EUROPEAN SOCIAL FUND PLUS &
EUROPEAN GLOBALISATION ADJUSTMENT FUND

INVESTING IN PEOPLE

Making Europe cohesive, resilient and competitive in the future means investing in its people now: in their education and training, skills, employability, as well as their potential to create businesses and to innovate, as well as in their health and broader living conditions.

Investing in people and building a fairer and more social Europe have been among the main priorities of the current Commission from the very start. This ambition and commitment led to the proclamation of the European Pillar of Social Rights, aiming at delivering new and solid social rights for EU citizens.

A NEW AND IMPROVED
EUROPEAN SOCIAL FUND

The European Social Fund Plus will be the EU’s main financial instrument to strengthen Europe’s social dimension, by putting the Pillar into practice. It is the ‘new and improved’ version of the existing European Social Fund.

The financial resources will be attributed to key political priorities and citizens’ concerns:

1. ESF+ programmes and projects will have to concentrate on challenges identified under the European Semester in light of the European Pillar of Social Rights

2. Member States with a substantial number of young people not in employment, education or training will have to dedicate at least 10% of the ESF+ funding to measures in support of youth employment and activation of young people

3. Member States should allocate at least 25% of ESF+ funding to measures fostering social inclusion and targeting those most in need

4. ESF+ will be made more coherent with and complementary to other Funds that provide support to people, such as Erasmus, the Asylum and Migration Fund, the European Globalisation Adjustment Fund and the Reform Support Programme
STRUCTURE AND BUDGET

The Commission proposes a total budget of **€101 BILLION in current prices for the period 2021–2027.**

The European Social Fund Plus is the result of the merger between the existing European Social Fund, the Youth Employment Initiative (YEI), the Fund for Aid to the Most Deprived (FEAD), the EU Programme for Employment and Social Innovation (EaSI) and the EU Health programme. The different components will be broken down as follows:

- **€100 billion**: European Social Fund Plus
- **at least 4%**: Support to the most deprived
- **€761 million**: Employment and Social Innovation strand
- **€413 million**: Health strand

Merging the funds will:

1. Create more synergies and complementarity between existing funds
2. Make financial support more flexible to respond to economic and social challenges
3. Simplify programming and management, which will reduce the administrative burden on authorities and beneficiaries

A STRONGER EUROPEAN GLOBALISATION ADJUSTMENT FUND

The European Globalisation Adjustment Fund (EGF) is a concrete expression of EU solidarity with European workers who lost their jobs. Funding from the Globalisation Adjustment Fund aims at improving the skills and employability of these workers.

STRUCTURE AND BUDGET

The EGF will remain one of the special instruments that allow the Union to react to unforeseen circumstances. It is therefore not part of the budgetary ceilings of the multiannual financial framework. **The Commission proposes a total budget of almost €1.6 BILLION in current prices for the period 2021–2027.**

Currently, Member States can apply for help from the Fund when job losses are due to changing global trade patterns or the consequences of the financial or economic crisis. To make sure the Globalisation Adjustment Fund remains fit-for-purpose to respond to today’s and tomorrow’s changes in the labour market and economic challenges, the Commission proposes the following improvements:

1. Broaden the reasons for which a Member State can apply for help from the Fund: for instance not only when workers are displaced by restructuring events triggered by changing global trade patterns, but also automation, digitalisation, or the transition to a low-carbon economy
2. Lower the number of dismissed workers from 500 to 250 to submit an application, reflecting better the average size of today’s businesses and a general trend of fewer very large scale redundancies
3. The alignment of the intervention rate with the highest ESF+ co-financing rate in the respective Member State concerned will encourage Member States to apply for funding in the most efficient manner