



Ex-post evaluation of the European Globalisation Adjustment Fund (EGF)

Final Report

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**Ex-post evaluation of the
European Globalisation
Adjustment Fund (EGF)
Final Report**

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Table of Contents

One Page Summary	1
The aims and objectives of EGF	1
Beneficiaries of EGF	1
Measures funded by EGF.....	1
Labour market and other outcomes of EGF	1
The Community Added Value of EGF.....	1
Executive Summary	2
Introduction.....	2
Key Features of EGF cases	3
EGF Outcomes and Impacts	4
Conclusions relating to the Added Value of EGF.....	9
Recommendations	11
1 Introduction	14
1.1 Key features of EGF Instrument.....	14
1.2 The ex-post evaluation (final phase)	15
1.3 Study Method	16
1.4 Purpose of this report	16
2 Key Features of EGF cases	18
2.1 Introduction	18
2.2 Overview of the 73 EGF cases	18
2.3 Beneficiary reach rate	24
2.4 Beneficiary profile.....	27
2.5 Case expenditure and measures	35
3 EGF Outcomes and Impacts.....	46
3.1 Introduction	46
3.2 Employment outcomes.....	46
3.3 Other wider outcomes achieved in EGF cases	62
3.4 Cost effectiveness of EGF cases.....	65
3.5 Comparison with other assistance outcomes.....	90
4 Added Value of EGF.....	98
4.1 Introduction	98
4.2 Volume effects.....	98
4.3 Scope effects.....	101
4.4 Role effects	102
4.5 Process effects.....	105
5 Conclusions.....	108
5.1 Introduction	108
5.2 Impact of the EGF	108
5.3 Conclusions relating to the Added Value of EGF	116
6 Recommendations	121
Annex 1: Methodology of statistical analysis	
Annex 2: Collection of Good Practice Examples	

One Page Summary

The aims and objectives of EGF

The EGF was established through Regulation (EC) No 1927/2006 in December 2006 to show solidarity with workers who had lost their jobs in large scale redundancies resulting from changes in global trade patterns. This report provides overall conclusions concerning the EGF, based on the results of three evaluations: a Mid-term Evaluation in which 15 EGF cases were evaluated and an Ex-post evaluation in which 33 and 25 cases were evaluated in two phases (total 73 cases).

Beneficiaries of EGF

In almost all cases, the majority of the beneficiaries fell into the 25 to 54 year age group (79% of all beneficiaries¹). The level of educational attainment of final assisted beneficiaries shows significant variance between EGF cases. Overall, there is a tendency for the EGF beneficiaries to have a relatively lower than average educational attainment (37% of beneficiaries with highest level of qualification at ISCED 1-22). The average share of female beneficiaries per case is 33%, with the average share of males 67%. Variation in the gender profile between cases can be explained depending on the sector of the EGF case and whether these are traditionally male or female dominated.

Measures funded by EGF

The range and specific detail of measures applied in each case was determined by the requirements of the dismissed workers, the needs of the local economy and the mainstream provision available through the national restructuring framework. A range of support measures were provided to dismissed workers, such as information, advice and guidance through individual case management; specific training measures; employment and recruitment incentives; measures to support self-employment; and a range of other financial allowances to support job search, mobility and indeed subsistence allowances (while undergoing training). The majority of outputs are used on individual case management and training and retraining

Labour market and other outcomes of EGF

The re-employment rate at the end of EGF assistance varied considerably from 4% to 86%. The average re-employment rate achieved at the end of EGF assistance across the 73 cases was 49%. Given the prevailing economic conditions and the fact that workers with certain characteristics predominated among EGF beneficiaries, this can be considered to be a positive outcome overall. In the majority of cases there was an increase in the re-employment rates achieved in the short and medium term (after EGF measures had ended), indicating a high level of sustainability in outcomes (or at least an enhanced employability of beneficiaries). The level of self-employment varied significantly across the 73 cases (from 44% to 0%), the average rate for all cases with data available was 5%. In most cases, it was found that workers found re-employment in the same or similar sector. In terms of the quality of new employment, evidence from case study interviews throughout the three evaluations indicated that some workers re-entered the labour market through temporary contracts.

A range of soft outcomes for the EGF participants were also identified in the evaluation. Most frequently mentioned were psychological benefits for assisted workers. This included a greater feeling of empowerment, improved self-esteem and better ability to navigate labour market opportunities

The Community Added Value of EGF

In the absence of the EGF, the volume of activity would have been significantly lower in some cases, the EGF-funded measures broadened the scope of mainstream provision by providing support to groups that may not otherwise have been supported. Additionally there were some examples of EGF facilitating innovation and good practices which have since been mainstreamed within Member States.

¹ Age profile data are only available for 99% of beneficiaries.

² Educational attainment data are only available for 96% of beneficiaries.

Executive Summary

Introduction

ICF was appointed by DG Employment, Social Affairs and Inclusion in December 2013 to carry out an ex-post evaluation of the European Globalisation Adjustment Fund (final phase), under specific Service Order VC/2013/1272 of the Multiple Framework Contract for the provision of Evaluation and Evaluation Related Services to DG EMPL. This is a Final Report which outlines the key findings and presents conclusions and recommendations. This report also uses material from the following evaluations: Ex-post evaluation of the EGF - first phase VC/2012/098 and Mid-term evaluation of the European Globalisation adjustment Fund – VC/2011/0207.

The EGF Instrument

The EGF was established through Regulation (EC) No 1927/2006 in December 2006 to show solidarity with workers who had lost their jobs in large scale redundancies resulting from changes in global trade patterns. It co-finances projects including measures such as help with finding a job; careers advice; education, training and retraining; mentoring and coaching and entrepreneurship support. The fund became operational in January 2007. The Council of the European Union and the European Parliament approved the changes to the EGF in June 2009. These changes had the effect of broadening the eligibility criteria for EGF to include redundancies resulting from the global financial and economic crisis (in addition to the former criteria based on job losses resulting from changes in world trade patterns. The co-financing rate was also increased from 50% to 65%. These "crisis derogations" ended on 31 December 2011. Permanent changes to the EGF eligibility criteria were also introduced: the eligibility threshold for EGF applications was lowered from 1,000 to 500 redundant workers; and the maximum funding period was extended from 12 to 24 months.

In October 2011, the Commission made a proposal for a new EGF Regulation from 2014-2020 (COM (2011) 608 final, 6.10.2011). This new Regulation (EC) No 1309/2013 was adopted in December 2013 and includes, among other things, greater emphasis on measures which focus on active labour market policies and support for entrepreneurship. It also seeks to ease administrative burdens and speed up decision-making processes while maintaining the EGF as a measure outside the EU budget frame.³

The ex-post evaluation

The EGF Regulation (EC) No 1927/2006 required a mid-term evaluation of the effectiveness and sustainability of the results obtained by the EGF (Article 17(a)) and an ex-post evaluation to measure the impact of the EGF and its added value (Article 17(b)). The mid-term evaluation was conducted in 2011, comprising 15 EGF cases implemented between January 2007 and June 2009⁴.

