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COM(2017) 266 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 Spain – EGF/2017/001 ES/Castilla y León mining

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 20 January 2017, Spain submitted an application EGF/2017/001 ES/Castilla y León mining for a financial contribution from the EGF, following redundancies² in the economic sector classified under the NACE Revision 2 Division 5 (Mining of coal and lignite) in the NUTS level 2 region of Castilla y León (ES41) in Spain.
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/2017/001 ES/Castilla y León mining
Member State	Spain
Region(s) concerned (NUTS ³ level 2)	Castilla y León (ES41)
Date of submission of the application	20 January 2017
Date of acknowledgement of receipt of the application	20 January 2017
Date of request for additional information	3 February 2017
Deadline for provision of the additional information	17 March 2017
Deadline for the completion of the assessment	9 June 2017
Intervention criterion	Article 4(2) of the EGF Regulation
Sector(s) of economic activity (NACE Revision 2 Division) ⁴	Division 5 (Mining of coal and lignite)
Number of enterprises concerned	5
Reference period nine months:	1 February 2016 - 1 November 2016
Total number of redundancies	339
Total number of eligible beneficiaries	339

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 OJ L 393, 30.12.2006, p. 1.

Total number of targeted beneficiaries	339
Number of targeted young persons not in employment, education or training (NEETs)	125
Budget for personalised services (EUR)	1 603 940
Budget for implementing EGF ⁵ (EUR)	66 500
Total budget (EUR)	1 670 440
EGF contribution (60 %) (EUR)	1 002 264

ASSESSMENT OF THE APPLICATION

Procedure

4. Spain submitted application EGF/2017/001 ES/Castilla y León mining within 12 weeks of the date on which the intervention criteria set out in Article 4 of the EGF Regulation were met, on 20 January 2017. The Commission acknowledged receipt of the application on the same date, and requested additional information from Spain on 3 February 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 9 June 2017.

Eligibility of the application

Enterprises and beneficiaries concerned

5. The application relates to 339 workers made redundant in the economic sector classified under the NACE Revision 2 Division 5 (Mining of coal and lignite)⁶. The redundancies are located in the NUTS level 2 region of Castilla y León (ES41).

Enterprises and number of dismissals within the reference period		
Hullera Vasco Leonesa S.A. (HVL)		227
Centro de Investigación y Desarrollo S.A. (CIDSA)		68
Hijos de Baldomero García S.A.		7
Minas del Bierzo Alto S.L.		8
Unión Minera del Norte S.A. (UMINSA)		29
Total no. of enterprises: 5	Total no. of dismissals:	339
Total no. of eligible workers:		339

Intervention criteria

6. Spain submitted the application under the intervention criteria of Article 4(2) derogating from the criteria of Article 4(1)(b) of the EGF Regulation, which requires at least 500 workers being made redundant over a reference period of nine months in enterprises operating in the same economic sector defined at NACE Revision 2 Division and located in one region or two contiguous regions defined at NUTS 2 level in a Member State.
7. The reference period of nine months for the application runs from 1 February 2016 to 1 November 2016.

⁵ In accordance with the fourth paragraph of Article 7 of Regulation (EU) No 1309/2013.

⁶ This is the first application regarding redundancies in the mining of coal and lignite sector.

Calculation of redundancies and of cessation of activity

8. All the redundancies during the reference period have been calculated from the date of the de facto termination of the contract of employment or its expiry.

Eligible beneficiaries

9. The total number of eligible beneficiaries is 339.

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

10. In order to establish the link between the redundancies and major structural changes in world trade patterns due to globalisation, Spain argues that the European coal industry is increasingly suffering from competition from cheaper coals from non-European countries.
11. Coal production at EU level fell sharply over the period 2005-2015. In 2005, European coal production was 198,8 million toe⁷ while in 2015 it was 145,3 million toe. This represents a decline in production by 26,9 %. Coal production fell constantly over the period 2005-2010 (-17,9 %), recovered in 2011 (+1,7 %) and it fell constantly again between 2012-2015 (-14,4 %). In the same period the production of coal worldwide increased by 26,3 %; from 3 033,6 million toe in 2005 to 3 830,1 million toe in 2015. This resulted in a decline of the EU market share in coal production worldwide which fell from 6,6 % in 2005 to 3,8 % in 2015.

