



EUROPEAN COMMISSION
DG Employment, Social Affairs and Inclusion
European Globalisation Adjustment Fund



Application form for a financial contribution from the European Globalisation Adjustment Fund (EGF)¹

Applications must be submitted formally in writing by the competent authority of the applicant Member State to: empl-egf-applications@ec.europa.eu within 12 weeks of the date on which the criteria set out in Article 4(1) or (2) of the EGF Regulation are met.

The submission must consist of the following documents:

1. the completed and signed application form (scanned as a PDF document, including all pages);
2. the same completed application form (as a Word document);
3. a completed financial form (as an Excel document)²;
4. a statement indicating that the Legal Entity Form³ and Financial Identification Form⁴ submitted previously are still valid, or a new completed Legal Entity Form and/or Financial Identification Form (as PDF documents, duly signed and stamped).

Please fill in the boxes below:

Applicant Member State:	IRELAND
Main enterprise concerned (if applicable):	LUFTHANSA TECHNIK AIRMOTIVE IRELAND LTD
Economic sector(s):	NACE 33
Region(s):	IE02 - SOUTHERN AND EASTERN
EGF reference (to be completed by the Commission)	

¹ 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 1927/2006 (the 'EGF Regulation') (OJ L 347, 20.12.2013, p. 855).

² http://ec.europa.eu/employment_social/egf/docs/egf-financial_form_en.xlsx

³ See: http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm#en.

⁴ http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm#en.

A – Applicant

A.1 Member State:	IRELAND
A.2 Authority responsible for the management and financial control of the requested financial contribution from the EGF:	Name: Department of Education and Skills
	Address: Marlborough Street, Dublin 1, Ireland
	Function of the authority: EGF Managing Authority
A.3 Contact details of the person(s) responsible for the implementation of the proposed actions:	Name: John McDermott
	Address: Department of Education and Skills, Floor 2, Block 1, Marlborough Street, Dublin 1
	Function: Assistant Principal Officer
	Telephone: 00 353 1 889 6707
	E-mail: john_mcdermott@education.gov.ie
A.4 Financial details: <i>Please complete the Legal Entity Form and the Financial Identification Form and include them as an annex to this application form or provide a statement that these forms have been submitted previously and can be re-used.</i>	<i>[The forms can be downloaded in all languages from:</i> http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm <i>and</i> http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm . The Legal Entity and Financial Identification Form were most recently submitted on 16 May 2014 (Andersen Ireland EGF application)

B – Context of the redundancies

B.1 Please provide an explanation of the events giving rise to the redundancies: (cf. Article 8(5)(c) of the EGF Regulation.)

The Airmotive Ireland aircraft maintenance repair, and overhaul (MRO) plant at Rathcoole, Co Dublin was set up by Aer Lingus in 1980. **Lufthansa Technik Airmotive Ireland Limited (LTAI)** took a 60% shareholding in 1997 and full ownership in 1999.

The principal business of the plant was the maintenance repair, and overhaul of CFM International, Pratt & Whitney and International Aero Engine V2500 engines and their accessories.

In October 2010, a Lufthansa wholly-owned subsidiary, Shannon Aerospace, cut 100 jobs as part of a wider restructuring programme for the German-owned company which it attributed to an unsustainable cost base.⁵

LTAI revenues reduced 13.8% from \$372.8m in 2011 to \$321.4m in 2012 with pre-tax profits declining by 37% to \$21.9m (€16.58m)⁶. This resulted in 55 voluntary redundancies in 2012. The 2012 LTAI annual report stated: ‘The aircraft overhaul segment experienced a very tough year in 2012, as demand for heavy maintenance events continued to diminish and be substituted by lighter maintenance events.’

Estimated customer revenue for the period January – October 2014 was down to \$86.6m of which \$55.7m came from its parent Lufthansa Technik with the remaining \$30.9m from external customers.

On 15 November 2013, the company announced that that it was proposing to make 409 employees redundant at its facility in West Dublin. The company stated that this followed an extensive review of operations at LTAI, in the context of declining revenues and shrinking international market opportunities⁷.

Despite efforts involving LTAI and the IDA to find a buyer for the plant, the redundancies of a total of 415 workers and closure of the facility in 2014 were confirmed in December 2013. Redundancies commenced in December 2013 and were scheduled for completion in June 2014.

In April 2014, the company indicated that LTAI work on V2500 would transfer from Dublin to the Lufthansa facility in Hamburg, which itself had reduced head count since 2009. Contracts for remaining work on other engines were to be outsourced.

► *Section B.2a below must be completed if the application is based on major structural*

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<http://www.eurofound.europa.eu/emcc/erm/factsheets/16254/Shannon%20Aerospace?template=searchfactsheets&kSel=1>

⁶ <http://www.irishexaminer.com/business/redundancy-costs-hurt-lufthansa-group-238868.html>

⁷ http://www.ltai.ie/press-releases-content/-/asset_publisher/3hGk/content/press-release-ltai-wind-up-media/10165

changes in world trade patterns due to globalisation.

► *Section B.2b below must be completed if the application is based on a continuation of the global financial and economic crisis addressed in Regulation (EC) No 546/2009⁸ or a new global financial and economic crisis.*

B.2a Please provide a reasoned analysis of the link between the planned or actual redundancies or cessation of activity and major structural changes in world trade patterns due to globalisation, or the serious disruption of the local, regional and/or national economy caused by globalisation:

(cf. Article 8(5)(a) of the EGF Regulation.)

This analysis should be based on relevant statistical data and other information, which should demonstrate the existence of major structural changes in world trade patterns such as (i) a substantial increase of imports into the EU, (ii) a serious shift in the EU's trade in goods or services, (iii) a rapid decline of the EU market share in a given sector, or (iv) a delocalisation of activities to third countries, or (v) the serious disruption of the local, regional and/or national economy caused by globalisation. This analysis should be based on statistical and other information at the most appropriate level to demonstrate the fulfilment of the intervention criteria set out in Article 4 of the EGF Regulation.

The closure of LTAI, a Maintenance Repair and Overhaul (MRO) enterprise, arises from a serious shift in the EU's trade in goods or services which can be further broken down as follows:

1. Technological shifts towards production of new generation aircraft and components.
2. Shift in wider aircraft component production practices with resultant impacts on the market fundamentals of the underlying business model of LTAI.
3. Shift in location of global aircraft production.

1. Technological shifts towards production of new generation aircraft and components.

Over the last 20 years, the most popular aircraft types have evolved from largely all-metal, mechanical, electro-mechanical, hydraulic and pneumatic designs (e.g. B737-200/300/400/500, MD80, B747-100/200/300 and DC10/MD11) to increasing composite, metal/composite structures, fly-by-wire automated, fully computer-controlled aircraft. Similarly, the engine designs of the 1960's and 1970's have given way to very highly sophisticated materials and aerodynamic design.

The most recent Boeing reported statistics (based on Flight Global Ascend data) contend that the world's jet airliner fleet (> 30 seats) amounts to over 20,000 aircraft and that growth in the next 20 years will see that figure double to in excess of 40,000 aircraft. Airbus forecasts a growth of approximately 28,000 aircraft.

The future world aircraft fleet is likely to be dominated by single aisle / narrow body aircraft typical of, and including B737-600/700/800/900 and A320Fam types. The proportion of this type is expected to grow from 64% of today's world fleet to over 70% of the future World fleet (in excess of 29,000 aircraft). The narrow body fleet is likely to consist of market growth requirements emanating mainly from Asia and the Far East and replacement of older types.

With the arrival of further new generation types such as the B737 Max and A320 Neo,

⁸ Regulation (EC) No 546/20¹⁰ <http://www.asianaviation.com/articles/415/China-MRO>

operators have moved to retire the older classic aircraft and to some extent the older versions of the new generation types. Over the last 5 years, substantial numbers of the classic aircraft types have been retired which were powered by engine types that were the mainstay of the LTAI portfolio. The consequence of the retirements was that significant numbers of serviceable engines were available from parked aircraft thus allowing the owners and/or the operators the choice as to whether they purchased a serviceable engine with a limited life prospect or undertook the risk of sending their own engines to MRO operators where the end cost of maintenance was often difficult to predict. Given the uncertain and volatile environment of the industry in the face of new aircraft type introductions, most operators opted for the short term solution of purchasing serviceable engines to the detriment of MRO operators.

