

Basic information	
<b>2025/0326(BUD)</b> BUD - Budgetary procedure	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund for Displaced Workers: application EGF/2025/003 SE/Northvolt – Sweden  <b>Subject</b>  4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 8.70.49 2025 budget	

Key players				
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<b>BUDG</b> Budgets		SALLA Aura (EPP)	31/10/2025
			Shadow rapporteur DIBRANI Adnan (S&D) FURET Angéline (Pfe) CHASTEL Olivier (Renew) ANDRESEN Rasmus (Greens/EFA) FARANTOURIS Nikolas (The Left)	
	<b>Committee for opinion</b>		<b>Rapporteur for opinion</b>	<b>Appointed</b>
	<b>EMPL</b> Employment and Social Affairs		DANIELSSON Johan (S&D)	16/10/2025
	<b>REGI</b> Regional Development		The committee decided not to give an opinion.	
Council of the European Union				
European Commission	<b>Commission DG</b>		<b>Commissioner</b>	
	Budget		-- --	
	Employment, Social Affairs and Inclusion		-- --	

## Key events

Date	Event	Reference	Summary
28/10/2025	Non-legislative basic document published	COM(2025)0621 	Summary
12/11/2025	Committee referral announced in Parliament		
17/11/2025	Draft budget approved by Council		
20/11/2025	Vote in committee		
21/11/2025	Budgetary report tabled for plenary	A10-0239/2025	
16/12/2025	Decision by Parliament	T10-0325/2025	Summary
16/12/2025	Results of vote in Parliament		
30/12/2025	Final act published in Official Journal		

## Technical information

Procedure reference	2025/0326(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Mobilisation of funds
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/10/04328

## Documentation gateway

### European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE779.349	04/11/2025	
Amendments tabled in committee		PE779.563	10/11/2025	
Specific opinion	<span style="border: 1px solid red; padding: 2px;">EMPL</span>	PE779.464	11/11/2025	
Budgetary report tabled for plenary, 1st reading		A10-0239/2025	21/11/2025	
Budgetary text adopted by Parliament		T10-0325/2025	16/12/2025	Summary

### European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2025)0621 	28/10/2025	Summary

## Additional information

Source	Document	Date
European Commission	EUR-Lex	

## Meetings with interest representatives published in line with the Rules of Procedure

### Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	Role	Committee	Date	Interest representatives
DIBRANI Adnan	Shadow rapporteur	BUDG	06/11/2025	Arbetsförmedlingen
DIBRANI Adnan	Shadow rapporteur	BUDG	27/10/2025	IF Metall

Final act
Decision 2025/2661 OJ OJ L 30.12.2025

## Mobilisation of the European Globalisation Adjustment Fund for Displaced Workers: application EGF/2025/003 SE/Northvolt – Sweden

2025/0326(BUD) - 16/12/2025 - Budgetary text adopted by Parliament

The European Parliament adopted by 578 votes to 54, with 30 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 Sweden – EGF /2025/003 SE/Northvolt.

Parliament approved the proposal for a decision to mobilise the EGF to provide a financial contribution of **EUR 8 526 322** in commitment and payment appropriations to the Union budget for the financial year 2025 in response to the request submitted by Sweden following redundancies at Northvolt (Northvolt AB) (architectural and engineering activities).

This contribution represents 60 % of the total cost of EUR 14 210 537, comprising expenditure for personalised services of EUR 13 663 977 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 546 560.

### Events leading to the displacements

Northvolt was specialised in architectural and engineering activities, technical testing and battery manufacturing. The company filed for bankruptcy on 12 March 2025 due to production-related difficulties, in particular as a result of an

oversupply caused by intense competition from imports originating mainly from China, which dominates the global market accounting for more than 80 % of global battery production. As a knock-on effect of these difficulties, a further smaller wave of job displacements hit the enterprise's subcontractors, suppliers, and downstream producers.

The resolution highlighted that, the significance of job displacements in the city of Skellefteå is severe, with the unemployment rate reaching 8.2 % over the previous year. Most of the displaced workers have high levels of education and are less than 54 years old with specialised skills in the field of battery production and engineering.

### Personalised package of services

Parliament noted that Sweden started providing both personalised services to the targeted beneficiaries and incurring administrative expenditure to implement the EGF on 25 October 2024 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) in-depth assessment and individual planning, (ii) job-search activities and coaching, (iii) support for starting own business and investment support, (iv) labour market training, (v) training courses, (vi) special support to enter labour market or pursue education, (vii) allowances and digital skills trainings.

Assistance from the EGF must not replace actions that are the responsibility of companies, by virtue of national law or collective agreements.