The ex-post evaluation was commissioned in two phases. The first phase of the Ex-post Evaluation was undertaken in 2013. The study covered 33 cases for which the Final Reports were received by the European Commission between November 2011 and September 2012. The ex-post final phase included a further 25 EGF cases that had completed delivery and provided Final Reports to the European Commission by the end of 2013. This report provides overall conclusions concerning the EGF, based on the results of all three evaluations (Mid-term and both phases of the Ex-post evaluation, with a total of 73 EGF cases evaluated).

³ EGF Regulation 2014-2020 Regulation (EU) No 1309/2013 of 17 December 2013 (Official Journal L 347, 20.12.2013).

⁴ The Mid-Term Evaluation report can be accessed via:
<http://ec.europa.eu/social/main.jsp?langId=en&catId=88&eventsId=430&furtherEvents=yes>

Evaluation objectives

The purpose of the ex-post evaluation is to evaluate the impact of the EGF and its added value. The specific evaluation questions are outlined in Box 1.

Box 1: Ex-post evaluation of the EGF (final phase): Evaluation Questions

Impact

- (i) How and to what extent has the EGF support had an impact on individual participants? With specific regard to employment impacts, to the extent possible, the analysis should take into account the labour market status of the assisted workers at the end of the implementation period and, if data are available, at a later stage.
- (ii) How and to what extent have the EGF cases generated broader impacts in the areas in which they took place? These impacts can relate to household members and work and personal acquaintances of individual beneficiaries; civil society organisations and regional and local institutions.
- (iii) What are the factors that help or hinder the impacts that have been observed?
- (iv) How do the impacts achieved compare with those achieved by (a) individuals who did not receive the EGF support (comparators/control group); (b) similar redeployment projects at national/regional level?
- (v) How and to what extent have the EGF cases been cost-effective?

Added value

- (i) How and to what extent has the EGF generated community added value?
- (ii) To what extent did the EGF expenditure replace expenditure that the Member State was obliged to incur in any case?
- (iii) Can good practices be identified? If so, how do they relate to the dimensions of added value?

Key Features of EGF cases

Beneficiary profile and factors affecting beneficiary reach rates

The group of 73 EGF cases supported 55,302 dismissed workers (out of more than 99 000 workers dismissed by some 7,000 enterprises).

The average share of female beneficiaries per case is 33%, with the average share of males 67%. The gender profile of final assisted EGF beneficiaries shows variation in the gender split amongst the 73 cases (in one case the share of assisted workers that are female is as low as 1%, in another it is as high as 94%). The variation in the gender profile can typically be explained depending on the sector of the EGF case and whether these are traditionally male or female dominated. For example, the construction, automotive, machinery and equipment and shipbuilding activities are associated with higher proportions of male beneficiaries in comparison to, for example, textiles and wearing-apparel which traditionally have higher proportions of female beneficiaries.

The average share of beneficiaries aged 25 to 54 was 79%, the average share of older workers (aged 55 or more) was 15%; and, the average share of younger beneficiaries (aged 15-24) was 5%⁵. In almost all cases, the majority of the beneficiaries fell into the 25 to 54 year age bracket. The level of educational attainment of final assisted beneficiaries shows significant differences between EGF cases. Overall, there is a tendency for the EGF beneficiaries to have a relatively lower than average educational

⁵ Age profile data are only available for 99% of beneficiaries.

attainment (37% of beneficiaries with highest level of qualification at ISCED 1-2); 32% ISCED Level 3; 18% ISCED Level 4 and 9% ISCED Level 5 or above⁶.

Most EGF application approval periods are determined by the capacity of Member States to compile applications and supply relevant information. The period required for the approval of an EGF application across the 73 cases varied significantly from 128 days to 904 days. The average approval period across all of the cases was 303 days (or, 10 months) and there was little difference in average approval periods between the sets of cases included in the three evaluations.

The beneficiary reach rate demonstrates the proportion of those workers participating in the EGF measures in proportion to the number targeted in the original application. The average beneficiary reach rate across all of the cases was 78%, with a minimum of 12% and a maximum of 130%. 20 cases had beneficiary reach rates of 100% or more (this approximates to roughly 27% of all 73 cases covered by the evaluations). Reach rates of more than 100% can often be attributed to additional workers being made redundant after the application deadline. They can (under certain conditions) still be included for support if this can be achieved within the agreed budgetary frame.

Expenditure

The 73 cases were responsible for a total EGF expenditure of €187,195,250, with average EGF expenditure per person of €3,385. EGF expenditure per person varied significantly between cases, from EUR 285 to EUR 25,194. The budget implementation rates ranged from 3% to 110%. The average budget implementation rate was 55% meaning that a significant share of allocated funds went unused. There were a number of reasons for this including compressed implementation periods as a result delayed start-up (awaiting final approval of funding); lower than predicted numbers of beneficiaries and savings in the implementation of measures.

Measures provided

The range and specific detail of measures applied in each case was determined by the requirements of the dismissed workers, the needs of the local economy and the mainstream provision available through the national restructuring framework. A range of support measures were provided to dismissed workers, such as information, advice and guidance through individual case management; specific training measures; employment and recruitment incentives; measures to support self-employment; and a range of other financial allowances to support job search, mobility and indeed subsistence allowances (while undergoing training). The majority of outputs are used on individual case management and training and retraining.

EGF Outcomes and Impacts

Outlined below are conclusions related to each of the key evaluation questions.

Impact of the EGF

Evaluation Question (i) *How and to what extent has the EGF support had an impact on individual participants?* With specific regard to employment impacts, to the extent possible, the analysis should take into account the labour market status of the assisted workers at the end of the implementation period and, if data are available, at a later stage.

The impact of the EGF support on the individual participants was measured in the first instance by the proportion of the participants re-entering employment. The re-employment rate at the end of EGF assistance varied considerably from 4% to 86%. The average re-employment rate achieved at the end of EGF assistance across the 73 cases was 49%. Given the prevailing economic conditions and the fact that workers

⁶ Educational attainment data are only available for 96% of beneficiaries.

with certain characteristics (e.g. low skill levels, long employment histories with previous firms) which can militate against successful rapid reintegration predominated among EGF beneficiaries, this can be considered to be a positive outcome overall.

The level of self-employment varied significantly across the 73 cases (from 44% to 0%), the average rate for all cases with data available was 5%. The analysis undertaken illustrates that the more significant the level of resources used to establish measures which promote entrepreneurship, the higher the rate of self-employment the end of the measures. This indicates a high degree of success with the use of these measures as part of EGF in promoting and fostering entrepreneurship

The relationship between self-employment rates and gender was examined as part of this analysis, and no significant relationship could be found. However, the sector which dismissed workers originated from appears to have an influence on the self-employment rate. For example, of the 10 cases with the highest proportions of self-employment, six were from the automotive sector with an average self-employment rate of 9% across all EGF cases in the automotive sector. In comparison, the printing and textiles sector were associated with lower self-employment rates (on average, 0% and 3% respectively).

In 51 EGF cases information regarding the sustainability of these re-employment rates was available. The majority experienced increases in the re-employment rates achieved in the short and medium term, indicating a high level of sustainability in outcomes (or at least an enhanced employability of beneficiaries). Further, this indicates the longer term focus of the EGF support (for example, in regard to training and retraining). Across the 51 cases, 33 experienced an increase in the re-employment rate achieved, seven remained stable and 11 experienced a decline in the re-employment rate.