The traditional business model of LTAI was based on a number of elements which have, as stated, come under severe pressure as a result of changes in the world aircraft fleet profiles and resultant rapid decline of the aircraft models that formed the base of the LTAI portfolio.

- **Passenger Aircraft and Engines CFM56-3 engine series**

A product portfolio dependant largely on narrow body passenger aircraft types historically powered by such engine types such as the Pratt and Whitney JT3D, JT8D and CFM56-3 and latterly the -7 and V2500 (for the Airbus A320 types).

The mainstay of LTAI was the classic CFM56-3 engine which was used almost exclusively in the Boeing 737, faced serious decline from 2000 onwards and rapid decline post-2010. The world market for CFM 56 -3 engines accordingly followed the trends in the Boeing 737 fleet as stated above.

Although the LTAI portfolio also contained the newer CFM56-7 and V2500 types, the market dynamics for these types and the fact these engines were also supported by the Lufthansa Technik Hamburg “flow line” engine facility, resulted in inadequate quantities of the types being inducted in Dublin.

- **Cargo Freighters and the Pratt and Whitney 9D engine series**

A parallel portfolio in cargo aircraft engine types namely, CFM56 -2 and the Pratt & Whitney JT9D powering Boeing 747 -100/200 series freighter aircraft.

The decline of the 747 -200 series fleet powered by PW JT9D engines serviced at LTAI was particularly marked post-2000.

2. Shift in wider aircraft component production practices with resultant impacts on the market fundamentals of the underlying business model of LTAI.

- **OEM Control of Materials.**

LTAI had a very well-established engine spare parts trading business which gave it the ability to trade and access the world network of materials suppliers and repair agencies in its own right and also a highly competitive advantage in bidding for engine repair contracts.

However, the ever-increasing cost of development of engine technology and the development of parallel repair technology incentivised the Original Equipment

Manufacturer (OEM) – mostly non-EU companies such as General Electric, Pratt Whitney, Honeywell, International Aero Engines - to enter the MRO market to a greater extent than had hitherto been the case.

Access to parts and repairs became increasingly more difficult as OEM placed ever increasing legal barriers in the way of access to their technology by Independent MRO Shops.

In April 2014, the company indicated that LTAI work on V2500 and other engines would transfer from Dublin to the Lufthansa facility in Hamburg, which itself had reduced head count since 2009.

3. Shift in location of global aircraft production

A driving force behind increases in global air travel growth has been the industrialisation of countries such as India and China. In Asia Pacific and the Middle East, ambitious construction plans for new international and domestic airports will provide new opportunities for commercial aircraft MRO providers. Speaking in 2012, a senior Lufthansa Technik representative stated that it "*considers it particularly important to be present in the markets with the greatest growth dynamic – Asia and South America.*"⁹.

Given this background, and the growth fuelled by the tendency for West European and US carriers to send their wide-bodied aircraft to China for heavy maintenance, MRO companies have been investing heavily in China in particular and also in the APAC and Middle East regions¹⁰.

In recognition of the emerging opportunities for aircraft and aircraft component repair, maintenance and overhaul activity outside the EU, Lufthansa Technik has, itself, in recent times sought and concluded strategic alliances with operators in the APAC region including China. To date, it has entered into joint ventures with Philippine Airlines (Lufthansa Technik Philippines - LTP) in the Philippines, with Beijing Kailan Aviation Technology Co and the Shenzhen Investment Corp (Lufthansa Technik Shenzhen) and with Air China (AMECO Beijing) in China.

The parent company Lufthansa Technik has also decided to base its global Airbus A330/340 MRO operations at its LTP subsidiary in the Philippines, in line with its plan to transfer some heavy maintenance facilities for wide-bodies aircraft to Asia where labour costs are lower. The LTP workforce has expanded from 1,800 to 2,200 with Filipino mechanics undergoing training in Germany.

Lufthansa Technik has also in 2013 and early 2014 either entered into, or renewed, aircraft service contracts with Air Asia X based in Malaysia, component service contracts with GoAir, India and Sri Lankan Airlines and engine service contracts with Pakistan International Airlines to service Pratt & Whitney Canada PW127 engines. It has also concluded, inter alia, a long-term component services agreement with UTC Aerospace, USA, an engine Original Equipment Manufacturer (OEM).

These non-EU companies are clearly intended to provide capacity and services at lower cost

¹⁰ <http://www.asianaviation.com/articles/415/China-MRO>

¹⁰ <http://www.asianaviation.com/articles/415/China-MRO>

than Lufthansa's main bases in the EU and will help cater for the rapid growth of the aviation industry outside the EU.

On 16 May 2012, Lufthansa Technik announced 226 job losses at its MRO site at Basle-Mulhouse Euroairport, France to take place between May and December 2012. The management justified the redundancies with the need to tackle overcapacities and cut down high maintenance costs.¹¹

The closure of LTAI in Dublin now follows in the wake of the closure of most of the smaller independent engine shops in Europe.

B.2b Please provide a reasoned analysis of the link between the planned or actual redundancies or cessation of activity and the continuation of the global financial and economic crisis addressed in Regulation (EC) No 546/2009 or a new global financial and economic crisis:

(cf. Article 8(5)(a) of the EGF Regulation.)

This analysis should establish a direct and demonstrable link between the redundancies and the global financial and economic crisis. This analysis should be based on statistical and other information at the most appropriate level to demonstrate the fulfilment of the intervention criteria set out in Article 4 of the EGF Regulation.

B.3 Please provide a description of the expected impact of the redundancies as regards the local, regional or national economy and employment:

(cf. Articles 4(2) and 8(5)(e) of the EGF Regulation.)

This description should demonstrate that the redundancies have a significant adverse impact on the local, regional or national economy and, in particular, that they have a serious impact on employment.

The Naas Road plant at Rathcoole is situated almost in the centre of the administrative County of South Dublin. As at January 2014, the 415 Lufthansa workers resided in the geographical counties of Dublin (212 across administrative counties South Dublin, Fingal, Dublin City, Dun Laoghaire-Rathdown), Kildare (140), Meath (15), Wicklow (14) or other surrounding counties (34). Of the Dublin residents, over 60 lived in areas near Rathcoole such as Tallaght and Clondalkin (South Dublin) and Blanchardstown (Fingal)

As per the latest Census 2011, of a total population over the age of 15 of 3,608,662, the number of persons categorised as Unemployed having lost or given up a previous job in Ireland was 390,677 (10.83%). Whilst the South Dublin percentage was only slightly higher at 11.61%, these figures conceal pockets of considerable local disadvantage.

For instance, Blanchardstown-Tyrrelstown, Tallaght-Killinarden, Clondalkin-Rowlagh and Tallaght-Fettercairn were among the top 25 of 3,409 electoral districts nationally with unemployment figures of 24.64%¹², 23.83%,¹³ 22.34%¹⁴ and 22.01% respectively. Other