Coal production worldwide (Million toe)

	2005	2006	2007	2008	2009	2010
EU	198,8	193,2	187,0	178,9	167,9	165,6
Worldwide	3 033,6	3 188,5	3 326,7	3 436,0	3 435,3	3 627,6

	2011	2012	2013	2014	2015
EU	168,4	167,7	157,3	150,3	145,3
Worldwide	3 891,4	3 930,4	3 986,5	3 988,9	3 830,1

Source: BP Statistical review⁸

12. The coal market in Europe is characterized by increasing imports along with the decline in production. In 2010, imports surpassed production and since then EU coal production has been lower than imports. Furthermore over the period 2010-2014, imports increased by 16,5 % (from 230,9 million tonnes in 2010 to 268,9 million tonnes in 2014).

⁷ Tonne(s) of oil equivalent, abbreviated as toe, is a normalized unit of energy. By convention it is equivalent to the approximate amount of energy that can be extracted from one tonne of crude oil. It is a standardized unit, assigned a net calorific value of 41 868 kilojoules/kg and may be used to compare the energy from different sources.

⁸ www.bp.com

**Coal imports in the EU and Spain, 2010-2014,
(millions of tonnes)**

	2010	2011	2012	2013	2014
EU	230,9	245,2	262,1	267,0	268,9
Spain	12,5	16,5	22,6	14,0	17,1

Source: Datacomex, Ministerio de Economía y Competitividad.

**Coal imports in the EU and Spain, 2010-2014,
change over previous year (%)**

	2011	2012	2013	2014
EU	6,20	6,89	1,86	0,72
Spain	32,71	37,55	-38,57	21,94

13. The volume of imports of coal from non-EU countries grew as the price of coal decreased. The decline in prices was mainly due to the weakness of the world economy coupled with lower demand following the slowdown in industrial production in Asia (mainly China) and the oversupply in China resulting from the coal rush during the first decade of the century⁹. The currency of the main coal exporters¹⁰ depreciated versus the US dollar pushing prices further down. Thus, the selling price of coal in Europe fell from EUR 120/tonne (mid-2011) to EUR 50/tonne (2015)¹¹. This fall in prices has turned unprofitable many of the EU coal mines and triggered its closure.
14. In Spain, both coal production and imports followed a trend similar to that of coal production and imports at EU level. However, both the downwards trend in production and the upwards trend in imports were sharper in Spain. During the period 2010-2015 Spanish coal production fell by 63,3 % (from 8,35 to 3,06 million tonnes). The decline in coal production in Castilla y León, the region concerned by the redundancies, was even sharper (86,27 %). In 2014 compared to 2010, coal imports into Spain increased by 36,76 % (i.e. 20 percentage points more than the increase in coal imports into the EU).

⁹ Investment in coal mining capacity during the five years plan 2006-2010 was 2,5 time higher than it has been throughout the entire history of PRC.

¹⁰ The top five coal exporters in the world are Indonesia, Australia, Russia, USA and Colombia.

¹¹ Coal Medium-term Market Report 2015, OECD/IEA. www.iea.org

Coal production (million tonnes)

	2010	2011	2012	2013	2014	2015
Spain	8,35	6,62	6,16	4,36	3,90	3,06
CyL	2,45	1,85	1,56	0,95	1,04	0,41

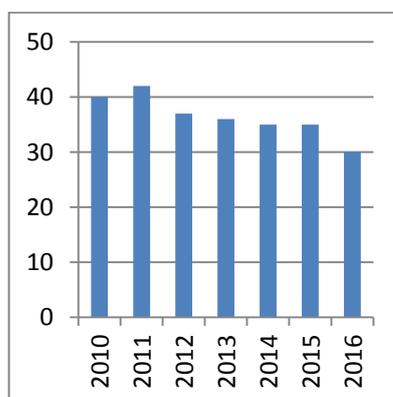
Source: IRMC - Instituto para la restructuración de la minería del carbón.

