Mobilisation of the European Globalisation Adjustment Fund for Displaced Workers: application EGF/2026/004 FI/Etelä-Suomi and Helsinki-Uusimaa paper - Finland

2026/0254(BUD) - 21/10/2026 - Budgetary text adopted by Parliament

The European Parliament adopted by 609 votes to 51, with 14 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 Displaced Workers following an application from Finland – EGF/2026/004 FI/Etelä-Suomi and Helsinki-Uusimaa paper.

Parliament approved the proposal for a decision to mobilise the EGF to provide a financial contribution of **EUR 1 102 560** in commitment and payment appropriations to the Union budget for the financial year 2026 in response to the request submitted by Finland following redundancies in the paper manufacturing sector in the regions of Etelä-Suomi and Helsinki-Uusimaa (Manufacture of paper and paper products).

The financial contribution represents 60% of the total cost of EUR 1 837 600, comprising expenditure for personalised services of EUR 1 769 600 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 68 000.

Events leading to the displacements

The forest industry in South Karelia, a sub-region of Etelä-Suomi located next to the Russian border, has experienced significant geopolitical and economic challenges leading to broad structural changes and substantial staff reductions. As the forest industry is vertically linked to the paper industry, by being its primary supplier of raw material, the same challenges spill-over to the intertwined paper industry. The paper industry itself has been experiencing severe challenges over the past years, mainly due to lower demand as **digitalisation** is replacing demand for print products.

As the industry is energy-intensive, rising energy costs also pose a significant challenge.

Moreover, the closing of the border and sanctions against Russia due to its war of aggression against Ukraine resulted in the cessation of imports of Russian wood, which had a significant impact on the region of South Karelia, pushing sourcing of raw materials farther and at higher cost.

Beneficiaries

The application relates to 351 targeted beneficiaries, who were made redundant in the paper manufacturing sector. Short of 90% of the displaced workers are men and half are aged over 54, hence facing greater barriers to re-entering the labour market.

Personalised package of services

Parliament noted that Finland started providing both personalised services to the targeted beneficiaries and incurring administrative expenditure to implement the EGF on 1 January 2026 and that the period of eligibility for a financial contribution from the EGF will therefore be from that date until 24 months and until 31 months after the date of the entry into force of the financing decision, respectively.

This package includes: (i) job-search training and career coaching, (ii) vocational training, (iii) self-employment grants and allowances, (iv) AI-based pilot project on recruitment needs, (v) pay subsidies, (vi) mobility allowance.

Lastly, Parliament noted that the Finnish authorities provided assurance that the principles of equality of treatment and non-discrimination will be respected in the proposed actions and their implementation, and that any double financing will be prevented. Assistance from the EGF must not replace actions that are the responsibility of public authorities or companies under national law or collective agreements.