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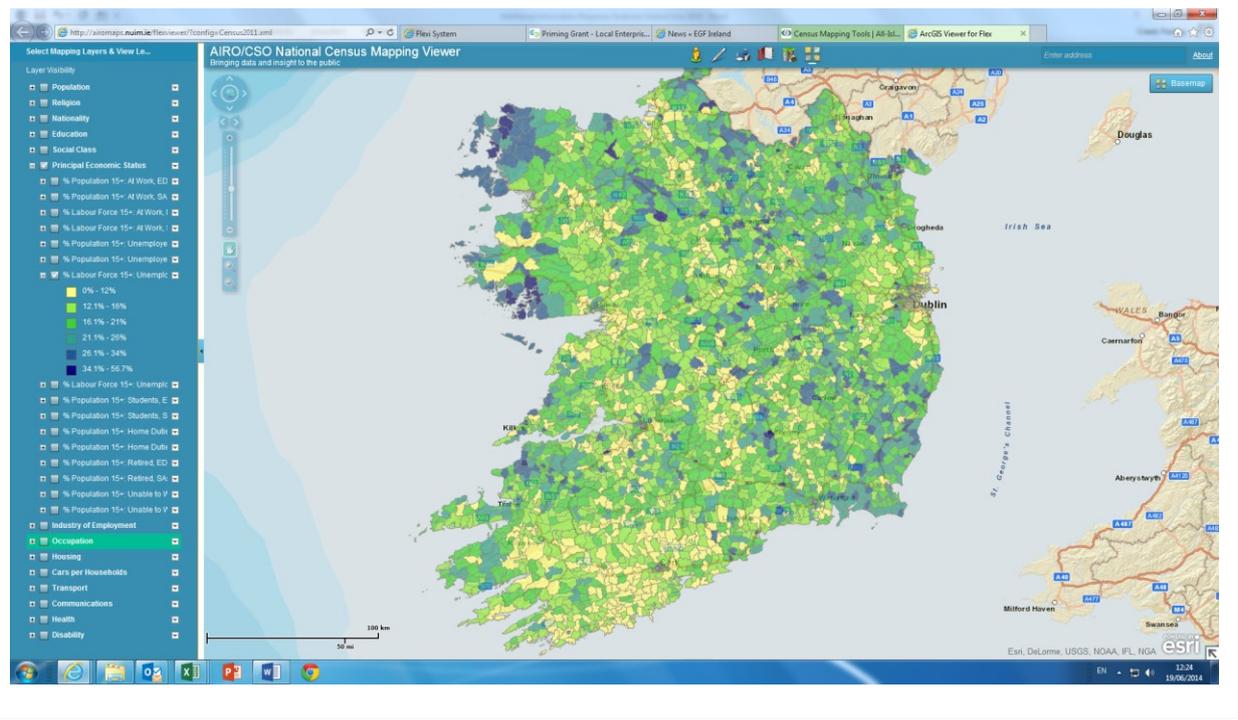
<http://www.eurofound.europa.eu/emcc/erm/factsheets/20531/Lufthansa%20Technik?template=searchfactsheets&kSel=1>

¹² http://census.cso.ie/sapmap2011/Results.aspx?Geog_Type=ED&Geog_Code=04015&CTY=04

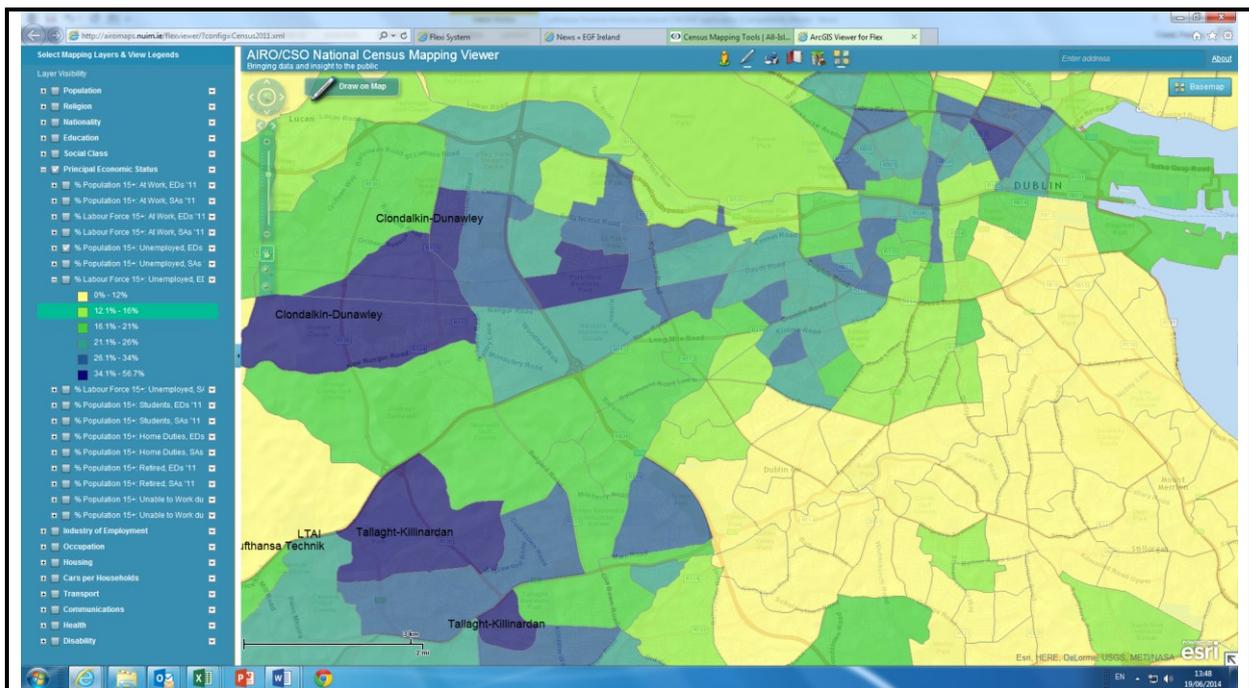
¹³ http://census.cso.ie/sapmap2011/Results.aspx?Geog_Type=ED&Geog_Code=03033&CTY=03

socio-economic indicators for these electoral districts such as low levels of educational achievement, lack of professional qualifications and high levels of local authority housing point to considerable local disadvantage and poverty.

The following interactive Census 2011 maps show the % of the Labour Force over the age of 15 who are Unemployed by Electoral District. The darkest areas indicate an unemployment rate of between 34.1% to 56.7%. The first map of Ireland shows a generally low level of unemployment for Ireland as a whole. The second map of the Dublin area shows stark differences between relatively affluent areas and then pockets of considerable disadvantage including Tallaght-Killinarden, Clondalkin-Rowlagh and Tallaght-Fettercairn where many of the LTAI workforce reside.



¹⁴ http://census.cso.ie/sapmap2011/Results.aspx?Geog_Type=ED&Geog_Code=03009&CTY=03



While overall unemployment levels for the Dublin region are lower than that of other regions, the rate of unemployment since early 2014 is generally greater. The number of persons categorised by the Central Statistics Office as unemployed in the Dublin region rose from 63,200 at end Q4 2013 to 66,200 at end Q1 2014 (+0.4) compared to a rise of +0.3% for the State as a whole.¹⁵

The number of persons on the Live Register of unemployed persons in the Dublin region between April and May 2014 increased from 94,529 to 94,940 (+0.43%) compared to an increase from 388,559 to 388,765 (+0.05%) for the State as a whole.¹⁶

The number of persons on the Live Register of unemployed persons across the State over the period January to May 2014 *decreased* from 399,630 to 388,765 persons i.e. 10,866. Of the 15 Social Welfare Local offices which actually posted an *increase* for this period, 7 were in the Dublin or Meath regions e.g. Dublin north-inner city Kings Inn St SWLO increase from 6907 to 7156.¹⁷

By end 2012, in Ireland close to 59% of the working-age population aged 15 to 64 had a paid job. This figure is lower than the OECD employment average of 65%. The average household net financial wealth per capita in Ireland was estimated at US\$28,099, lower than the OECD average of US\$42,903¹⁸.

¹⁵

<http://www.cso.ie/en/releasesandpublications/er/qnhs/quarterlynationalhouseholdsurveyquarter12014/#.U5g69RtOWUk>

¹⁶ <http://www.cso.ie/en/releasesandpublications/er/lr/liverregistermay2014/#.U5g5GhtOWUk>

¹⁷ <http://www.cso.ie/px/pxeirestat/statire/SelectVarVal/Define.asp?Maintable=LRM07&PLanguage=0>

¹⁸ <http://www.oecdbetterlifeindex.org/countries/ireland/>

The harmonized unemployment rate at April 2014 for Ireland of 11.9% was the sixth highest of the EU28 countries whilst the EU28 average was 10.4%.¹⁹

As such, up to early 2014, national economy and unemployment indicators already lagged behind international coefficients for other developed countries. The redundancies at Lufthansa from early 2014 are already having a serious impact on the economy and labour markets of the Dublin and Eastern region, with particularly adverse impacts on certain local areas where a large part of the Lufthansa workforce resides.