Coal production, change over previous year (%)

	2010	2011	2012	2013	2014	2015
Spain	-11,59	-20,73	-6,93	-29,16	10,58	-21,39
CyL	-22,66	-24,35	-15,56	-39,13	9,29	-60,41

15. The reorganization and reconversion of the coal mining sector in Spain, over the years before the economic and financial crisis aimed at favoring the permanence of those mining enterprises in better conditions of profitability. What could not be foreseen was the sharp fell of coal prices (almost 60%) triggered by the economic downturn which made domestic coal production unprofitable. The number of coal mining enterprises operating in Castilla y León decreased by 25%, as the fall in prices and coal production led to the closure of ten of these coal mining enterprises over the period 2010-2016.

Coal production enterprises in Castilla y León (2010-2016)



Events giving rise to the redundancies and cessation of activity

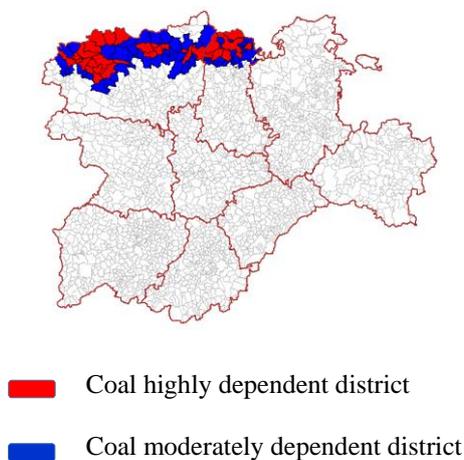
16. The event giving rise to these redundancies is the fall in the price of coal in the domestic market triggered by the low prices of coal in the international markets, which plummeted as a consequence of the economic slowdown, among other reasons. At current prices, domestic coal production is not profitable. This has led to a decrease in coal domestic production (already mentioned above) and the closure of several coal mining sites resulting in redundancies.

Explanation of the exceptional circumstances underlying the admissibility of the application

17. Spain argues that, despite the fact that fewer than 500 redundancies occurred within the nine-month reference period, this application should nevertheless be assimilated to an application under Article 4(1)(b) of the EGF Regulation, as the territory affected by the redundancies is mostly made up by remote mountain valleys which are sparsely populated and highly dependent of a single economic sector. Thus it can be consider as a small market.
18. The territory affected by the redundancies is the mining district of Castilla y León. The mining district is made up by mountainous valleys located in the northern of the provinces of León and Palencia, in the Cantabrian range¹² and refers to a series of 81 towns economically dependent of coal mining (31 of which are highly dependent).



Coal Mining Districts



19. The mining district has a population of 111,342 inhabitants spread over an area of about 8 696 km². The population density is therefore very low, only 12,8 inhabitants/km², far from the national average (92,1 inhabitants/km²) or the EU average (117,5 inhabitants/km²).
20. The mining district is made up of small towns, 44 % of which have 500 inhabitants or less. Only five towns, the largest in the district, have between 5 000 and 10 000 inhabitants. These towns, often spread out in isolated areas, have issues regarding

¹² The Cantabrian range stretches for over 300 km across northern Spain, from the western limit of the Pyrenees to the Galician Massif in Galicia, along the coast of the Cantabrian Sea. It makes a sharp divide between "green Spain" to the north, and the dry central plateau.

mobility and connectivity to high capacity roads, technological infrastructures, industrial land development, etc. mainly because of the difficulties associated with being a mountainous area.

