EUROPEAN COMMISSION



Brussels, 5. 6, 2012 C/2012/ 3680 fina.

Dear President,

The Commission would like to thank the Senat for its Opinion on the Proposal on the European Globalisation Adjustment Fund (EGF) 2014-2020 {COM(2011) 608 final} and apologises for the delay in replying.

The Commission would like to underline that it is up to the Member States to decide whether to apply for EGF funding, which redundant workers to target, which measures to implement and what will be the costs to their respective budgets. In any case, Member States implement the measures according to their own legislation, procedures and rules.

The EGF does, however, allow the Member States to go beyond the measures generally made available to workers made redundant in mass redundancy cases, by providing them with more personalised support, by supporting them for longer periods, and making available measures not (yet) available in more general schemes. The EGF can thus be used to test innovative actions and delivery methods – but only if the Member States so desire.

The EGF has been established to provide one-off, time-limited personalised support to redundant workers who share a common dismissal background so that they find another job as quickly as possible. Doing so, it complements, but does not replace, the overall, long-termoriented actions and policies implemented through the cohesion policy tools, in particular those of the European Social Fund (ESF).

Considering the synergy between those two instruments the Commission assessed the option of integrating the EGF into the ESF while preparing its proposals for the next Multiannual Financial Framework. The outcome of this analysis was that the very nature of the EGF – i.e. a crisis instrument – makes it very difficult to foresee how much funding will be required, as the number and level of applications depend on unforeseeable circumstances. At times when budgets need to be very carefully planned, it was therefore easier to place the EGF outside the main budget and into a flexible reserve, as is the case at present.

Furthermore, the Commission would like to emphasise that the EGF is an expression of solidarity on the European level, assisting Member States on their request in coping with unforeseen effects of globalisation. Since the ESF activities are financed on the basis of national envelopes, this would not have been the most appropriate solution for the EGF, given this underlying principle of European solidarity.

Mr Bogdan BORUSEWICZ Marshal of the Senate Ul. Wiejska 6 PL – 00-902 WARSAW As regards the recourse to delegated acts to define the conditions under which farmers may be eligible for support from the EGF, these will be based on a thorough examination of the impact of the agreements on sub-sectors of agriculture across European regions. This will allow the Commission services to identify the activities and regions which have been genuinely affected by the conclusion of new trade agreements and on which EGF support should be concentrated. Any more precise provision within the future EGF Regulation would prevent this instrument from adapting to new circumstances arising from the conclusion of new trade agreements. Delegated acts remain subject to the scrutiny of the Council and the Parliament, which can object to the proposed act before its entry into force.

As regards the possibility to increase the co-financing rate to 65 %, the Commission opted for this wording to avoid situations where some Member States would benefit from a higher co-financing rate when it is not fully justified (e.g. when the less-developed region(s) is(are) overseas and was(were) not affected by the redundancies proposed for EGF assistance).

The Commission will shortly be transmitting the mid-term evaluation of the effectiveness and sustainability of the results obtained by the EGF to the other European institutions and to stakeholders. The Member States, particularly those with EGF cases for which final reports had been prepared, were closely involved in this evaluation. In addition, all Member States were invited to send participants to the Conference on the results of the evaluation, held in Brussels on 2 February 2012. The Commission hopes that the results obtained so far will convince the Senat of the value added by this Fund.

The Commission hopes that these explanations serve to clarify the concerns raised in the Opinion of the Senat and looks forward to continuing the political dialogue on this very important issue.

Yours faithfully,

Maroš Šefčovič Vice-President