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<http://epp.eurostat.ec.europa.eu/tgm/graph.do?tab=graph&plugin=1&pcode=teilm020&language=en&toolbox=data>

C – Intervention criteria

C.1 Please indicate which of the three intervention criteria set out in Article 4 of the EGF Regulation this application is based on: *(Tick only one box.)*

Criterion 4(1)(a)	<input type="checkbox"/>
Criterion 4(1)(b)	<input type="checkbox"/>
Criterion 4(2)	<input checked="" type="checkbox"/>

► *The section below which corresponds to the selected intervention criterion must be completed.*

For each enterprise listed in Section C.2, C.3 or C.4 below, please specify the number of workers being made redundant and self-employed persons whose activity has ceased and the method used for calculating the number of redundancies.

Note on methods used for calculation of redundancies and cessation of activity:

Method 1 (cf. Article 5(2)(a) of the EGF Regulation): Redundancies are counted from the date on which the employer, in conformity with the provisions of Article 3(1) of Council Directive 98/59/EC²⁰, notifies the competent public authority in writing of the projected collective redundancies; in this case, the applicant Member State must provide the Commission with additional information on the actual number of redundancies effected according to Article 4(1) of the EGF Regulation prior to the completion of the assessment by the Commission. Therefore, if Method 1 is used, please provide additional information on the actual number of redundancies that have been made.

Method 2 (cf. Article 5(2)(b) of the EGF Regulation): Redundancies are counted from the date of the employer's individual notice to lay off or to terminate the contract of employment of the worker.

Method 3 (cf. Article 5(2)(c) of the EGF Regulation): Redundancies are counted from the date of the de facto termination of a contract of employment or its expiry (e.g. for fixed-term contracts).

Method 4 (cf. Article 5(2)(d) of the EGF Regulation): Redundancies are counted from the end of the assignment to the user undertaking (e.g. for temporary agency contracts).

Method 5 (cf. Article 5(2)(e) of the EGF Regulation): For self-employed persons, redundancies are counted from the date of cessation of activities as determined in accordance with national law or administrative provisions.

If several methods are used for a same enterprise (e.g. in the case of redundancies in several phases), please indicate, for each method, the number of workers concerned.

C.2 If the application is based on Criterion 4(1)(a), please indicate the following: (cf. Articles 8(5)(c) and (d) of the EGF Regulation.)

(a) Reference period of four months:	<i>[dd/mm/yyyy-dd/mm/yyyy]</i>	
(b) Enterprise in which the workers are being made	(c) Number of workers being made redundant in the	(d) Method(s) used for calculating the number of

²⁰ 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).

redundant (the 'primary enterprise'):	primary enterprise:	workers being made redundant in the primary enterprise (<i>see note on methods above</i>):
<i>[Full official name of the enterprise including its legal form]</i>	<i>[Number]</i>	<i>[Free text (method reference and – only if necessary – any relevant additional information and explanations)]</i>
(e) Enterprises in the same Member State as the primary enterprise that are suppliers or downstream producers of the primary enterprise: (Add a new row for each enterprise.)	(f) Number of workers being made redundant in each supplier or downstream producer:	(g) Method(s) used for calculating the number of workers being made redundant in each supplier or downstream producer (<i>see note on methods above</i>):
<i>[Full official name of the enterprise including its legal form]</i>	<i>[Number]</i>	<i>[Free text (method reference and – only if necessary – any relevant additional information and explanations)]</i>
(h) Number of self-employed persons whose activity has ceased:		(i) Method used for calculating the number of self-employed persons whose activity has ceased (<i>see note on methods above</i>): (For self-employed persons, as only Method 5 is applicable, please describe the method used for determining the date of the cessation of activities in accordance with national law or administrative provisions.)
	<i>[Number]</i>	<i>[Free text]</i>
(j) Total number of workers being made redundant and self-employed persons whose activity has ceased during the reference period of four months: (NB: This figure must be at least 500.)	<i>[Sum of the figures for (c), (f) and (h) above]</i>	

C.3 If the application is based on Criterion 4(1)(b), please indicate the following:
(cf. Articles 8(5)(c) and (d) of the EGF Regulation.)

(a) Reference period of nine months:	<i>[dd/mm/yyyy-dd/mm/yyyy]</i>
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(b) Economic sector in which the enterprises or self-employed persons are or were operating:		<i>[NACE Revision 2 division level²¹; please indicate the two-digit numerical code and the denomination of the division.]</i>	
(c) Enterprises in which the workers are being made redundant: <i>(Add a new row for each enterprise or include the information in a table annexed to this application as a separate document.)</i>	(d) Region(s) in which the workplace of the workers being made redundant or of the self-employed persons is located:	(e) Number of workers being made redundant in each enterprise:	(f) Method(s) used for calculating the number of workers being made redundant in each enterprise (see note on methods above):
<i>[Full official name of the enterprise including its legal form]</i>	<i>[NUTS 2 level region²²]</i>	<i>[Number]</i>	
(g) Number of self-employed persons whose activity has ceased:		(h) Method(s) used for calculating the number of self-employed persons whose activity has ceased (see note on methods above): <i>(For self-employed persons, as only Method 5 is applicable, please describe the method used for determining the date of the cessation of activities in accordance with national law or administrative provisions.)</i>	
		<i>[Number]</i>	<i>[Free text]</i>
(g) Total number of workers being made redundant and self-employed persons whose activity has ceased during the reference		<i>[Sum of the figures for (e) and (g) above]</i>	

²¹ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1), available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32006R1893:en:NOT> .

See also:

http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-RA-07-015.

²² Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (OJ L 154, 21.6.2003, p. 1), consolidated version available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CONSLEG:2003R1059:20110207:EN:PDF>.

See also: http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-RA-11-011/EN/KS-RA-11-011-EN.PDF.

period of nine months: (NB: This figure must be at least 500.)		
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C.4 If the application is based on Criterion 4(2), please indicate the following:
(cf. Articles 8(5)(c) and (d) of the EGF Regulation.)

(a) Intervention criterion which the application approximates to but does not entirely meet: <i>(Tick only one box.)</i>	Criterion 4(1)(a) <input checked="" type="checkbox"/>	Criterion 4(1)(b) <input type="checkbox"/>
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(b) Date on which the first workers were made redundant:	06/12/13
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(c) Reference period for the redundancies: <i>(NB: The reference period does not need to be of four or nine months, but should be reasonably close to one of these durations.)</i>	01/03/2014 – 30/06/2014 The general announcement of the LTAI redundancies was made on 15 November 2013.
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(d) Enterprises in which the workers are being made redundant: <i>(Add a new row for each enterprise or include the information in a table annexed to this application as a separate document.)</i>	(e) Economic sector in which the enterprises or self-employed persons are or were operating :	(f) Region in which the workplace of the workers being made redundant or of the self-employed persons is located:	(g) Number of workers being made redundant in each enterprise:	(h) Method(s) used for calculating the redundancies, including those of the self-employed persons whose activity has ceased <i>(see note on methods above)</i>
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Lufthansa Technik Airmotive Ireland (LTAI) Ltd	NACE 33	NUTS 2 Southern and Eastern region IE02 (NUTS 3 IE023)	414	Method 3
			1	Method 1
QCafe	NACE 33	IE02	4	Method 3
Castle Office Contracts	NACE 81	IE02	3	Method 3
Senaca Group	NACE 81	IE02	5	Method 3

