Mobilisation of the European Globalisation Adjustment Fund: technical assistance by the Commission in 2015

2015/2076(BUD) - 24/06/2015 - Budgetary text adopted by Parliament

The European Parliament adopted by 499 vote to 74, with 41 abstentions, a resolution on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, for an amount of EUR 630 000 in commitment and payment appropriations in the framework of the technical assistance presented at the initiative of the Commission (EGF/2015/000 TA).

Parliament recalled that the European 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.

It recalled that the maximum annual budget available for the EGF in 2015 is EUR 150 million (2011 prices) and that Article 11(1) of the EGF Regulation states that 0.5% of this amount (i.e. EUR 811 825 in 2015) can be made available for technical assistance at the initiative of the Commission in order to finance a number of monitoring activities, training and information on the EGF.

In this context, Parliament approved the measures proposed by the Commission as well as the proposed amount of EUR 630 000 which corresponds to about 0.39% of the maximum annual budget available for the EGF in 2015.

It recalled the importance of networking and exchange of information on the EGF and supported the funding of the Expert Group of Contact Persons of the EGF and the networking seminars on the implementation of the EGF.

Technical assistance 2015: Parliament recommended that the Commission and the Member States should focus their networking activities, in particular on the following:

- **improving the monitoring and evaluation of the impact of EGF support on individual participants** in particular to assess the longer term impact on EGF beneficiaries, the EGF application form and the template for the final report on the execution of a contribution from the EGF, more detailed information on the measures accessed by individual participants should be recorded and clearly communicated to allow, for instance, for a clearer cost-benefit assessment of different measures;
- **further streamlining the application process at the national and European level** by asking the Commission and the Member States to consider counting the EGF implementation period from the date an application is approved, this would allow for the full funding period of 24 months to be exploited;
- **provide greater flexibility** during the delivery period so that Commission may provide greater flexibility for Member States to provide additional measures as new opportunities / demand arises during the delivery period and that **the reference period required to count redundancies for the EGF application is perceived as a straightjacket** affecting the aim of solidarity and the success of EGF assistance.

Parliament recommended that the Commission assess the reasons that resulted, for some projects, in a delay in terms of approval or implementation and to present publicly its recommendations.

EGF visibility: Parliament underlined the importance of increasing general awareness about EGF and its visibility. Noting that the cost of information activities continues to be significantly reduced in 2015, it stressed the need for increased contact between all those involved in EGF applications, including, in particular, the social partners and stakeholders at regional and local level, to create as many synergies as possible. Parliament also underlined the need to extend access to EGF support to young people up to the age of 25 who are not in employment, education or training (NEETs) in equal numbers to workers receiving support in regions with high youth unemployment, if it is demonstrated in the mid-term evaluation that there is a need to maintain this measure after December 2017.

Transparency: Parliament called on the Commission to invite the Parliament to the expert group meetings and seminars in accordance with the relevant provisions of the Framework Agreement on relations between the European Parliament and the European Commission. It underlined furthermore the importance of increased contact between all those involved in EGF applications, including the social partner.

Budgetary procedure: Parliament requested the Member States and all the institutions involved to make the necessary efforts to improve procedural and budgetary arrangements in order to **accelerate the mobilisation of the EGF**. It noted, in this sense, the will of the Parliament to draft an own-initiative report based on the evaluation by the Commission to take stock of the functioning of the new EGF Regulation and the cases examined, the aim being to **ensure the EGF truly is an urgency instrument and to accelerate the release of grants**.

Parliament underlined that the mid-term evaluation to be launched in current 2015 should also take into account the **long-term impact of the crisis and globalisation on SMEs** and therefore evaluate the possibility of lowering the criteria of 500 workers being made redundant set out in Article 4 of the EGF Regulation, as suggested by the European Parliament in its Resolution of 17 September 2014.

Parliament also requested the Member States to highlight the additionality of EGF cases and to create links more clearly with other funds. Member States should consider the most appropriate ways for **EGF to add value** and avoid displacement effects.