Interviews with the case delivery partners suggested a mix of trends in terms of the sectoral movement of workers. In most cases, stakeholder views suggest that workers found re-employment in the same or similar sector. In terms of the quality of new employment, evidence from case study interviews throughout the three evaluations indicated that a significant number of workers re-entered the labour market through temporary contracts (particularly, but not only in countries where this form of employment is widespread among labour market entrants and re-entrants).

A range of soft outcomes for the EGF participants were also identified in the evaluation. Most frequently identified by stakeholders in the majority of cases were psychological benefits for assisted workers. This included a greater feeling of empowerment, improved self-esteem and better ability to navigate labour market opportunities. In most cases, the psychological impact on dismissed workers of losing a job was a significant challenge for delivery partners, particularly where individuals had worked for the same employer for a long time. As a result, delivery partners frequently faced de-motivated workers who were sceptical about their chances of re-employment given the lack of vacancies (for their specific skills) in the job market or reluctant to participate in active measures such as training.

Participation in the EGF activities allowed beneficiaries to remain active while developing their skills, and on-going support allowed them to develop greater self-belief and improve their capacity for re-employment. As a consequence of assistance from the EGF in some cases, the dismissed workers were re-engaged with mainstream public services as many of them had become cut-off from the labour market and their communities.

Employability impacts of the EGF measures are more evident for some beneficiary groups than others. Younger and skilled workers were generally better prepared to take advantage of the learning opportunities to up-skill/retrain compared to migrants and mid-career workers, mostly because they could more easily adapt to a new

sector and position. Conversely, reduced adaptability to new sectors and roles were more noticeable among older workers than among migrant workers in general.

Evaluation Question (ii) *How and to what extent have the EGF cases generated broader impacts in the areas in which they took place?* These impacts can relate to household members and work and personal acquaintances of individual beneficiaries; civil society organisations and regional and local institutions.

EGF assistance made a positive contribution in most cases to addressing significant social and labour market problems in the locality after large-scale redundancies, increasing social cohesion, and assisting the hardest-to-help people. Assistance provided to the EGF beneficiaries enabled them to re-enter employment and thus contribute to family earnings or remain active in the job search and thus avoid negative unemployment traps. In addition, each re-employed EGF beneficiary no longer had an incentive to move away (with or without the family) from the local community which can be considered to be beneficial in terms of preventing labour drain.

In the absence of such co-financed measures there would have been many more people and families unemployed (for longer periods of time), drawing social security benefits and accessing other forms of support with the associated impact on incomes and social inclusion and cost to the state or locality.

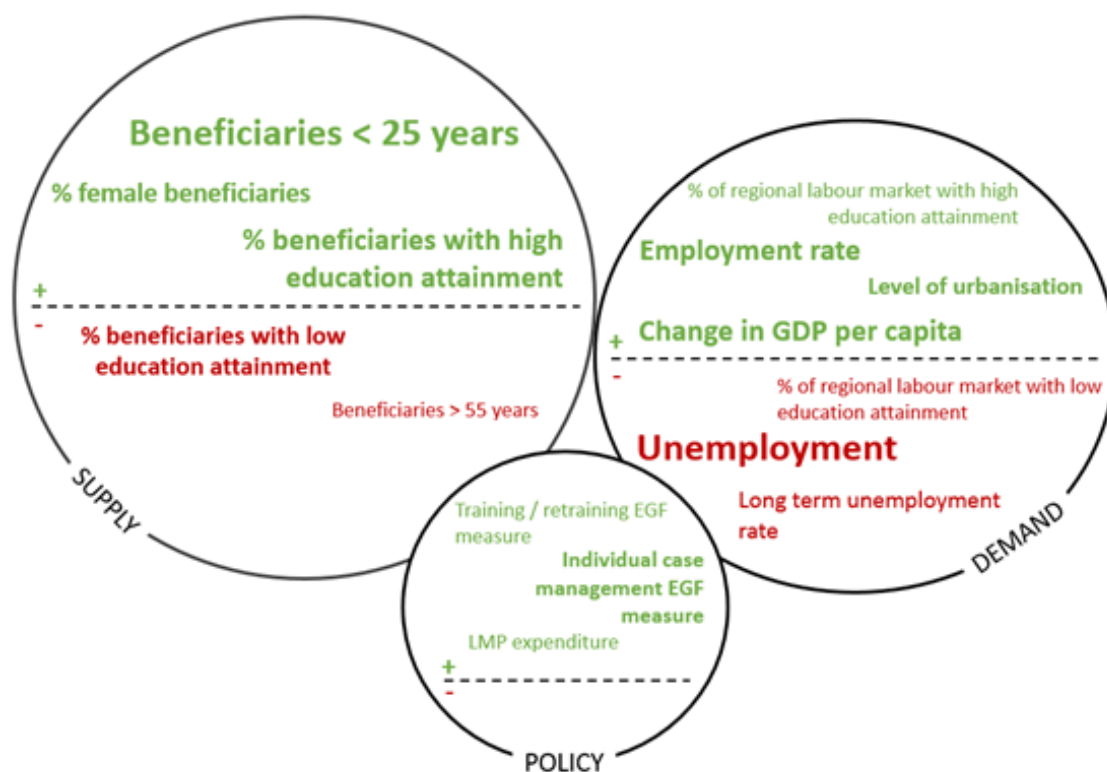
The psychological effect of solidarity amongst the beneficiaries and the local population was an important outcome of the EGF assistance (although this is difficult to measure). In the words of one interviewee, it was important *"to feel not being 'abandoned' in the aftermath of the crisis and ensuing mass lay-offs and that something for our professional development could still be done, despite the crisis"*.

Furthermore, the EGF also contributed to capacity building among local organisations, thus making them better able to access support funding and co-ordinate efforts among labour market actors and community groups in cases of future redundancies. This is demonstrated in countries with several EGF cases where project partners commented on more effective delivery and continued positive working relationships beyond the lifetime of EGF funding.

Evaluation Question (iii) *What are the factors that help or hinder the impacts that have been observed?*

The figure below summarises the statistical findings on the elements which help or hinder positive employment impacts from being achieved in EGF cases in terms of:

- The relative significance of demand, supply and policy mix factors (depicted by the size of each circle);
- The significance of a variable in explaining the EGF re-employment rates achieved; the larger the size and emphasis of the text, the more significant the effect of that variable is, and;
- The direction of the relationship (i.e. positive or negative relationship with re-employment rates).



These findings are drawn from the statistical analysis undertaken for all 73 cases. The statistical inquiry found that the following variables had the greatest influence on the re-employment rates:

- On the supply side: on the supply side having a positive impact on re-employment rates were the proportion of beneficiaries less than 25 years, the proportion of workers with high education attainment and the proportion of female beneficiaries all offered explanatory power in both models. In contrast, the proportion of workers with lower education attainment had a negative relationship with re-employment rates. The proportion of workers over 55 years had a negative impact on the re-employment rates but was not found to be significant in the final models;
- On the demand side: The unemployment rate was found to be the most explanatory demand side variable, with a negative relationship to the re-employment rates. The long term unemployment rate was also found to be negative, although not statistically significant. Having a positive relationship with the re-employment rates was change in regional GDP, although with varying significance across the two models. The level or urbanisation of a region was also positively associated with re-employment rates (i.e. regions which were more densely populated were associated with higher re-employment rates);
- In terms of policy, the results were limited by data availability in terms of regional policy (due to data not being available at a regional level). The most explanatory policy variable appeared to be the proportion of outputs supported by individual case management which allowed measures to be tailored to the requirements of each dismissed worker.

