



# European Globalisation Adjustment Fund (EGF)

2014 - 2020



# EGF

## Current situation



# Current EGF rules

- Scope:** Redundancies caused by trade related globalisation and crisis (May 2009 to December 2011 only)
- Threshold:** 500 redundancies over 4 or 9 months
- Support:** ALMPs and allowances for up to 24 months from date of application
- Co-financing:** 50%. Amount up to € 500 m per year outside EU budget

# EGF implementation

Applications: 97 applications  
from 20 Member States

Workers: 89,000 workers targeted

Amount: € 415 million  
i.e. € 83 million per year on  
average  
i.e. average 17% of max.  
amount



# **EGF**

# **Proposal for 2014-2020**

# EGF added value (mid-term evaluation)

- Response to large-scale redundancies
- Better assistance
- Involvement of social partners
- Solidarity
- Subsidiarity

# EGF in MFF Package

- Maintained over 2014-2020
- Expanded to include farmers affected by new trade agreements
- Kept outside the EU budget
- € 3 billion for the period 2014-2020
- € 2.5 billion max. for farmers

# EGF Proposal – what stays the same?

- Applications from Member States
- Reference period of 4 or 9 months
- Threshold of 500 redundancies
- Exceptional circumstances and small labour markets
- 50% co-financing rate as a basis



# EGF Proposal – what is improved?

- Applications in case of a crisis become a permanent possibility
- Temporary workers, self-employed and owner-managers of SMEs become eligible
- Measures focus on ALMPs including entrepreneurship
- Co-financing rate can be increased to 65% for Member States with a less-developed region

# EGF Proposal – what is improved?

Additional (technical) improvements to

- reduce the administrative burden;
- speed up the process; and
- provide more flexibility during implementation.

# EGF Proposal – what is new?

- Scope is expanded to include farmers affected by new trade agreements
- Farmers have a specific triggering mechanism
- An interim report is due after 15 months
- An objective is set at 50% of re-integration (or change in activities for farmers) after one year

# EGF Proposal – next steps

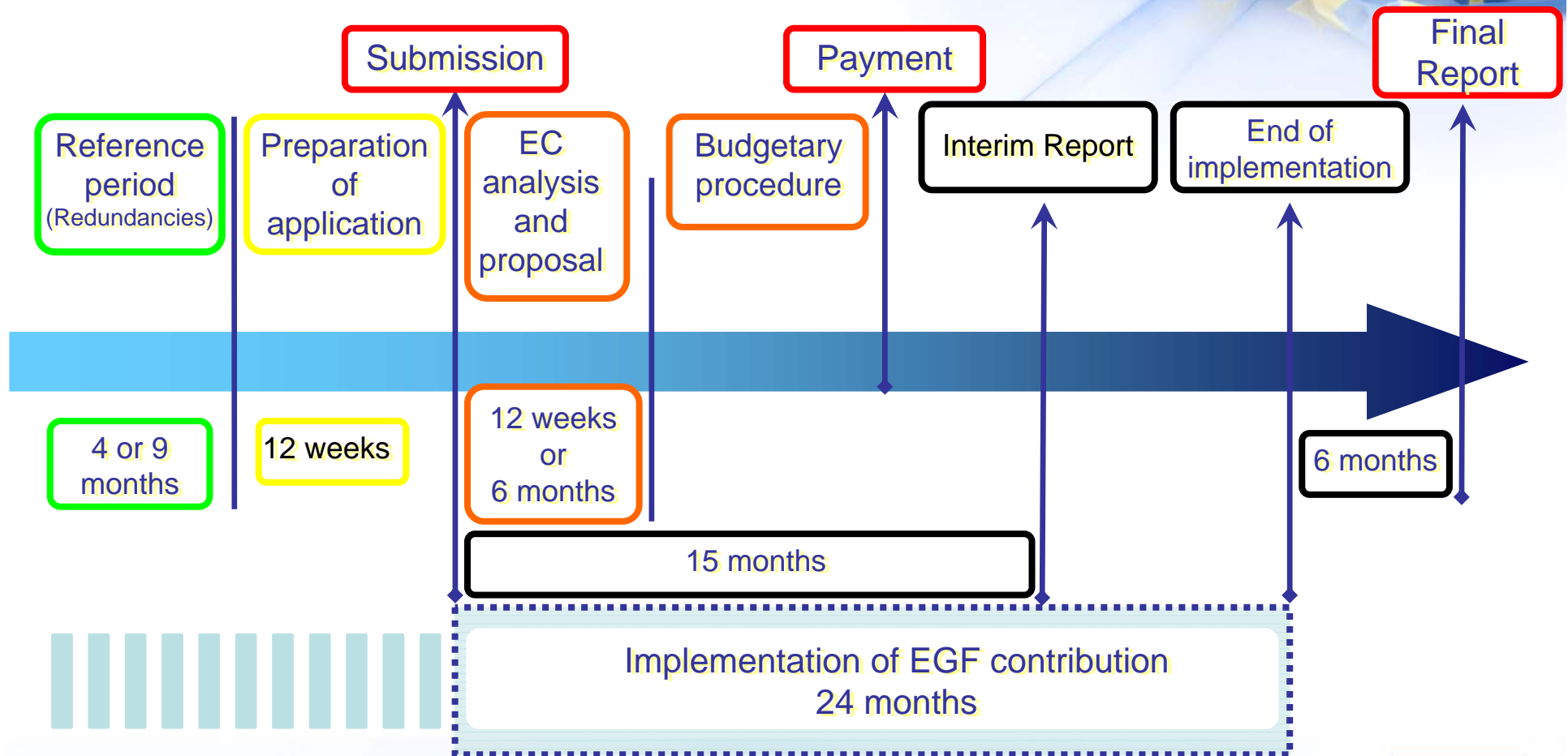
- Negotiations in EP and Council to start in January 2012
- Objective is to have a new Regulation entering into effect on 1 January 2014
- Current Regulation will apply to all applications submitted until end of 2013



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# Annex 1 – EGF Process for ‘workers’



# Annex 2 – EGF Process for ‘farmers’