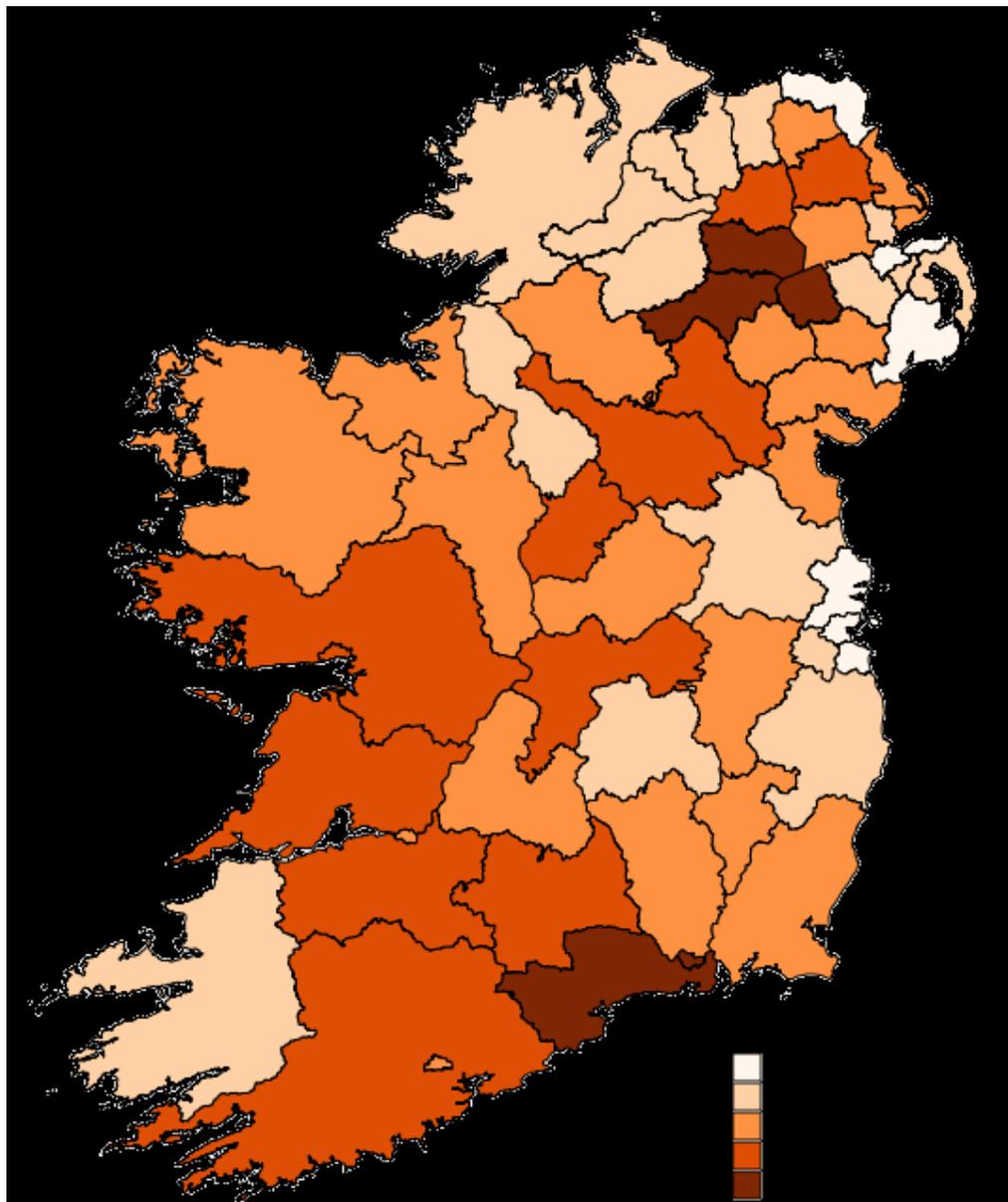
(i) Number of self-employed persons whose activity has ceased:	(h) Method(s) used for calculating the number of self-employed persons whose activity has ceased <i>(see note on methods above)</i> : <i>(For self-employed persons, as only Method 5 is applicable, please describe the method used for determining</i>
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		<i>the date of the cessation of activities in accordance with national law or administrative provisions.)</i>
	NIL	NIL
(j) Total number of workers being made redundant and self-employed persons whose activity has ceased:	427	
<p>C.5 If the application refers to a ‘small labour market’, please explain why the labour market concerned should be considered as a small labour market and provide detailed information on the particularities of the labour market concerned: (cf. Article 4(2) of the EGF Regulation.) <i>This explanation should provide sufficiently detailed information to enable the Commission to assess whether the particularities of the labour market concerned are of a nature that justifies a financial contribution from the EGF.</i></p>		
N/A		
<p>C.6 If the application refers to ‘exceptional circumstances’, please explain why these circumstances should be considered as exceptional and provide detailed information on the nature of these exceptional circumstances: (cf. Article 4(2) of the EGF Regulation.) <i>This explanation should provide sufficiently detailed information to enable the Commission to assess whether the circumstances are of a sufficiently exceptional nature to justify a financial contribution from the EGF.</i></p>		
<p>The application does not meet the requirements of Article 4(1) (a) in terms of being less than the minimum number of at least 500 redundancies. However, the Irish authorities contend that exceptional circumstances apply for the following reasons:</p> <ul style="list-style-type: none"> • Ireland, starting at a low employment base, had, since the 1990s slowly been carving out a niche for itself in the MRO sector, attracting substantial foreign direct investment and creating much well-paid employment in the sector. By end 2009, the value of goods and services created in the Repair and maintenance of civil aircraft and aircraft engines in Ireland had reached €209.4m. • Whilst the value of goods and services created in Ireland in the ‘Repair and maintenance of civil aircraft and aircraft engines’ sector did increase from €209.4m in 2009 to €221.6m in 2012 (+5.53%), the value for EU-27 increased from €15.68bn to €17.95bn over the same period (+12.63%) with an increase for Finland of +76.99% for the same period.²³ • The EU share for the world market in MRO activity has itself faced significant challenges in recent years (see Section B.2a). • In February 2009, SR Technics, Dublin Airport announced its closure with the loss of 1,135 MRO jobs throughout 2009. This was the subject of EGF application EGF/2009/021. • In October 2013, PWA International Ltd, Dublin also located in the same Rathcoole area of County Dublin as LTAI announced its closure with the loss of 107 MRO jobs to be effected between July 2014 and June 2015. • With the announcement by LTAI in November 2013 of its closure and subsequent 		

²³ Eurostat report ‘PRODCOM ANNUAL SOLD (NACE Rev. 2.) [DS-066341]’

confirmation of 415 redundancies in 2013/14, a total of 1,657 jobs have now been lost within less than 5 years within one subsector (aircraft maintenance, repair and overhaul) **in one delimited area** (Dublin). This significant loss of employment would itself pose significant problems for a medium-sized EU member state, but the effect on the sector in a small open economy like Ireland in terms of employment and revenue is exceptionally severe.

The structure of employment in Ireland as demonstrated by the following Census 2011 map of the industrial sector ‘Manufacturing’ below indicates a much reduced re-employability potential in the Dublin/Eastern region for the LTAI workers whose skills-sets most relate to that sector ²⁴. Census data also shows that the numbers employed in NACE Rev 1 sector ‘Manufacture of other transport equipment’ (including aircraft) decreased from 2,851 in 2006 to 2,044 in 2011.



- 5.0 – 7.0%
- 7.0 – 9.5%

²⁴ <http://www.cso.ie/en/media/csoie/census/documents/north-south-spreadsheets/Census.2011.Ireland.and.Northern.Ireland.pdf> page 48

- 9.5 – 12.5%
- 12.5- 15.0%
- >15.0%

D – Eligible beneficiaries

D.1 Please indicate the number of eligible beneficiaries: (cf. Article 6 of the EGF Regulation.)	
D.1.1 Number of workers being made redundant and self-employed persons whose activity has ceased <u>during</u> the reference period set out in Articles 4(1)(a) or (b) of the EGF Regulation:	152
D.1.2 Number of workers made redundant and self-employed persons whose activity has ceased <u>before or after</u> the applicable reference period (only if the application is based on Article 4(1)(a) of the EGF Regulation or if it is based on Article 4(2) of the EGF Regulation and derogates from the criteria set out in Article 4(1)(a)): <i>NB: These redundancies must have occurred after the general announcement of the projected redundancies and there must be a clear causal link with the event which triggered the redundancies during the reference period.</i>	275
(a) For such redundancies before or after the applicable reference period, please specify below (i) the date of the general announcement of the projected redundancies, (ii) the dates of the redundancies or cessations of activity, and (iii) please provide an explanation of the causal link with the event which triggered the redundancies during the reference period:	
D.1.3 Total number of eligible beneficiaries:	427

E – Targeted beneficiaries

E.2 Please indicate the total number of targeted beneficiaries (eligible beneficiaries expected to participate in the proposed actions): (cf. Article 8(5)(d) of the EGF Regulation.) <i>NB: The total number of targeted beneficiaries may differ from the total number of eligible beneficiaries indicated in D.1 as it is possible that not all eligible beneficiaries will participate in the proposed actions.</i>		200
E.3 Please provide a breakdown of the number of targeted beneficiaries, by sex, EU citizenship and age group: (cf. Article 8(5)(d) of the EGF Regulation.)		
(a) Sex:	Men:	176
	Women:	24
(b) EU citizenship:	EU citizens:	197
	Non-EU citizens:	3
(c) Age group:	15-24:	9
	25-29:	15
	30-54:	120
	55-64:	56
	Over 65:	0

► Subsections E.4-E.7 below should only be completed if the applicant Member State intends to provide specific support to young persons not in employment, education or training (NEETs) in accordance with the conditions set out in Article 6(2) of the EGF Regulation).