21. There is a very difficult employment situation in the mining district. Unemployment figures may lead to the conclusion that the employment has improved since 2012, the worst year of the crisis. However, the reality is quite the opposite. In the district there is a growing shortage of jobs and if the number of unemployed persons decreased during the period 2010-2015, this was due to the emigration of the population to domestic or international territories offering better job prospects.
22. In December 2015, the number of unemployed persons was 1,03 % less than in December 2010 whilst the population of the territory declined by 8,5 % over the same period. The development of unemployment by age groups, during these years, shows a sharp decrease among the unemployed people in the age group 25-44 years (-11 %) and even sharper (-33 %) in the group of under 25 years. The same trend is observed in the development of the population by age group. The greatest fall in population occurs in the group under 25-years (-22 %), followed by the group 25-44 years (-17 %). There is no variation in population in the group of 45+ years (-0,08 %) whilst unemployment increased about 27 % in this age group¹³.

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

23. Although in the last two years unemployment in Spain has decreased the unemployment rate is still high (18,6%)¹⁴.
24. Furthermore, being the mining district a small geographically isolated territory, the 339 redundancies have a major impact on the district's economy which is currently struggling to cope with the redundancies from the mining ancillary industry. These redundancies are not part of the present application, since the mining ancillary industry operates in a NACE division other than Division 5 (Mining of coal and lignite). There is already a lack of job-offers in the mining district, triggered by the development of the mining sector (drop in production after increased imports) over the last years. These new redundancies can only further aggravate the employment situation in the area.
25. As mining companies have been closing down, the jobs scarcity has resulted in a decline in population in the mining district, already mentioned above, which has further aggravated the risk of depopulation of the territory. The layoffs concerned by this application have additional negative impact on the district as might jeopardize the efforts made to encourage the population to remain in the territory.

Targeted beneficiaries and proposed actions

Targeted beneficiaries

26. All the redundant workers are expected to participate in the measures. The breakdown of these workers by sex, citizenship and age group is as follows:

Category	Number of targeted beneficiaries
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¹³ Source: ADE elaboration with SEPE data (unemployment) and data from Consejería de Economía y Hacienda de la Junta de Castilla y León (population).

¹⁴ Q4 2016 data. <http://www.datosmacro.com/paro-epa/espana>

Category		Number of targeted beneficiaries	
Sex:	Men:	328	(96,8 %)
	Women:	11	(3,2 %)
Citizenship:	EU citizens:	339	(100,0 %)
	non-EU citizens:	0	(0,0 %)
Age group:	15-24 years:	0	(0,0 %)
	25-29 years:	6	(1,8 %)
	30-54 years:	326	(96,2 %)
	55-64 years:	7	(2,0 %)
	over 64 years:	0	(0,0 %)

27. In addition, Spain will provide personalised services co-financed by the EGF to up to 125 young people not in employment, education or training (NEETs) under the age of 30 on the date of submission of the application, given that all of the redundancies referred to in paragraph 5 occur in the NUTS level 2 region of Castilla y León (ES41), which is eligible under the Youth Employment Initiative.
28. The total estimated number of targeted beneficiaries expected to participate in the measures, including NEETs, is therefore 464.

Eligibility of the proposed actions

29. The personalised services to be provided to redundant workers and NEETs consist of the following actions:
- Welcome and information sessions: This is the first measure to be offered to all targeted beneficiaries and includes: general and individual information sessions on skills and training requirements; on available counselling and training programmes; and on allowances and incentives, as well as the profiling of the participant workers and the design of the customised reintegration pathway.
 - Occupational guidance and counselling will be provided throughout the implementation period.
 - Intensive job-search assistance. This will involve an intensive employment search, including search for local and regional employment opportunities and job-matching.
 - Training. This will include a variety of training courses, such as **(1) Training in cross-sector skills and competences**. The training offer will include workshops on job-search techniques, training in personal and social skills, in information and communication technologies (ICT), and in foreign languages. **(2) Vocational training**. The vocational training will focus either in upskilling those mining related skills which may be relevant to occupations across other economic sectors (such as upgrading for explosives workers, ordnance handling experts, and blasters); or in building sector-specific and job-specific skills for sectors where opportunities exist or are expected to arise, such as training for tourism and hospitality industry in rural areas, training related to the environmental restoration of the mining basins, reforestation and landscaping, nursing assistants in geriatrics, mycology (training on wild

mushrooms, how to recognise the edible varieties, sustainable mushrooms picking, etc.). **(3) Preparation for tests towards recognition of skills** acquired through work experience.