Evaluation Question (iv) *How do the impacts achieved compare with those achieved by (a) individuals who did not receive the EGF support (comparators/control group); (b) similar redeployment projects at national/regional level?*

The main conclusions from the comparator analysis were as follows.

a) Comparison with *Individuals who did not receive the EGF support*

This analysis was possible for three EGF cases in Ireland (IE Construction of buildings; IE Specialised construction activities; and, IE Architectural and engineering activities). In one of these cases (IE Architectural and engineering activities) the reemployment rate of EGF beneficiaries was greater than that of non-beneficiaries. In this case discussions with the stakeholders involved in the design and delivery of the EGF case suggested that the EGF provision provided a more significant retraining than was available through mainstream provisions. As a result the labour market position of beneficiaries was improved to a greater extent than non-beneficiaries.

In the other two cases (IE Construction of buildings; and IE Specialised construction activities) the reemployment rates of EGF beneficiaries were lower than those of non-beneficiaries. This can be explained by the fact that the educational profile of non-beneficiaries was higher than beneficiaries. As a result they did not require as much assistance to gain employment.

b) Cases with other types of comparators

For two cases it was possible to obtain reemployment data for individuals affected by significant redundancies registered with the same PES office during the same delivery period (the PL Podkarpackie and the SI Mura cases). In both of these cases, the reemployment rates achieved for EGF beneficiaries were higher than those of mainstream PES provision. In these two cases the two main reasons for these high reemployment rates that were identified were the positive local labour market conditions and the nature of the particular measures provided which were well suited to the beneficiaries and the nature of local labour market opportunities. In four cases transfer company and labour foundation reemployment data was used. In two of these EGF cases higher beneficiary reemployment rates than comparators were achieved (DE BenQ and AT Nieder- und Oberösterreich Transport) and two achieved lower reemployment rates (DE Nokia and DE Karmann). In these cases it appears that EGF had most positive impacts for beneficiaries when measures were designed to integrate with the existing framework by extending the period of available support, providing additional benefit for those experiencing the most significant barriers to reemployment.

Cases with previous EGF cases used as comparators

For thirteen other EGF cases comparison was made with previous EGF cases or other cases of large scale redundancies. Of these cases, ten cases achieved a lower reemployment rate than their comparator and three achieved a higher reemployment rate than their comparator.

Where reemployment rates in EGF cases within the same Member State were compared, the majority of more recent cases were found to have lower reemployment rates than previous cases. Two key factors contributed to this, the profile of the beneficiaries and the prevailing economic conditions. In each of the cases with lower reemployment rates the beneficiary profile was notably older compared to previous cases. Secondly, prevailing economic conditions provided limited job openings and increased competition for the jobs that were available.

Evaluation Question (v) *How and to what extent have the EGF cases been cost-effective?*

The prevailing view of the stakeholders was that the EGF assistance was cost-effective as it led to financial savings due to lower unemployment benefit and other social benefit payments for dismissed workers assisted by the EGF to find a new job. In addition, the newly employed workers were paying taxes and social security contributions, hence, they were paying back the resources spent on re-integrating them into employment.

No linear relationship was identified between the size of the expenditure per beneficiary and the re-employment rates achieved across the 73 cases. Higher levels of expenditure alone do not lead to higher re-employment rates and vice versa (the exception that a medium level of spending occurred mostly in the cases with medium re-employment rates). This supports the key overall evaluation finding that it is a range of supply, demand and policy mix factors behind the re-employment rates achieved in the 73 EGF cases.

Amongst the countries with multiple EGF cases, a clear trend in the relationship between the level of expenditure and the re-employment rates is identified in several countries (including Belgium, Ireland, Lithuania, Netherlands, Poland, Portugal and Spain). In contrast, in Austria, Denmark Germany and Italy there was no clear relationship between the level of expenditure and the re-employment rates amongst the multiple EGF cases. This shows that although cost-effectiveness comparisons between the countries show no clear patterns, within the countries with multiple EGF cases there are strong similarities between the costs and results achieved. However, the relationship in the same country between the level of expenditure and outcomes is not linear. This means that the higher expenditure in a country is not observed alongside higher re-employment rates (and vice versa).

The rates of the expenditure per beneficiary and the re-employment rates in the 73 EGF cases evaluated were compared with the previous EGF cases implemented in the same Member State. Such analysis of the trend in the level of spending in isolation needs to be treated with caution (as a range of factors influences the EGF case re-employment rates). There were no clear trends identified within the 12 countries with several waves of the EGF cases.

Finally, the analysis of the cost of different types of measures and their associated re-employment rates undertaken in nine EGF cases (where information was available) also revealed that there are no strong patterns in the relationship between the cost of individual types of measures and their observed re-employment rates, although in some cases individualised assistance was considered to have shown the greatest benefits compared to a modest expenditure. This reflects the importance of an appropriate mix of measures and also some evidence that EGF beneficiaries accessing multiple measures achieved better re-employment rates. Such an appropriate mix is arguably best achieved through individual profiling and the preparation of individualised intervention plans.

Conclusions relating to the Added Value of EGF

This evaluation uses the following categorisation of Community Added Value: ⁷

- Volume Effects: the extent to which the EGF supported actions add to existing actions, either by supporting national actions in general ('mirroring') or specific areas of national policy ('boosting').
- Scope Effects: the extent to which the EGF broadens existing action by supporting groups or policy areas that would not otherwise receive support.

⁷ European Commission (2008).

- **Role Effects:** the extent to which the EGF supports local/regional innovations that are taken up at national level or national innovative actions that are then 'mainstreamed'.
- **Process Effects:** the extent to which the EGF action influences the Member State administrations and organisations involved in the programmes.

Evaluation Question (i) *How and to what extent has the EGF generated community added value?*

Volume Effects

EGF has substantial volume effects. In all cases, the EGF funding provided support to specific measures of mainstream PES provision. In the absence of the EGF, the volume of activity would have been significantly lower. In a number of cases, stakeholders highlighted that this increased volume of activity was an important factor supporting beneficiaries back into employment.

EGF cases had two types of mirroring effects. A first type occurred in cases where EGF funding supported national action by reinforcing the intensity of the package of measures provided to redundant workers. A second type of mirroring effect of EGF cases was to support existing national actions by prolonging the period of certain measures. Evidence gathered during case study consultations illustrated ways in which the EGF measures were designed with a view to complementing the existing provision of services by 'boosting' specific areas of national policy. While a diverse range of policy measures were supported by EGF funding, two in particular cut across a number of projects, namely, offering an individualised approach and promoting re-employment in different 'growth' sectors. A third – more diverse - category of measures boosted by the EGF are those considered of national priority (which vary across countries).

