**P9_TA(2024)0333**

# Mobilisation of the European Globalisation Adjustment Fund: Application EGF/2023/003 DE/Vallourec - Germany

**European Parliament resolution of 24 April 2024 on the 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 Germany – EGF/2023/003 DE/Vallourec (COM(2024)0030 – C9-0041/2024 – 2024/0049(BUD))**

(C/2025/3759)

*The European Parliament,*

— having regard to the Commission proposal to the European Parliament and the Council (COM(2024)0030 – C9-0041/2024),

— 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 ([1]) ('EGF Regulation'),

— having regard to Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021-2027 ([2]) as amended by Council Regulation (EU, Euratom) 2024/765 of 29 February 2024 amending Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027 ([3]), and in particular Article 8 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 ([4]), and in particular point 9 thereof,

— having regard to the letter from the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgets (A9-0166/2024),

A. whereas the Union has set up legislative and budgetary instruments to provide additional support to workers who are suffering from the consequences of major structural changes in world trade patterns or of the global financial and economic crisis, and to assist their reintegration into the labour market; whereas this assistance is made through a financial support given to workers and the companies for which they worked;

B. whereas Germany submitted application EGF/2023/003 DE/Vallourec for a financial contribution from the European Globalisation Adjustment Fund (EGF), following 1 518 redundancies ([5]) in the economic sector classified under the NACE Revision 2 division 24 (Manufacture of basic metals) in the neighbouring cities of Düsseldorf and Mülheim an der Ruhr within a reference period for the application from 26 April 2023 to 26 August 2023;

C. whereas the application relates to 1 518 workers made redundant in the company Vallourec Deutschland GmbH (VAD);

D. whereas the application is based on the intervention criteria of Article 4(2), point (a), of the EGF Regulation, which requires at least 200 workers being made redundant over a reference period of four months in an enterprise in a Member State, including workers made redundant by suppliers and downstream producers and/or self-employed persons whose activity has ceased;

E. whereas the COVID-19 pandemic and the Russian war of aggression against Ukraine have reduced economic competitiveness and have a negative impact on economic growth in Germany;

([1]) OJ L 153, 3.5.2021, p. 48.
([2]) OJ L 433 I, 22.12.2020, p. 11.
([3]) OJ L, 2024/765, 29.2.2024, ELI: http://data.europa.eu/eli/reg/2024/765/oj.
([4]) OJ L 433 I, 22.12.2020, p. 28.
([5]) Within the meaning of Article 3 of the EGF Regulation.

F. whereas VAD, the German subsidiary of Vallourec S.A, France, manufactured seamless hot-rolled steel tubes at its two steel mills in Germany; whereas following years of financial losses, a number of restructuring and downsizing measures and a dedicated recovery plan were launched in 2018, involving concessions by the workers on employment conditions; whereas despite some success, the economic situation following the COVID-19 pandemic resulted in further difficulties for the German tube mills and since 2015, more than 1 400 jobs were already lost due to restructuring; whereas Vallourec S.A. decided in 2021 to sell its German tube mills and to offshore production to Brazil; whereas the sale failed, leading to the definitive closure of the sites and resulting in the displacement of the remaining workforce by 1 January 2025;

G. whereas VAD agreed to the setting up a transfer company for each batch of dismissals and the enterprise also offered an early retirement plan for employees born 1966 or before, as well as voluntary termination plans for people that might not need longer assistance in finding a new job;

H. whereas financial contributions from the EGF should be primarily directed at active labour market policy measures and personalised services that aim to reintegrate beneficiaries rapidly into decent and sustainable employment within or outside their initial sector of activity, while preparing them for a climate neutral and more digital European economy;

I. whereas the MFF revision reduces the maximum annual amount of the EGF from EUR 186 million to EUR 30 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) 2020/2093 as amended by Regulation (EU, Euratom) 2024/765; whereas the Commission should monitor EGF implementation and all Institutions should take any necessary measures to ensure that, all justified requests for EGF support, as a manifestation of EU solidarity, can be met;

1. Agrees with the Commission that the conditions set out in Article 4(2), point (a), of the EGF Regulation are met and that Germany is entitled to a financial contribution of EUR 2 984 627 under that Regulation, which represents 60 % of the total cost of EUR 4 974 379, comprising expenditure for personalised services of EUR 4 783 057 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 191 322;