- Promotion of entrepreneurship. A wide array of supports will be made available to redundant workers who are considering starting their own businesses, such as (1) introductory modules focused on promoting business initiatives for self-employment and on generation of business ideas; (2) counselling on projects and initiatives aimed to develop, produce and guide viable business or self-employment projects; (3) training towards entrepreneurship covering different levels of the entrepreneurship process from the basic information or first contact to more elaborate issues like planning, carrying out feasibility studies, preparation of business plans, etc.; (4) accompaniment towards business creation: This support will consist of personalized tutoring during the whole process of starting the business.
- Support for business start-up. Workers who start their own businesses will receive up to EUR 15 000 to cover setting-up costs, investment in assets and current expenditure.
- Incentives. There will be a variety of incentives. **(1) Participation incentive**. To encourage their participation in the measures, the workers and NEETs will receive a lump sum of EUR 150 after three months of active participation and completion of at least one of the measures of their own personalised package of measures. **(2) Contribution to commuting expenses**. Those workers and NEETs participating in a measure taking place outside their town of residence will receive a contribution to commuting expenses equal to the cost of public transportation from their town to the town where the measure takes place. If due to a lack of suitable public transportation, the participants have to use their own vehicles to commute they will receive EUR 0,19 per kilometre. **(3) Contribution to the expenses for carers of dependent persons**. Workers and NEETs with caring responsibilities (children, elderly or disabled persons) will receive EUR 15 per day of participation in the measures. This aims to cover the additional costs faced by the participants with caring responsibilities in order to avail themselves of training or other measures. **(4) Training allowance**. The participants who attend 75 % or more of the training sessions scheduled in their personalized pathway towards employment, will receive after completing the training an allowance whose amount will vary according to the number of hours of training. The allowance will range from EUR 100 for short trainings (25-50 hours) to EUR 600 for training courses of 450 hours or more. **(5) Employment incentives**: A wage subsidy of EUR 150 per month for a maximum of six months will be paid to those workers who return to employment. **(6) Hiring benefits**. This payment benefits the redundant workers by facilitating their re-employment under fix-term or permanent contracts in a different company. For re-employment under permanent contracts the hiring enterprise will receive up to EUR 5 000 per worker while for re-employment under fixed-term contracts of at least 6 months, the hiring company will receive EUR 1 000 per worker.

30. 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.

31. Spain has provided the required information on actions that are mandatory for the enterprises 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

32. The estimated total costs are EUR 1 670 440, comprising expenditure for personalised services of EUR 1 603 940 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 66 500.
33. The total financial contribution requested from the EGF is EUR 1 002 264 (60 % of total costs).

Actions	Estimated number of participants	Estimated cost per participant (EUR) ¹⁵	Estimated total costs (EUR) ¹⁶
Personalised services (Actions under Article 7(1)(a) and (c) of the EGF Regulation)			
Welcome and information sessions (<i>Programa de información y acogida</i>)	464	328	152 240
Occupational guidance and counselling (<i>Acciones de orientación y asesoramiento</i>)	355	284	100 800
Intensive job-search assistance (<i>Acciones de intermediación y gestión</i>)	270	333	90 000
Training (<i>Acciones de formación y requalificación profesional</i>)	225	2 183	491 100
Promotion of entrepreneurship (<i>Programa de emprendimiento</i>)	62	1 315	81 500
Support for business start-up	30	12 500	375 000
Sub-total (a): Percentage of the package of personalised services		–	1 290 640 (80,47 %)
Allowances and incentives (Actions under Article 7(1)(b) of the EGF Regulation)			
Incentives (<i>Programa de incentivos</i>)	280	1 119	313 300
Sub-total (b): Percentage of the package of personalised services:		–	313 300 (19,53 %)
Actions under Article 7(4) of the EGF Regulation			
1. Preparatory activities		–	18 000
2. Management		–	28 500
3. Information and publicity		–	8 000
4. Control and reporting		–	12 000
Sub-total (c): Percentage of the total costs :		–	66 500 (3,98 %)
Total costs (a + b + c):		–	1 670 440

¹⁵ 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 Spain.