Scope Effects

Consultations with EGF case stakeholders indicated that, in some cases, the EGF-funded measures broadened the scope of mainstream provision by providing support to groups that may not otherwise have been supported. In a number of cases, the scope of provision was extended through the EGF funding and a number of activities and measures, which are typically not part of the regular offer of the PES, were supported by the EGF. In a few cases a coordinated sectoral response was made possible thanks to the EGF funding. A number of cases have offered a preparatory programme to beneficiaries to inform and guide them in designing a personal action plan. Individualised coaching and motivational workshops were also a prevalent feature of several EGF cases. Finally, in a few cases the EGF provided support for employability measures, which were not typically provided by PES. In most cases, however, the EGF did not support policy areas that would not otherwise have received support, rather it served to increase their intensity and volume.

Role Effects

Role effects relate to the extent to which an EGF case has supported local/regional innovations that are adopted at national level and/or national innovative actions that are then 'mainstreamed'. A number of interesting examples have been identified which show interesting role effects of EGF, for example:

- A notable innovation introduced in a number of EGF cases and later adopted at the local/regional level was the introduction of individualized counselling and coaching sessions.
- EGF lessons and innovation in the area of self-employment promotion have also been subsequently adopted at the regional level.

- EGF cases have also supported innovation at the local/regional level in the area of employer engagement, including carrying out a survey of local companies providing dedicated services (job scout) to employers.

Process Effects

Process effects relate to the extent to which the EGF action influences the Member State administrations and organisations involved in the programmes, as well as the extent to which the EGF has influenced Member State administrations of other funding operations, including the ESF.

Three broad types of process effects were noted. The delivery of the EGF has (1) influenced the operational processes associated with the ESF and other national/regional funding; (2) had a bearing on the national restructuring framework, and (3) strengthened communication and cooperation across municipal boundaries and across sectors. A fourth (4) process effect common to many EGF cases is the positive learning curve and feed-back loop that occurs between national EGF cases. Lessons learnt in delivery of previous EGF cases have facilitated improved operational processes and design of measures.

Evaluation Question (ii) To what extent did the EGF expenditure replace expenditure that the Member State was obliged to incur in any case?

EGF funding provided support to specific measures of mainstream PES and other partner provision. In the absence of the EGF, the volume of activity would have been significantly lower. In a number of cases, stakeholders highlighted that this increased volume of activity was an important factor supporting beneficiaries back into employment. In some cases mirroring of national provision was the most significant element of added value, EGF provided Member States with the capacity to do more to help those who needed assistance. In a number of cases this also meant that Member States were also able to increase the scope of provision available.

Evaluation Question (iii) Can good practices be identified? If so, how do they relate to the dimensions of added value?

A number of interesting and innovative ways in which EGF has been used in Member States have been highlighted in this report.

A full description of good practices identified in relation to designing and delivering EGF cases forms Annex 2 of this report.

Recommendations

This report provides overall recommendations concerning the EGF, based on the results of all three evaluations (Mid-term and both phases of the Ex-post evaluation)

Recommendation 1: Maintain the EGF (addressed to the European Commission)

The instrument should be maintained and the EU should continue to provide the EGF resource to the Member States and their partners to support redundant workers. It is appropriate for the European Commission to maintain such an instrument outside of the European Structural and Investment Funds to provide solidarity with dismissed workers and support the PES across Europe

Recommendation 2: Improve the monitoring and evaluation of the impacts of EGF support on individual participants (addressed to the European Commission and the national authorities)

Arrangements for monitoring and evaluation of EGF should be improved:

- a) The budget for monitoring and evaluation should be used to assess the longer term impact on EGF beneficiaries.
- b) The EGF application form and the template for the Final Report on the execution of a contribution from the EGF should clearly recall the obligation for the EGF coordinator and the Member State to provide data on employment outcomes of beneficiaries twelve months after the implementation of the measures.
- c) More detailed information on the measures accessed by individual participants to be recorded and clearly communicated to allow, for instance for a clearer cost-benefit assessment of different measures.
- d) The approval of final case reports and the final case closure should be coupled with the provision of complete beneficiary outcome information (at an aggregate level). Previously beneficiary outcome data has been incomplete.

Recommendation 3: Reflect the range of factors affecting the impacts in the planning and delivery of the EGF assistance (addressed to the European Commission and the national authorities)

The case planning and delivery stage should reflect any particularities in the target group and tailor the measures accordingly. It is, therefore, recommended that Member States undertake effective consultation with dismissed workers and/or appropriate representatives. The role of the European Commission would be to encourage the national authorities to implement such aspects

Recommendation 4: Further streamline the application process (addressed to the European Commission and the national authorities)

The application process could be further streamlined through:

- a) At the national level the process of providing assistance to dismissed workers should be further encouraged to start without waiting for the approval
- b) Where this is not possible, consider counting the EGF implementation period from the date an application is approved. This would enable cases to exploit the full funding period of 24 months
- c) For Article 2(b) cases, additional challenges need to be acknowledged already in the planning and application stage and additional resources planned for the management and delivery of such multiple company cases

Recommendation 5: Provide greater flexibility during the delivery period (addressed to the European Commission)

- a) The European Commission should provide greater flexibility for Member States to provide additional measures as new opportunities / demand arises during the delivery period beyond the measures described in the application form.
- b) The reference period required to count redundancies for the EGF application is perceived as a straightjacket affecting the aim of the solidarity and the success of EGF assistance. This could be reviewed to allow flexibility in form of an addendum to the application form where it can be demonstrated that the redundancies are due to the same reasons and are linked to the redundancies presented in the application

Recommendation 6: Improve communication on cases at national and sub-national level (addressed to National Contact Persons and regional delivery partners)

Interaction between the National Contact Person and regional or local case delivery partners should be strengthened and communication and support arrangements and information flows (internal divisions, tasks and responsibilities) made explicit and agreed on by all partners concerned.

Recommendation 7: Member States should highlight the additionality of EGF cases and links to other funds more clearly

In some cases by far the most significant aspect of added value of EGF has been that it provides additional resource to Member States to deliver existing mainstream measures to dismissed workers that would not otherwise have been available. However, where EGF is demonstrably found to have most value is in cases where measures have been provided which are personalised to the target dismissed workers and they are complementary to mainstream provision. Member States must therefore continue to develop appropriate engagement with workers and their representatives to consult them on the design and implementation of new measures. Additionally, working with providers of mainstream provision they should consider the most appropriate ways for EGF to add value and avoid displacement effects.

Recommendation 8: Organise the exchanges of good practices and implementation experiences (addressed to the European Commission and Member States)

More regular 'peer reviews' or cross-national exchanges could take place to exchange the good practices and experiences of implementation of EGF (including partnering new EGF cases with previous EGF case). As part of the regular National Contact Persons meetings, regular review of EGF and other similar interventions in Member States should be undertaken in order that Member States may "peer review" the design and delivery of cases in other Member States.

1 Introduction

ICF was appointed by DG Employment, Social Affairs and Inclusion in December 2013 to carry out an ex-post evaluation of the European Globalisation Adjustment Fund (final phase), under specific Service Order VC/2013/1272 of the Multiple Framework Contract for the provision of Evaluation and Evaluation Related Services to DG EMPL. This is a Final Report which outlines the key findings and presents conclusions and recommendations. This report also uses material from the following evaluations: Ex-post evaluation of the EGF - first phase VT/2012/098 and Mid-term evaluation of the European Globalisation adjustment Fund – VC/2011/0207.