2. Notes that the German authorities submitted the application on 15 November 2023, and that, following the provision of additional information by Germany, the Commission finalised its assessment on 29 February 2024 and notified it to Parliament on the same day;

3. Notes that the application relates to 1 518 workers made redundant in the company Vallourec Deutschland GmbH (VAD); notes further that 835 workers will be targeted beneficiaries in total;

4. Underlines that those redundancies are expected to have a significant adverse effect on the local economy which has been subject to major structural changes in the past decades with a marked reduction of jobs in production and especially in metal manufacturing; points out that the dismissals will cause the unemployment rate in the cities of Mülheim and Düsseldorf to rise, by 11,6 % and 5,6 % respectively;

5. Points out that the profiles of the displaced workers do not match the skills sought after on the job market; further underlines that most of the workers concerned are in an advanced stage of their professional careers, having worked for VAD for a long time, with levels of formal qualifications that make them uncompetitive in the current labour market, as 20,1 % of them are over 54 years of age; stresses that up-skilling and re-skilling the workers in line with labour market demands for qualified jobs will thus be a challenge, in particular considering the large number of people dismissed at the same time; stresses further that the up-skilling and re-skilling of workers made redundant needs to consider the medium- to long-term qualification needs of the industrial transformation to a climate neutral future;

6. Considers it as a social responsibility of the Union to provide these workers made redundant with the necessary qualifications for the ecological and just transformation of the Union industry in line with the European Green Deal, since they worked in a sector with high carbon intensity; stresses the importance of research and innovation to make Europe future-fit for industrial manufacturing in order to prevent the Union from taking the path of decarbonisation through deindustrialisation; welcomes, therefore, the personalised services provided by the EGF to the workers, which include upskilling measures, workshops, vocational orientation, job counselling, as well as training allowances, to make the region, and the overall labour market, more sustainable and resilient in the future;

7. Welcomes the fact that the co-ordinated package of personalised services was drawn up by Germany in consultation with targeted beneficiaries, their representatives and social partners; welcomes in particular the fact that directly after the decision to close down the tube mills, the management of the enterprise and employee representatives started negotiations of a social plan, and in particular the creation of a transfer company; acknowledges that VAD made considerable efforts to minimise the social impact of the site closures;

8. Recalls that personalised services to be provided to the workers and self-employed persons consist of the following actions: tailor-made training and retraining, occupational guidance, individual job-search assistance services and targeted group activities, support towards and contribution to business creation, as well as incentives and allowances;

9. Strongly welcomes the proposed Digital basic skills (Digitale Grundqualifizierung) measure, which caters for the dissemination of the skills required in the digital industrial age, as required by Article 7(2) of the EGF Regulation; notes that this measure particularly aims at those participants with no or very little digital skills; welcomes the fact that participants will be provided with laptops so that they can follow the course and practise at home, as well as to the fact that special attention will be paid to applied skills that help participants to use internet tools for job search;

10. Notes that Germany started providing personalised services to the targeted beneficiaries on 1 December 2023 and that the period of eligibility for a financial contribution from the EGF will therefore be from 1 December 2023 until 24 months after the date of the entry into force of the financing decision;

11. Notes that Germany started incurring administrative expenditure to implement the EGF on 1 January 2023 and that expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 1 January 2023 until 31 months after the date of the entry into force of the financing decision;

12. Stresses that the German authorities have confirmed that the eligible actions do not receive assistance from other Union funds or financial instruments, and that the principles of equality of treatment and non-discrimination will be respected in the access to the proposed actions and their implementation;

13. Reiterates that assistance from the EGF must not replace actions which are the responsibility of companies, by virtue of national law or collective agreements, or any allowances or rights of the displaced workers, to ensure full additionality of the allocation;

14. Approves the decision annexed to this resolution;

15. Instructs its President to sign the decision with the President of the Council and arrange for its publication in the *Official Journal of the European Union*;

16. Instructs its President to forward this resolution, including its Annex, to the Council and the Commission

ANNEX

**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 Germany – EGF/2023/003 DE/Vallourec**

*(The text of this annex is not reproduced here since it corresponds to the final act, Decision (EU) 2024/1298.)*