E.4 Please indicate the number of redundancies within the meaning of Article 3 of the EGF Regulation which have occurred in NUTS 2 level regions eligible under the Youth Employment Initiative (YEI)²⁵: (cf. Articles 6(2) and 8(5)(d) of the EGF Regulation.)	
(a) Region eligible under the YEI: (Add a new row for each region.)	(b) Number of redundancies in the region concerned (during the applicable reference period):
NUTS II IE02 Southern & Eastern	Complete redundancy data are not available on a disaggregated regional basis. The only redundancy statistics available relate to Statutory Redundancy payments made in prescribed cases by the Department of Social Protection (worker being made redundant has a minimum 2 years services with the same employer and where that employer is unable to pay). Cases where the employer makes payment, are estimated to be at least double the number of DSP payments.

²⁵ cf. Article 15 of Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006 (OJ L 347, 20.12.2013, p. 470).

	<p>Between March 2014 and June 2014 inclusive, statutory redundancy payments were made by DSP to 2,304 persons resident in the State. Given that 65.08% of the total population of the State was resident in the S&E region at April 2014, a total of 1,499 statutory redundancies in the S&E region can be calculated.</p> <p>National unemployment statistics indicate that at the end of June 2014, a total of 57,248 persons in the State under the age of 25 years were recorded on the Department of Social Protection's Live Register of unemployed persons of which 34,021 resided in the S&E region²⁶.</p> <p>At August 2014, 26.96% of all persons in the State aged 15-24 had a Live Register status of 'Unemployed'.²⁷</p>
(c) Total number of redundancies in regions eligible under the YEI:	1,499 (minimum)
E.5 Please indicate the number of targeted NEETs:	
(a) Region eligible under the YEI: (Add a new row for each region.)	(b) Number of NEETs residing in the region concerned to whom the applicant Member States expects to provide personalised services co-financed by the EGF: <i>NB: The total number of targeted NEETs cannot exceed the number of targeted beneficiaries indicated in E.2.</i>
IE02	200
(c) Total number of targeted NEETs:	200
E.6 Please indicate whether the applicant Member State has decided to render support to NEETs under the age of 30 (between 25 and 29 years) on the date of the submission of the application:	
Yes, the Member State has decided to render support to NEETs under the age of 30	<input checked="" type="checkbox"/>
No, the Member State has not decided to render support to NEETs under the age of 30	<input type="checkbox"/>
E.7 Please provide a breakdown of the number of targeted NEETs, by sex and age group: (cf. Article 8(5)(d) of the EGF Regulation.)	
(a) Sex:	Men: 120
	Women: 80
(b) EU citizenship:	EU citizen: 200

²⁶ <http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?maintable=LRH02&PLanguage=0>

²⁷

<http://www.cso.ie/en/releasesandpublications/er/qnhs/quarterlynationalhouseholdsurveyquarter22014/#.VBhPW BtOWUk>

	Non-EU citizen:	0
(c) Age group:	15-24:	200
	25-29*: * If the Member State has decided to render support to NEETs under the age of 30 on the date of the submission of the application.	Not being targeted

E.8 Please provide a description of the methods or criteria used for selecting the targeted NEETs identified in E.5 and E.6.:

EGF eligible NEET persons were identified through the data systems of the Department of Social Protection (DSP). These persons are being targeted within the relevant cohort based on the probability of their exiting the Live Register of unemployed persons (known as the “PEX” approach). A rating system has been devised by the DSP based on low, medium and high PEX ratings.

The individual’s educational attainment, previous training or education course participation (if any), previous employment history/redundancy (if recorded) and adjudged willingness to engage with labour market activation measures will also be considered and factored into the provision of approved EGF measures, as appropriate.

F – Equality between men and women and non-discrimination

F.1 The applicant hereby declares that it will ensure that equality between men and women and the integration of the gender perspective are an integral part of, and are promoted during, the various stages of the financial contribution from the EGF and that it will take all appropriate steps to prevent discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation in access to the EGF and during the various stages of the implementation of the financial contribution: (cf. Article 10 of the EGF Regulation.)

X

G – Proposed actions

G.1 Please provide a description of the proposed coordinated package of personalised services and related expenditure including, in particular, any measures in support of employment initiatives for disadvantaged, older and young beneficiaries:

(cf. Article 8(5)(f) of the EGF Regulation.)

This description should be sufficiently detailed to allow the Commission to assess the coherence of the approach adopted. Each measure described should correspond to an item in the financial form (see G.1.1). If the applicant Member State intends to provide specific support to NEETs (see E.4-E.7), please provide a description of such measures separately from the measures for other targeted beneficiaries.

The main actions proposed for this programme are as follows:

- Guidance and career planning
- Training and Further Education programmes
- Higher Education programmes
- Enterprise and self-employment supports
- Income Supports including the EGF Course Expense Contribution (CEC) scheme

A survey undertaken of workers preferred options for upskilling in August 2014 has shown much interest in aviation-related and other specific technical subjects. Interest was also shown in a wide range of other careers such as accountancy, taxation, physical therapy, social studies, science, engineering, IT, law and teaching. Efforts will be made to provide such training, as appropriate, under the EGF programme.

The established SOLAS EGF Coordination Unit will coordinate programme delivery including initial engagement and registration, interaction with and referral of eligible beneficiaries to relevant personalised upskilling and retraining interventions appropriate to their needs, circumstances and preferred options, liaison with service providers and reporting to the EGF Managing Authority on implementation of proposed EGF actions.

Guidance and career planning

The need for early and comprehensive occupational guidance and career planning is crucially important to workers made redundant who can initially feel disoriented and unsure of a route back into the labour market. Early guidance intervention can assist redundant workers to assess their situation and prospects in a clear methodical manner. Further guidance in a more tailored form is useful in further steering the worker towards a route into employment when some measure of time has passed.

Supports will include individualised profiling, needs identification, learning assessment, CV preparation, career guidance and planning, job search assistance and other related supports and advice.

A range of bodies including the Department of Social Protection, the Education and Training Boards, SOLAS EGF Coordination Unit and privately sourced guidance specialists, where appropriate, are engaged in providing services to assist the redundant workers, including the delivery of formal QQI/FETAC-accredited career planning courses which serve as stepping stones to more formal employment-oriented training and education courses.

Training and Further Education Programmes

Training and Further Education courses are provided by both state agencies such as Education and Training Boards and state-funded and approved private providers through EGF Training Grant schemes and industry-led initiatives such as Skillnets training networks programmes (www.skillnets.ie), Fast Track to IT (FIT www.fit.ie) etc. The EGF Training Grants mechanism provides increased flexibility for the EGF beneficiary to identify and select specifically tailored and approved training and education programmes (including for instance aviation courses designed by the Irish Aviation Authority (IAA)) in addition to those provided through state agencies.

Specific internship, work placements, work experience, traineeship and community-oriented training programmes may also be provided in consultation with the Department of Social Protection (DSP) and other state bodies which have national responsibility for such interventions.

Higher Education Programmes

Higher Education programmes will comprise full and part-time programmes for the targeted population, delivered through state-funded institutions mainly in the Dublin region and hinterland.

The Institute of Technology Tallaght, Institute of Technology Blanchardstown, Institute of Technology Carlow, Dublin Institute of Technology and Dublin City University are key higher education institutions serving the general catchment area in which the affected workers reside.