1.1 Key features of EGF Instrument

The EGF was established through Regulation (EC) No 1927/2006 in December 2006. The fund became operational in January 2007. Under the original EGF regulation, the responsibility for applying and implementing EGF funding lies with the relevant authorities of the Member States concerned, which also had to provide 50% co-financing. An application could be made if the link between job losses and significant structural changes in world trade patterns could be clearly demonstrated by a Member State (Art. 2 of EGF Regulation). This can, for example, take the form of a substantial increase of imports, a given sector experiencing a rapid decline of its EU market share, or economic relocation to third countries. Secondly, it should be demonstrated that these changes will result in one of following situations, related to the three eligibility criteria:

- A: at least 1,000 redundancies over a period of four months in an enterprise in a Member State, including workers made redundant in its suppliers or downstream producers (Art. 2(a));
- B: at least 1,000 redundancies, over a period of nine months, particularly in small and medium-sized enterprises (SMEs), in a sector as defined by the Statistical Classification of Economic Activities in the European Community Revision 2 (NACE Rev. 2) in one region or two contiguous regions at NUTS II level (Art. 2(b)); or
- C: in small labour markets or in exceptional circumstances, duly substantiated by the Member State(s) concerned, even if the conditions set out in relation to Articles 2 (a) and (b) – as noted above – are not entirely met, when redundancies have a serious impact on employment and the local economy (Art. 2(c)).

The European Parliament and the Council of the European Union approved the following changes to the EGF in June 2009.⁸

- Temporary 'Crisis Criterion' changes to the EGF eligibility (for applications received between May 2009 and December 2011):
 - the fund's eligibility criteria were broadened to include redundancies resulting from the global financial and economic crisis (in addition to the former criteria based on job losses resulting from changes in world trade patterns; henceforth, 'trade criteria');
 - the EU co-financing rate was increased from 50% to 65%, as a special crisis measure.
- Permanent changes to the EGF eligibility criteria (for applications received up to 31/12/2013)
 - the eligibility threshold for EGF applications was lowered from 1,000 to 500 redundant workers; and,

⁸ Regulation (EC) No 546/2009 of the European Parliament and of the Council of 18 June 2009 amending Regulation (EC) No 1927/2006 on establishing the European Globalisation Adjustment Fund; see <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:167:0026:0029:EN:PDF>

- the maximum funding period was extended from 12 to 24 months after the date of application to give sufficient time for the measures to be effective particularly in re-integrating the most vulnerable workers into new jobs.

These changes were designed to enable the EGF to act as a more effective crisis response instrument and to enable more applications to be made to the fund. The changes to the EGF resulted in a large increase in the number of applications (from 15 applications in the pre-2009 period to 79 applications between 2009 and 2011).⁹

In June 2011, a proposal was made by the Commission to extend the temporary crisis-related derogation, which was set to expire on 30 December 2011, until 31 December 2013, i.e. until the end of the implementation period of Regulation (EC) No 1927/2006. It was argued that although there were some signs of economic recovery, this was not yet being reflected in increases in employment opportunities in many countries. This proposal would have allowed Member States to continue to present applications for the EGF support in favour of workers made redundant because of the ongoing crisis and to benefit from an EGF co-funding rate of 65%. However, the proposal was not adopted by Council in December 2011, thus ending the crisis derogations by 31 December 2011. In October 2011, the Commission made a proposal for a new EGF Regulation from 2014-2020 (COM (2011) 608 final, 6.10.2011). This new Regulation (No 1309/2013) was adopted in December 2013 and includes, among other things, greater emphasis on measures which focus on active labour market policies and support for entrepreneurship. It also seeks to ease administrative burdens and speed up decision-making processes while maintaining the EGF as a measure outside the EU budget frame.¹⁰ Furthermore, it provides access to the EGF support for self-employed individuals. Until December 2017, the EGF funding can also be used to co-finance personalised services for young people up to the age of 25¹¹ who are not in employment, education or training (NEET), equal to the number of targeted redundant EGF beneficiaries.

1.2 The ex-post evaluation (final phase)

The EGF Regulation (EC) No 1927/2006 required a mid-term evaluation of the effectiveness and sustainability of the results obtained by the EGF (Article 17(a)) and an ex-post evaluation to measure the impact of the EGF and its added value (Article 17(b)). The mid-term evaluation was conducted between in 2011 comprised 15 EGF cases implemented between January 2007 and June 2009¹².

The ex-post evaluation was commissioned in two phases. The first phase of the Ex-post Evaluation was undertaken between 2013 and early 2014. The study covered 33 cases for which the Final Reports were received by the European Commission between November 2011 and September 2012. The ex-post final phase included a further 25 EGF cases that had completed delivery and provided Final Reports to the European Commission by the end of 2013. Data contained in this report was verified in consultation with case coordinators in relevant Member States during the evaluation work. There may have been subsequent adjustments to some of the expenditure and beneficiary data held in the European Commission EGF database. As a result the data presented in this report may not match exactly with those of the EGF database.

This report provides overall conclusions concerning the EGF, based on the results of all three evaluations (Mid-term and both phases of the Ex-post evaluation).

⁹ See European Commission (2012).

¹⁰ EGF Regulation 2014-2020 Regulation (EU) No 1309/2013 of 17 December 2013 (Official Journal L 347, 20.12.2013).

¹¹ Or, where Member States decide, up to the age of 30.

¹² The Mid-Term Evaluation report can be accessed via:
<http://ec.europa.eu/social/main.jsp?langId=en&catId=88&eventsId=430&furtherEvents=yes>

1.2.1 Evaluation objectives

The purpose of the ex-post evaluation is to evaluate the impact of the EGF and its added value. The specific evaluation questions are outlined in Box 1.

Box 1: Ex-post evaluation of the EGF (final phase): Evaluation Questions

Impact

- (i) How and to what extent has the EGF support had an impact on individual participants? With specific regard to employment impacts, to the extent possible, the analysis should take into account the labour market status of the assisted workers at the end of the implementation period and, if data are available, at a later stage.
- (ii) How and to what extent have the EGF cases generated broader impacts in the areas in which they took place? These impacts can relate to household members and work and personal acquaintances of individual beneficiaries; civil society organisations and regional and local institutions.
- (iii) What are the factors that help or hinder the impacts that have been observed?
- (iv) How do the impacts achieved compare with those achieved by (a) individuals who did not receive the EGF support (comparators/control group); (b) similar redeployment projects at national/regional level?
- (v) How and to what extent have the EGF cases been cost-effective?

Added value

- (i) How and to what extent has the EGF generated community added value?
- (ii) To what extent did the EGF expenditure replace expenditure that the Member State was obliged to incur in any case?
- (iii) Can good practices be identified? If so, how do they relate to the dimensions of added value?

1.3 Study Method

The evaluation methodology consisted of a three stage approach.

- Firstly, an inception and scoping stage was undertaken. This comprised a number of analytical tasks and consultations which deepened the study team's knowledge of the EGF and the specific details and operational context of the cases included in this evaluation
- Secondly, Stage 2 commenced in March 2014 and was completed with the submission of the Interim Report. This stage comprised completion of EGF case studies, this involved further review of documents and data and detailed consultations with a number of stakeholders involved in the design and delivery of EGF cases, EGF beneficiaries, and labour market experts.
- Lastly, the final stage of the study methodology involved the overall analysis in order to provide a deep analysis of case information in order to better understand outcomes for beneficiaries and instrument level conclusions and recommendations. This stage also involved the synthesis of findings from previous EGF evaluations which forms the basis for this report.