It should be noted that as of August 2025, the American start-up Lyten, global leader in lithium-sulfur batteries, has entered into a binding agreement to acquire Northvolt's remaining assets in Sweden, Germany and Poland by the end of 2025, and is planning to rehire the laid-off workforce taking into account the ability to offer them equivalent positions in the region. Reemployment should be considered as a primary option and that all unused amounts should be paid back to the Commission in the case of taking over.

Lastly, the resolution stressed the urgent need for coherent and coordinated Union's efforts to ensure competitiveness and strategic autonomy and deplored that the EU battery industry suffers from subsidies Chinese government provides to its producers distorting global competition.

## **Mobilisation of the European Globalisation Adjustment Fund for Displaced Workers: application EGF/2025/003 SE/Northvolt – Sweden**

2025/0326(BUD) - 28/10/2025 - Non-legislative basic document

**PURPOSE:** to mobilise the European Globalisation Adjustment Fund (EGF) to assist Sweden facing displacements in Northvolt (Northvolt AB) and its subsidiaries as well as in 13 subcontractors, suppliers and downstream producers in Sweden.

**PROPOSED ACT:** Decision of the European Parliament and of the Council.

**CONTENT:** on 16 June 2025, Sweden submitted application EGF/2025/003 SE/ **Northvolt** for a financial contribution from the EGF, following displacements in Northvolt (Northvolt AB) and its subsidiaries as well as in 13 subcontractors, suppliers and downstream producers in Sweden.

Following its assessment of this application, the Commission concluded that the conditions for awarding a financial contribution from the EGF are met.

### ***Basis of the application***

Sweden submitted the application under the intervention criterion set out in Article 4 of Regulation (EU) 2021/691, which requires the cessation of activity of at least 200 displaced workers over a reference period of four months, in an enterprise in a Member State, including where this cessation of activity concerns displaced workers at downstream suppliers or producers and/or self-employed workers.

The four-month reference period for the application runs from 28 November 2024 to 28 March 2025.

The cessation of activity during the reference period concerns **5 561 displaced workers** at Northvolt and **268** displaced workers at 8 subcontractors, suppliers and producers downstream of Northvolt.

### ***Events that led to the displacements and cessation of activity***

The event giving rise to these displacements is a major restructuring event concerning Northvolt AB, followed by the bankruptcy of the enterprise. As a knock-on effect, a further smaller wave of job displacements hit the enterprise's subcontractors, suppliers, and downstream producers.

In an attempt to establish a European battery industry to reduce dependence on Chinese manufacturers, Northvolt AB was founded by private investors in 2016. This factory, called Northvolt Ett (Northvolt One), was set-up with the aim to manufacture lithium-ion batteries for electric cars and for storing energy. Further, Northvolt Labs was established as a research campus in the municipality of Västerås.

Northvolt Ett was opened in June 2022. However, severe problems in the production process (only 0.5%) quickly became apparent causing major clients of Northvolt forced to cancel their orders.

At the same time, Chinese battery producers could sell batteries at half price compared to Northvolt, due to state subsidies. As a consequence of a strategic review, in September 2024, Northvolt announced extensive staff cuts, with a total of 1 600 employees being given notice of termination. It declared bankruptcy in March 2025 and production ceased in May 2025.

In August 2025, the American start-up Lyten announced its intention to resume operations, but the date of a possible resumption of production and the number of rehires remain unknown.

Northvolt's bankruptcy is the largest bankruptcy in Sweden in modern times. The job displacements occurred at Northvolt's sites in Skellefteå, Västerås and Stockholm. The impact on the city of Skellefteå (population of 36 000 in the city and 77 000 in the municipality) is severe. Therefore, the Swedish authorities decided to focus the EGF assistance on Skellefteå.

Following Northvolt's bankruptcy, unemployment rose sharply to 8.2% in April 2025. The anticipated brain-drain resulting from job relocations is a significant concern. Many of the laid-off workers possess specialised skills in battery production and engineering. Targeted measures may be needed to help these individuals find new roles in other expanding industries in the region. Targeted measures may be needed to help these people find new roles in other growing industries in the region.

### ***Beneficiaries***

An estimated **5 800** laid-off workers are expected to participate in the measures (71.1% men and 28.9% women).

The **personalised services** to be provided to displaced workers include the following actions: i) in-depth assessment and individual planning; ii) job search activities and coaching; iii) support for business creation; iii) start-up investment support; iv) labour market training; v) training courses within regular education system; vi) steps towards employment for particularly vulnerable beneficiaries; vii) allowances; viii) digital and green skills.

***Budget proposal***

The total estimated cost amounts to EUR 14 210 537; this corresponds to expenses for personalised services amounting to EUR 13 663 977 and expenses to finance preparation, management, information and publicity activities, as well as control and reporting activities, amounting to EUR 546 560.

Having examined the application, the Commission proposes to mobilise the EGF for an amount of **EUR 8 526 322**, representing 60% of the total cost of the proposed measures, in order to make a financial contribution to the application.