

Establishing the European Globalisation Adjustment Fund (EGF)

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The committee adopted the report by Roselyne BACHELOT-NARQUIN (EPP-ED, FR) approving the proposed regulation establishing the European Globalisation adjustment Fund. MEPs nevertheless tabled a number of amendments under the 1st reading of the codecision procedure, mainly to widen the scope and beneficiaries of the fund and to define eligible action in a more precise way:

- whereas, in Article 1(2), the Commission had stipulated that assistance from the EGF should be used to help workers affected by "trade-related" redundancies, the committee preferred the term "globalisation-related" redundancies. Other amendments specified that the EGF should therefore provide "solidarity and support for individual workers made redundant as a result of structural changes in world trade patterns", that it should not finance the restructuring of companies or sectors, and that it should not finance passive social protection measures, only active labour market measures;
- the active labour market measures eligible for funding should include aid for setting up cooperative projects and for resuming business, and micro-credits;
- MEPs amended the intervention criteria in Article 2: a financial contribution from the EGF may be provided if a "substantial" increase of imports into the EU or a "sharp and rapid" decline of the EU market share in a given sector results in at least 1000 redundancies, over a period of 12 months in one or more enterprises (particularly SMEs), or, in small labour markets or in exceptional circumstances, when at least 500 workers are made redundant and this has a serious impact on employment and the local economy;
- the EGF may complement assistance from other Community financial instruments, in particular the European Social Fund;
- a "European one-stop Internet shop" should be set up providing wide access to information about the EGF and guidance on the submission of applications;
- a new Article 11a and other amendments set out details of the budgetary procedure to be followed;
- the ex-post evaluation should be carried out by 31 December 2014 with the assistance of external experts and should measure the impact of the EGF and its added value.