

# European Globalisation Adjustment Fund: workers affected by imminent job displacement

2025/0073(COD) - 28/04/2026 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 566 votes to 67, with 26 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/691 as regards support to workers affected by imminent job displacement in enterprises undergoing restructuring.

The European Parliament adopted its position at first reading by amending the Commission's proposal as follows:

## *EGF's mission and objectives*

The EGF shall support socioeconomic transformations that are the result of globalisation and of technological and environmental changes by helping displaced workers and self-employed persons whose activity has ceased to adapt to structural change. The EGF shall also **support workers at risk of imminent job displacement**. The EGF shall constitute an emergency fund that operates reactively. As such, the EGF shall contribute to the implementation of the principles set out in the European Pillar of Social Rights, promote sustainable employment and enhance social and economic cohesion among regions and Member States.

## *Intervention criteria*

In the event of requests from companies undergoing restructuring concerning measures for workers facing imminent redundancy, Member States may request financial contributions from the EGF. In the case of large-scale restructuring, an EGF financial contribution will be provided when there are plans for collective redundancies of at least 200 workers facing imminent redundancy in a single enterprise undergoing restructuring in a single Member State.

In **small labour markets**, in duly substantiated cases, and in particular with regard to applications involving SMEs, an application for a financial contribution shall be deemed to be admissible even if some of the criteria are not entirely met, provided that the redundancies or projected collective redundancies have a serious impact on employment and the local, regional or national economy.

In exceptional circumstances, and in particular with regard to applications involving SMEs, the regulation shall also apply to labour markets other than small labour markets. The aggregated amount of financial contributions in such cases shall not exceed 15 % of the annual ceiling of the EGF.

## *Communication of the number of workers affected by imminent dismissal*

The requesting Member State shall communicate to the Commission the number of workers concerned by imminent job displacement who have been identified in one or more written communications from the employer to the workers' representatives.

## *Eligible beneficiaries*

Eligible beneficiaries may include workers facing imminent redundancy in a company undergoing restructuring, including, where applicable, **those at the company's direct suppliers or downstream**

**producers.** Workers at the direct suppliers and downstream producers in question will be considered eligible beneficiaries provided they are part of a collective redundancy plan **taking place in the same Member State as the collective redundancy plan implemented** by the applicant company.

#### *Applications for EGF assistance for workers affected by imminent job displacement*

The application may be submitted by the enterprise within **14 weeks** from the date on which it forwarded to the competent public authority, the first written communication to the workers' representatives containing, inter alia, the number and categories of workers to be made redundant.

A requesting enterprise that agrees to include in its request workers affected by imminent job displacement in its direct suppliers or downstream producers in accordance with the first subparagraph shall remain **fully responsible** under this Regulation for the request.

Without prejudice to the Commission's independent assessment of the application for a financial contribution from the EGF, the applicant Member State may carry out *ex-ante* checks to verify: (i) the requesting enterprise's financial and administrative capacity to implement the financial contribution from the EGF for the workers affected by imminent job displacement concerned; (ii) whether there are financial risks for the applicant Member State, including potentially fraudulent activity and the risk of double funding.

Where Member States carry out such *ex-ante* checks, Member States shall communicate the results thereof, together with their assessment of the request submitted by the enterprise, when submitting the application to the Commission. The Commission shall take that information into account in its assessment of the application.

Where the application includes workers affected by imminent job displacement in the direct suppliers or downstream producers of the requesting enterprise, a **reasoned analysis provided by the requesting enterprise** establishing a clear causal link between the projected collective redundancies in the direct suppliers or downstream producers and those in the requesting enterprise.

#### *Setting and payment of the amount of the financial contribution*

The amended text specifies that a minimum of 40 % of the annual maximum amount of the EGF shall be reserved for applications concerning the cessation of activity of displaced workers or self-employed persons. Any portion of that amount not used or not reserved by 30 June of each year may also be used for applications concerning workers affected by imminent job displacement. Any financial contribution to workers affected by the imminent job displacement shall not exceed **EUR 4 million** per enterprise, per Member State, for any financial year.

The Member State concerned, without undue delay, and **at the latest ten working days** after receipt of the Commission's pre-financing payment, shall make available to the enterprise concerned the part of the pre-financing payment that relates to the coordinated package implemented by the enterprise. Member States may make the pre-financing payment available in instalments.

Beneficiary surveys shall be used to collect data on the perceived change in the employability of beneficiaries, or, for those who have already found employment, on the quality of the employment found.