Short-term conversion courses targeted at recognized skills shortages areas and funded under initiatives such as Springboard (www.springboardcourses.ie) may also be provided.

The EGF Training Grant (QQI/HETAC) is also be available to the redundant cohort to access privately-provided third level programmes where they are not available through the publicly-funded system or are highly specialised. Emphasis will be placed on carefully assessing those considering undertaking a higher education programme in the context of their skills sets and suitability to enroll for a particular course or whether preparatory courses and whether alternative options in other support areas might be more appropriate.

Enterprise and self-employment supports

Enterprise and self-employment supports will mainly be delivered by the Local Employment Offices in the region. A range of supports will be made available to beneficiaries considering becoming self-employed and starting their own business as a viable re-employment option. These supports will include introductory modules, training workshops in business planning, mentoring and priming grant aid.

Other entrepreneurial training supports may be provided, as appropriate, through the Department of Social Protection, Skillnets networks or collaborations with higher education bodies.

Income Supports including the EGF Course Expense Contribution (CEC) scheme

To increase accessibility to and participation in guidance, training and education courses, an EGF Course Expenses Contribution (CEC) scheme will provide a level of defrayment of some of the ancillary costs of course accessibility and participation. The CEC administered to date by the EGF Co-ordination Unit contributes towards defraying some of the costs associated with mobility, subsistence, course materials, equipment etc.

Other allowances may, as appropriate, include Education and Training Board training allowances, DSP Back to Education Allowance, Department of Education and Skills Student Grants, DSP Back to Work Enterprise Allowance etc.

The total quantum of income supports will be cognisant of the requirements of Article 7.1 of the EGF Regulation.

G.1.1 Please indicate the estimated budget of each of the components of the proposed coordinated package of personalised services in support of targeted beneficiaries: (cf. Article 8(5)(h) of the EGF Regulation.)

(Please complete the relevant items in the financial form (http://ec.europa.eu/employment_social/egf/docs/egf-financial_form_en.xlsx) which must be submitted as an annex to this application form.)

G.1.2 Date on which the personalised services to the targeted beneficiaries were started or are due to be started: (cf. Article 8(5)(i) of the EGF Regulation.)

7 December 2013

G.2 Please provide a short description of the preparatory, management, information and publicity, control and reporting activities for which a financial contribution from the EGF is requested:

A variety of state departments and agencies are involved in the preparation of the application and the planning and design of the range of measures therein with the EGF Managing Authority taking the lead role.

These bodies and other relevant service providers, will be involved in the management and implementation of the measures under the EGF programme. The main element of technical assistance is considered to be the management and coordination element of the programme through the EGF Coordination Unit and any related monitoring, surveying and reporting requirements sought or approved by the EGF Managing Authority.

There will be expenditure on information and publicity of the programme supports by service providers, as appropriate, in order to ensure maximum EGF measures take-up including on the dedicated website www.egf.ie.

Financial management control measures including sample checking of expenditure at various points in the reporting cascade are required. As part of the financial management control mechanism there is the requirement for the opinion of an independent audit body to be submitted with the final report.

Technical assistance may, as appropriate, encompass travel and ancillary costs of relevant bodies as approved by the EGF Managing Authority.

G.2.1 Please indicate the estimated budget of each of the components of any such preparatory, management, information and publicity, control and reporting activities:

(cf. Article 8(5)(h) of the EGF Regulation.)

(Please complete the relevant items in the financial form

(http://ec.europa.eu/employment_social/egf/docs/egf-financial_form_en.xlsx) which must be submitted as an annex to this application form.)

G.2.2 Date on which the preparatory, management, information and publicity, control and reporting activities were started or are due to be started:
(cf. Article 8(5)(i) of the EGF Regulation.)

15/11/2013 (the date the collective redundancies were announced to the Irish authorities).

H – Consultation of targeted beneficiaries

H.4 Please provide a description of the procedures followed for consulting the targeted beneficiaries or their representatives or the social partners as well as local and regional authorities or other relevant organisation as applicable:

(cf. Article 8(5)(j) of the EGF Regulation.)

Following receipt of the notification from the Department of Jobs, Enterprise and Innovation of impending collective redundancies in November 2013, the EGF Managing Authority, in conjunction with the Industrial Development Authority, contacted the company management and also made direct contact with the trade unions SIPTU (Services Industrial Public and Technical Union), TEEU (Technical Engineering and Electrical Union) and Unite the Union to discuss and identify the potential needs of the redundant workers.

In addition to its mainstream employment services engagement, the Department of Social Protection conducted a comprehensive survey of affected employees in January 2014 to identify the targeted cohort, their educational and training background and their potential personalised service needs in order to improve their re-employability prospects.

Further contacts by the EGF Managing Authority culminated in a meeting with union and non-union worker representatives in August 2014 in relation to the EGF process, data gathering and application progression. On foot of same, a further mailshot survey was conducted by the EGF Managing Authority through the EGF Coordination Unit and with the assistance and the cooperation of the worker representatives, in order to highlight the Fund's potentiality in assisting the redundant workforce.

It is intended, as in other Irish EGF programmes, that a consultative forum or other interactive process be established to complement the ongoing work of the EGF Coordination Unit and in order to afford the redundant workers and relevant stakeholders the opportunity to input, on an ongoing basis, to the implementation of the EGF programme.

I – Complementarity, compliance and coordination

I.1 The applicant hereby states that the personalised services do not replace actions that are the responsibility of companies by virtue of national law or collective agreements:

(cf. Article 8(5)(k) of the EGF Regulation.)

X

I.2 Please outline why the personalised services do not replace measures that are the responsibility of companies by virtue of national law or collective agreements:

(cf. Article 8(5)(k) of the EGF Regulation.)

The personalised services in question do not replace measures that are the responsibility of companies by virtue of national law or collective agreements. There is no mandatory legal requirement or collective agreement in place that requires the company in question to provide the types of measures contained in this EGF application for co-funding.

I.3 Please provide information on actions that are mandatory for the enterprise(s) concerned by virtue of national law or pursuant to collective agreements:

(cf. Article 8(5)(g) of the EGF Regulation.)

(This information should include a description of the actions planned or taken by the relevant authorities and the enterprise(s) concerned.)

There is no mandatory legal requirement or collective agreement in place for the enterprise in question to provide the types of measures contained in this EGF application for co-funding.

LTAI voluntarily engaged an outplacement services firm in January 2014 to work with staff on career planning including CV preparation. This activity is not mandatory and is not being charged to the EGF.

I.4 Only if the application is based on the criteria of Article 4(1)(a) or of Article 4(2) in cases where the criteria of Article 4(1)(a) are not entirely met: If the dismissing enterprise (principal enterprise) has continued its activities after the lay-offs, please confirm that it has complied with its legal obligations governing the redundancies and has provided for its workers accordingly:

(cf. Article 8(5)(b) of the EGF Regulation.)

Yes, the enterprise has complied with such legal obligations

No, the enterprise has not complied with such legal obligations

If 'no', please provide an explanation:

I.5 Please indicate the sources of national pre-financing or co-funding and other co-funding if applicable:

(cf. Article 8(5)(l) of the EGF Regulation.)

Funding of services will be pre-financed by the Irish Exchequer which will also co-fund the programme upon approval by the EU authorities. Expenditure will be drawn from the National Training Fund and voted expenditure subheads of the Department of Education and Skills and other relevant Government Departments.

I.6 Please provide a description of the mechanisms by which the applicant Member State will ensure that the specific actions receiving a financial contribution from the EGF will not also receive assistance from other financial instruments of the European Union:

(cf. Article 9(5) of the EGF Regulation.)

Documentation is required on all expenditure proposed and sanctioned including checks to ensure that no duplication of funding occurs. The EGF Managing Authority and the EGF Certifying Authority provide detailed guidance, including financial declaration template forms, to intermediate bodies and public beneficiary bodies within the EGF reporting cascade including the requirement to confirm that incurred EGF expenditure has not already been claimed from any other EU funding mechanism and that relevant financial and management control systems are in place to ensure same. The EGF claims verification process operated by the EGF Managing Authority provides for such confirmation.

