

# European Globalisation Adjustment Fund (EGF) 2021–2027

2018/0202(COD) - 27/04/2021 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a legislative resolution approving the Council position at first reading with a view to the adoption of a regulation of the European Parliament and of the Council on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013.

The aim of the regulation is to renew the European Globalisation Adjustment Fund for the period covered by the multiannual financial framework 2021–2027 and thus enable the EU to finance measures to improve the skills and employability of workers who have lost their jobs.

## ***Mission and objectives***

The Fund is intended to offer assistance to redundant workers in the event of major restructuring events, in particular as a result of problems arising from globalisation, such as changes in international trade patterns, trade disputes, significant changes in EU trade relations or in the composition of the internal market, financial or economic crises, and the transition to a low-carbon economy, or as a consequence of the digital transition or automation.

## ***Intervention criteria***

In order to retain the European nature of the EGF, an application for support should be triggered when a major restructuring event has a significant impact on the local or regional economy. The regulation sets the threshold at 200 job displacements within a reference period of four months (or six months in sectoral cases).

## ***Eligible measures***

A financial contribution from the EGF may be made for active labour market policy measures that form part of a coordinated package, designed to facilitate the reintegration of the targeted beneficiaries, in particular the most disadvantaged among them, into employment or self-employment.

Given the importance of skills required in the digital industrial age and in a resource-efficient economy, the dissemination of such skills shall be considered to be a horizontal element for the design of coordinated packages.

## ***Co-financing rate***

The regulation provides for the alignment of the co-financing rate with the European Social Fund (ESF+) co-financing rate in the Member State concerned, but not below 60%.

Investments for self-employment, business start-ups or employee takeovers may not exceed EUR 22 000 per beneficiary.

The regulation provides that aid for the beneficiaries concerned shall complement measures taken by the Member States at national, regional and local level, including such measures that also receive other financial support from the Union budget.