¹⁶ Totals do not tally due to roundings.

Actions	Estimated number of participants	Estimated cost per participant (EUR) ¹⁵	Estimated total costs (EUR) ¹⁶
EGF contribution (60 % of total costs)	–	–	1 002 264

34. 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. Spain confirmed that these actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities.
35. Spain 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

36. Spain started providing the personalised services to the targeted beneficiaries on 15 February 2017. The expenditure on the actions will therefore be eligible for a financial contribution from the EGF from 15 February 2017 to 15 February 2019. The expenditure on the actions targeting NEETs will be eligible for a financial contribution until 31 December 2017, as provided for under Article 6(2) of Regulation (EU) No 1309/2013.
37. Spain started incurring the administrative expenditure to implement the EGF on 1 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 1 February 2017 to 15 August 2019.

Complementarity with actions funded by national or Union funds

38. The source of national pre-financing or co-funding are funds of the autonomous region Castilla y Leon.
39. Spain 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

40. Spain has indicated that the co-ordinated package of personalised services has been drawn up in consultation with trade unions (UGT¹⁷ and CCOO¹⁸), CECAL¹⁹, the confederation of business associations of Castilla and Leon; ADE²⁰ (the regional agency for economic development, innovation, financing and business internationalization) and FAFECYL²¹ (a public foundation attached to the regional public employment service) . The application and its content was discussed with the social partners. To this purpose, six meetings took place from June to October 2016.

Management and control systems

41. Spain has notified the Commission that the financial contribution will be managed and controlled by the same bodies that manage and control the ESF. ADE will be the intermediate body for the managing authority.

Commitments provided by the Member State concerned

42. Spain has provided all necessary assurances regarding the following:

¹⁷ Unión Regional de Trabajadores de Castilla y León (UGT).

¹⁸ Unión sindical de Comisiones obreras de Castilla y León (CCOO).

¹⁹ Confederación de Organizaciones Empresariales de Castilla y León (CECALE).

²⁰ Agencia de Innovación y Financiación Empresarial de Castilla y León (ADE)

²¹ Fundación para el Anclaje Empresarial y para el Empleo de Castilla y León (FAFECYL)

- 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 dismissing enterprises, which have continued their activities after the lay-offs, have complied with their legal obligations governing the redundancies and provided for their 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

43. 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 2014-2020²².
44. 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 1 002 264, representing 60 % of the total costs of the proposed actions, in order to provide a financial contribution for the application.
45. 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 management²³.

Related acts

46. 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 1 002 264.
47. 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.

²² OJ L 347, 20.12.2013, p. 884.

²³ 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 Spain – EGF/2017/001 ES/Castilla y León mining

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 1927/2006²⁴, 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 management²⁵, 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 1311/2013²⁶.
- (3) On 20 January 2017, Spain submitted an application to mobilise the EGF, in respect of redundancies in the economic sector classified under the Statistical classification of economic activities in the European Community ('NACE') Revision 2 Division 5 (Mining of coal and lignite) in the Nomenclature of Territorial Units for Statistics ('NUTS')²⁷ level 2 region of Castilla y León (ES41) in Spain. 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.

²⁴ OJ L 347, 20.12.2013, p. 855.

²⁵ OJ C 373, 20.12.2013, p. 1.

²⁶ 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).

²⁷ 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) In accordance with Article 6(2) of Regulation (EU) No 1309/2013, Spain has decided to provide personalised services co-financed by the EGF also to 125 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 Spain is considered admissible since the redundancies have a serious impact on employment and the local economy.
- (6) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 1 002 264 in respect of the application submitted by Spain.
- (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 Union for the financial year 2017, the European Globalisation Adjustment Fund shall be mobilised to provide the amount of EUR 1 002 264 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.*