In addition to EGF Managing Authority and relevant intermediary body checks, additional checks may be required to be conducted by bodies independent of the management and delivery of the EGF or by external auditors, where deemed appropriate. The EGF Certifying Authority carries out checks at the point of certifying and compiling the programme's final statement of expenditure.

The intermediate bodies and many of the public beneficiary bodies implementing the EGF programme are fully conversant with the funding requirements of other EU financial mechanisms including the ESF and ERDF. Some of these bodies hold formally defined roles within the Irish State's expenditure and declaration of monies that attract assistance from other EU funding mechanisms. In addition, the EGF Certifying Authority is a key body in the certification of ESF expenditure also.

The Irish authorities have established a national Monitoring Committee for the Coordination of EU funds under the National Strategic Reference Framework encompassing ERDF, ESF, EMFF, ETC and EAFRD. The Department of Public Expenditure (DPER) chairs the committee which discusses issues of relevance including the demarcation of funds in operational programmes, complementarity, any implementation issues arising and plans for new programmes to ensure Funds do not overlap. An established group, chaired by DPER to deal with any issues arising from Structural Funds implementation, has, since 2010, included the EGF within its ambit.

I.7 Please provide an explanation as to how the package of measures complements actions funded by other national or European Union funds (in particular the European Social Fund):

(cf. Articles 8(5)(g), 9(2) and (4) of the EGF Regulation.)

(This explanation should include information on how the support for the targeted beneficiaries will complement actions of the Member State at national, regional and local levels, including those co-financed by European Union funds, and should include a description of the mechanisms by which the relevant authorities will ensure the coordination of the assistance from European Union funds. This explanation should focus on synergies between EGF actions and other actions.). In case of inclusion of NEETs, please provide information on complementarity with the National Implementation Plan for the Youth Guarantee.

The proposed package of measures outlined in section G supports the redundant workers either through intensification of existing measures, or through the design and implementation of tailored measures. It complements those measures being delivered on a national basis through the Government's 2012 Action Plan for Jobs and Pathways to Work initiatives. These initiatives comprise a multi-point action plan to be delivered by each of the relevant Departments and agencies of state involved in the fight against unemployment, including:

- More on-going and intensive engagement with those who are unemployed;
- Greater targeting of activation places for those on the Live Register;
- Removing disincentives for unemployed people to take up employment and other opportunities;
- A greater number of places on employment and training schemes for long term unemployed persons;
- An improved progression from such schemes into employment for long-term unemployed people;
- Greater engagement by the private, community, voluntary and not-for-profit sectors in the delivery of employment services;
- A staged roll-out of a Youth Guarantee so that young unemployed people will receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within a period of four months of becoming unemployed or leaving formal education;
- Reforming institutions to deliver better services.

The EGF Managing Authority will ensure that, in conjunction with both intermediate bodies and public beneficiary bodies, only eligible incurred expenditure is declared by the Irish authorities under the auspices of this programme. It will also ensure that a clear audit trail exists in relation to all activities co-financed by the EGF. In this way EGF-funded expenditure shall be ensured to complement actions taken at a national, regional and local level in support of the affected cohort.

I.8 The applicant hereby states that the requested financial contribution from the EGF complies with the procedural and material rules of the European Union on State aid:
(cf. Articles 8(5)(k) and 9(3) of the EGF Regulation.)

X

J – Information, communication and publicity

J.1 Please provide a short description of the activities that are planned to be carried out in order to provide information on the proposed actions and to ensure publicity on the financial contribution from the EGF and the role of the European Union:
(cf. Article 12 of the EGF Regulation.)

Measures provided under EGF co-financed assistance shall be clearly highlighted at national, regional and local levels to ensure that the EGF is properly attributed with such assistance. This will include publicity materials, logos, letterheads, posters, brochures, media advertisements and co-ordinated information events where personalised services will be advertised and explained to interested clients.

The EGF Managing Authority will, with the assistance of the key stakeholders, ensure that EGF assistance is properly highlighted in all appropriate public fora such as media events, press briefings, Oireachtas parliamentary business etc.

The dedicated EGF website www.egf.ie provides information on the programme and highlights the co-funding role of the EU.

K – Management and financial control

K.1 Please provide a description of the bodies designated by the Member State to be responsible for the management and control of the actions supported by the EGF and of the management and control systems in place in these bodies:

(cf. Articles 21(1) and (4) of the EGF Regulation.)

The description should contain the following information in respect of each body.

<p>(a) The tasks related to the management and control of the financial contribution from the EGF carried out by each of these bodies:</p>	<p>Intermediate bodies (IBs) are responsible for the claiming of EGF funding from the EGF Managing Authority and in most cases for its disbursement. IBs are also responsible for verification that the purpose, scope and scale of funding is appropriate within the terms of the EGF programme. In addition, IBs ensure that monitoring and adequate recording and internal control procedures in relation to all EGF-related expenditure and claims are established by public beneficiary bodies and duly documented.</p> <p>The main role of the EGF Managing Authority (MA) is to verify that the programme of personalised services and supports, co-financed through the EGF, has been properly delivered and to ensure that the services rendered are fully supported by verifiably accurate documentation. The MA examines and pays EGF claims submitted by Intermediate Bodies on behalf of public beneficiary bodies.</p> <p>Independent bodies, including external auditors, as appropriate, perform additional checks to ensure that the declaration of final expenditure by the public beneficiary bodies in respect of claims is accurate and supported by a clear audit trail before formal declaration is made of the total amount of eligible expenditure.</p> <p>The EGF Certifying Authority (CA) is responsible for the certification of expenditure statements related to EGF co-financed measures to the European Commission. In doing so, the CA satisfies itself on compliance with all requirements relating to the accuracy, legality, eligibility and regularity of the expenditure.</p>
<p>(b) The procedures by which claims for reimbursement of expenditure are received, verified, and validated, and by which payments to beneficiaries are authorised, executed and accounted for:</p>	<p>The process of reimbursing and verifying EGF-supported expenditure is carried out in two stages. The first stage involves checks carried out (Ex Ante) during the period of eligible expenditure on receipt of interim claims. The second stage involves checks carried out (Ex Post) following the end of the period of eligible expenditure at the time of the declaration by the public beneficiary body of total EGF expenditure during the programme.</p> <p>The EGF financial and control structure has been subject to audits by the European Commission in respect of earlier EGF programmes ie Waterford Crystal – 2011, Dell – 2012, NACE 43 – 2014. It has also been audited by the Department’s own Internal Audit Unit in 2011/12 and again in 2013/14.</p>

	<p>All audits to date have concluded that the relevant EGF management and control system in place in Ireland functions properly, reasonably and in compliance with the governing EU Regulations administering the EGF.</p>
<p>(d) The internal control systems and accounting systems:</p>	<p>The Department of Education and Skill’s Internal Audit Unit (IAU) has audited the EGF MA and CA systems on two occasions in recent times, reporting its findings in February 2012 and April 2014 respectively. Both IAU reports have concluded that the EGF systems work well, with some minor improvements needed, but with low residual risk to regularity. The relevant recommendations for improvement have been duly addressed by the EGF MA and CA.</p> <p>See Section K1(a) also.</p> <p>As part of the financial management control mechanism there is the requirement for the opinion of an independent audit body to be submitted with the final report.</p>
<p>(c) The details of the entity responsible for drawing up the statement justifying the expenditure as referred to in Article 18(e) of the EGF Regulation:</p>	<p>The EGF Certifying Authority is responsible for the drawing up and certifying the final statement of expenditure as referred to in Article 18 of the EGF Regulation.</p>
<p>K.2 Please provide a description of the systems in place for preventing, detecting and correcting irregularities as defined in Article 122 of Regulation (EU, Euratom) No 1303/2013 of the European Parliament and of the Council²⁸ and for making the financial corrections required where an irregularity is detected: (cf. Articles 21(2) and (3) of the EGF Regulation.)</p>	
<p>Please see the responses to K1 set out above.</p>	

²⁸ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

L – Signature of applicant

Signature:

Name of signatory (please print legibly): John McDermott

Date: 19 September 2014

Official stamp: