordance with Article 8(5) of Regulation (EU) 2021/691. That application complies with the conditions for a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) 2021/691.
- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 3 874 640 in respect of the application submitted by Italy.
- (5) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

<sup>&</sup>lt;sup>42</sup> OJ L 153, 3.5.2021, p. 48.

<sup>&</sup>lt;sup>43</sup> OJ L 433, 22.12.2020, p. I/29

<sup>&</sup>lt;sup>44</sup> Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 433, 22.12.2020, p. I/11).

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the Union for the financial year 2021, the European Globalisation Adjustment Fund for Displaced Workers shall be mobilised to provide the amount of EUR 3 874 640 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.