A full outline of the data analysis approach used in the study is contained in Annex 1.

1.4 Purpose of this report

The purpose of this Final Report is to provide analysis, conclusions and recommendations covering the 73 EGF cases that were examined in detail during the three externally commissioned evaluations outlined above in Section 1.2. The Final Report consists of the following sections:

- Section 2 provides an overview of the 73 EGF cases included in the evaluations conducted
 - Section 3 presents the outcomes for EGF beneficiaries and characteristics of their new employment. This section also examines cost-effectiveness and comparisons with support provided to redundant workers in comparable cases;
 - Section 4 presents the findings regarding the added-value of the EGF.
 - Section 5 presents conclusions; and,
- Section 6 provides recommendations for the future operation of the EGF.

The report is accompanied by the following annexes :

- Annex 1 contains a full description of the method used to undertake statistical analysis in this evaluation.
- Annex 2 presents the range of Good Practice examples identified during the evaluation.

2 Key Features of EGF cases

2.1 Introduction

This section provides an overview of the 73 EGF cases included in each of the three phases of evaluation. The analysis is organised in the following sub-sections:

- An overview of cases which outlines which Member State cases are located within, which sectors cases took place in and the number of beneficiaries in each case. The section also provides a comparative analysis of the application period duration.
- Analysis of beneficiary reach rates (measured by the proportion of those workers participating in the EGF measures in proportion to the number targeted in the original application) in each of the 73 cases.
- A detailed comparative analysis of beneficiary characteristics such as: gender, age, and educational attainment.
- Analysis of the case expenditure, budget implementation rates and a profile of the measures provided in each case.

2.2 Overview of the 73 EGF cases

The group of 73 EGF cases supported 55,302 dismissed workers (out of more than 99 000 workers dismissed by some 7,000 enterprises).

This section outlines the profile of all 73 cases. The table overleaf details the cases, the relevant sector, the application criterion, number of beneficiaries and the local labour markets affected by redundancies (specified at a NUTS 2 regional level).

Table 1. Profile of 73 cases included in EGF Evaluations

MS	Case Name	Case Ref	Sector	No. of beneficiaries	Art. 1 App Criterion	Art. 2 App Criterion	NUTS 2 region
FINAL PHASE EX-POST EVALUATION							
DK	Nordjylland	EGF/2010/001	Machinery and Equipment	112	Crisis	b	DK05
ES	Comunidad Valenciana Natural Stone	EGF/2010/005	Stone/ Marble	317	Crisis	b	ES52
ES	Comunidad Valenciana – Textil	EGF/2010/009	Textiles	362	Trade	b	ES52
NL	Noord Holland – ICT	EGF/2010/012	Wholesale Trade	613	Crisis	b	NL32
PL	Podkarpackie	EGF/2010/013	Machinery and Equipment	81	Crisis	b	PL32
SI	Mura	EGF/2010/014	Wearing apparel	2,018	Crisis	a	SI01
FR	Peugeot	EGF/2010/015	Automotive	2,089	Crisis	a	FR52, FR43, FR10, FR42
ES	Aragón retail	EGF/2010/016	Retail Trade	391	Crisis	b	ES24
DK	Midtjylland Machinery	EGF/2010/017	Machinery and Equipment	152	Trade	b	DK05
DE	Heidelberger Druckmaschinen	EGF/2010/018	Machinery and Equipment	1,148	Crisis	a	DE12
IE	Construction 41	EGF/2010/019	Construction of buildings	2,962	Crisis	b	IE01, IE02
IE	Construction 43	EGF/2010/020	Specialised construction activities	1,988	Crisis	b	IE01, IE02
IE	Construction 71	EGF/2010/021	Architectural and engineering activities	490	Crisis	b	IE01, IE02
DK	LM Glasfiber	EGF/2010/022	Machinery and Equipment	401	Trade	a	DK03
DK	Odense Steel Shipyard	EGF/2010/025	Shipbuilding	568	Crisis	a	DK03
PT	Rohde	EGF/2010/026	Shoe manufacture	616	Crisis	a	PT11, PT16
NL	Noord Brabant	EGF/2010/027	Printing industry	146	Crisis	c	NL41
NL	Overijssel	EGF/2010/028	Printing industry	188	Crisis	c	NL21
NL	Zuit Holand and Utrecht	EGF/2010/029	Printing industry	626	Crisis	b	NL33, NL31
NL	Noord Holland en Flevoland	EGF/2010/030	Printing industry	477	Crisis	b	NL32, NL23
BE	General Motors Belgium	EGF/2010/031	Automotive	1,496	Crisis	a	BE21

MS	Case Name	Case Ref	Sector	No. of beneficiaries	Art. 1 App Criterion	Art. 2 App Criterion	NUTS 2 region
AT	Nieder- und Oberösterreich Transport	EGF/2011/001	Road transport	134	Crisis	b	AT12, AT31
IT	IT Trentino Alto Adige	EGF/2011/002	Construction of buildings	160	Crisis	b	ITH2
DE	Arnsberg and Düsseldorf Automotive	EGF/2011/003	Automotive	761	Crisis	b	DEA52
PT	Norte - Centro Automotive Industry	EGF/2011/005	Automotive	322	Crisis	b	PT11, PT16
FIRST PHASE EX-POST EVALUATION							
CZ	Unilever	EGF/2010/010	Retail sector	341	Crisis	a	CZ02
DE	Karmann	EGF/2009/013	Automotive	1740	Trade	a	DEA3, DE94
DK	Danfoss Group	EGF/2009/015	Mechanics / electronic	385	Crisis	a	DK03
FR	Renault	EGF/2009/019	Automotive	3582	Crisis	a	FR10, FR23
IE	SR Technics	EGF/2009/021	Aircraft maintenance	769	Crisis	a	IE02
IE	Dell	EGF/2009/008	Computer	2622	Crisis	a	IE02
IE	Waterford Crystal	EGF/2009/012	Crystal Glass	537	Crisis	a	IE02
NL	Heijmans	EGF/2009/011	Construction	567	Crisis	a	NL11
NL	NXP Semiconductors	EGF/2010/011	Computer, electronic and optical products	293	Trade	a	NL22
PL	H.Cegielski-Poznan	EGF/2010/006	Machinery and equipment	114	Crisis	a	PL41
PT	Qimonda	EGF/2009/023	Electronic equipment	534	Crisis	a	PT11
SE	Volvo	EGF/2009/007	Motor industry	1775	Crisis	a	SE23
AT	Steiermark	EGF/2009/009	Motor industry suppliers	327	Crisis	b	AT22
AT	Steiermark-Niederösterreich	EGF/2010/007	Basic metal	283	Crisis	b	AT21, AT22
BE	Oost-West Vlaanderen	EGF/2009/004	Textiles Sector	508	Trade	b	BE23, BE25
BE	Limburg	EGF/2009/005	Textiles Sector	124	Trade	b	BE22
ES	Cataluña	EGF/2010/002	Automotive	504	Crisis	b	ES51
ES	Castilla La Mancha	EGF/2009/020	Wooden doors	473	Crisis	b	ES42
ES	Valencia	EGF/2009/014	Ceramic industry	2061	Crisis	b	ES52

MS Case Name	Case Ref	Sector	No. of beneficiaries	Art. 1 App Criterion	Art. 2 App Criterion	NUTS 2 region
ES Galicia	EGF/2010/003	Wearing apparel	507	Trade	b	ES11
LT Construction	EGF/2009/017	Construction	773	Crisis	b	LT00
LT Furniture	EGF/2009/016	Furniture	499	Crisis	b	LT00
LT Wearing Apparel	EGF/2009/018	Wearing apparel	371	Crisis	b	LT00
NL Noord Holland and Utrecht	EGF/2009/026	Printing Industry	620	Crisis	b	NL31, NL32
NL Noord Brabant and Zuid Holland	EGF/2009/027	Printing Industry	762	Crisis	b	NL33, NL41
NL Gelderland and Overijssel	EGF/2009/029	Printing Industry	541	Crisis	b	NL21, NL22
NL Noord Holland and Zuid Holland	EGF/2009/024	Publishing	647	Crisis	b	NL32, NL33
PL Wielkopolskie	EGF/2010/004	Automotive	440	Crisis	b	PL41
AT AT&S	EGF/2010/008	Printed Circuit boards	26	Trade	c	AT22
DK Linak	EGF/2009/031	Mechanics / electronic	86	Crisis	c	DK03
LT AB Snaige	EGF/2009/010	Domestic appliances	457	Crisis	c	LT00
NL Limburg	EGF/2009/028	Printing Industry	124	Crisis	c	NL42
NL Drenthe	EGF/2009/030	Printing Industry	157	Crisis	c	NL13
MID-TERM EVALUATION						
DE BenQ	EGF/2007/003	Telecommunications	2,528	Trade	a	DE21, DEA1, DEA3
DE Nokia	EGF/2009/002	Telecommunications	1,305	Trade	a	DEA5
ES Castilla y Leon and Aragon	EGF/2008/004	Automotive	534	Trade	b	ES24, ES41
ES Cataluña	EGF/2008/005	Textiles	587	Trade	b	ES51
ES Delphi	EGF/2008/002	Automotive	1,589	Trade	a	ES61
FI Perlos	EGF/2007/004	Telecommunications	921	Trade	c	FI13
FR PSA suppliers	EGF/2007/001	Automotive	267	Trade	a	FR21
IT Lombardy	EGF/2007/007	Textiles	174	Trade	b	ITC4
IT Piedmont	EGF/2007/006	Textiles	1,298	Trade	b	ITC1
IT Tuscany	EGF/2008/001	Textiles	1,352	Trade	b	ITE1

MS Case Name	Case Ref	Sector	No. of beneficiaries	Art. 1 App Criterion	Art. 2 App Criterion	NUTS 2 region
IT Sardinia	EGF/2007/005	Textiles	11	Trade	b	ITG2
LT Alytaus Tekstile	EGF/2008/003	Textiles	619	Trade	a	LT00
MT Textiles	EGF/2007/008	Textiles	672	Trade	c	MT00
PT Lisbon-Alentejo	EGF/2007/010	Automotive	558	Trade	b	PT17, PT18
PT Norte-Centro Automotive	EGF/2009/001	Textiles	720	Trade	b	PT11, PT16
TOTAL			55,302			
AVERAGE PER CASE			758			

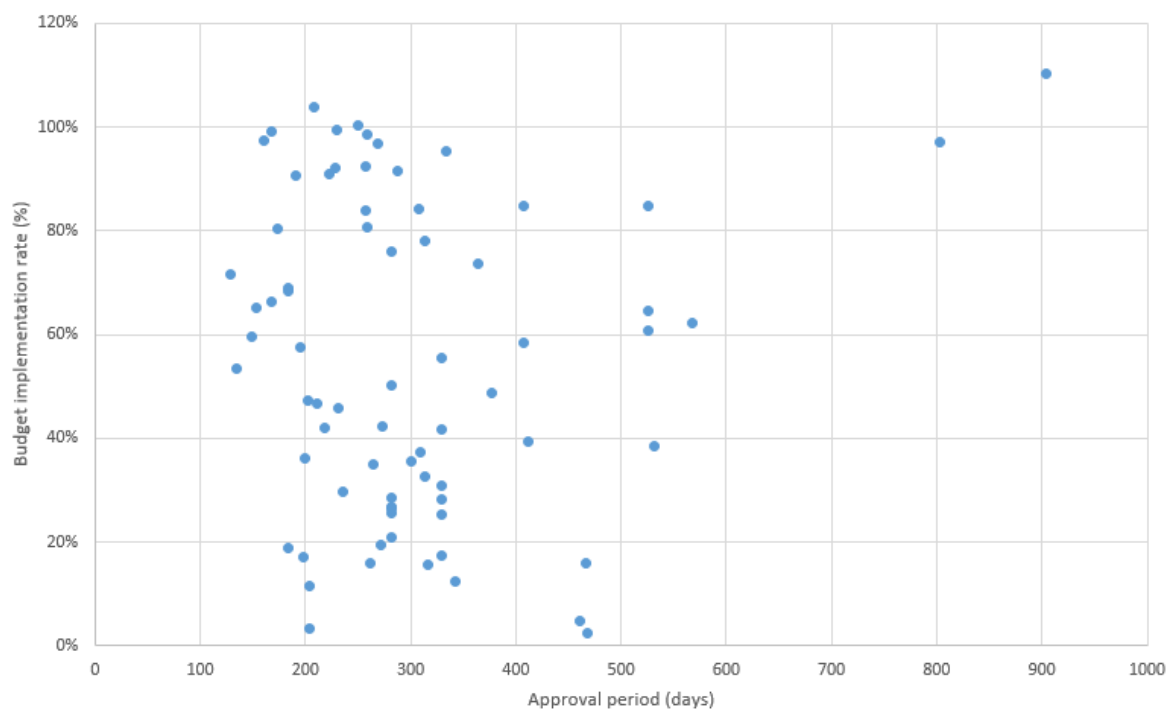
2.2.1 Application period

The period required for the approval of an EGF application across the 73 cases varied significantly from 128 days (for ES Castilla y Leon and Aragon) to 904 days (in the case of FR Peugeot). The average approval period across all of the cases was 303 days (or, 10 months) and there was little difference in average approval periods between the sets of cases included in the three evaluations. This reflects the fact that most approval periods are determined by the capacity of Member States to compile applications and supply relevant information.

Across the three evaluations, interviews with EGF case stakeholders revealed some criticism on what they perceived to be delays in EU approval (although those more experienced with the approval process at EU level expressed their understanding of the reasons for this and their appreciation of the work of the EGF section). The impact of this is analysed by looking at the relationship between the approval period and two indicators: (1) the budget implementation rate, i.e. the proportion of the budget that was actually spent and (2) the beneficiary reach rate, i.e. the proportion of targeted beneficiaries reached. The results of this can be seen below in Figure 1. This analysis demonstrates that there is no clear trend in terms of reaching beneficiaries or implementing the measures (although significant variation does exist) across the 73 cases although anecdotal evidence suggests there is some impact.

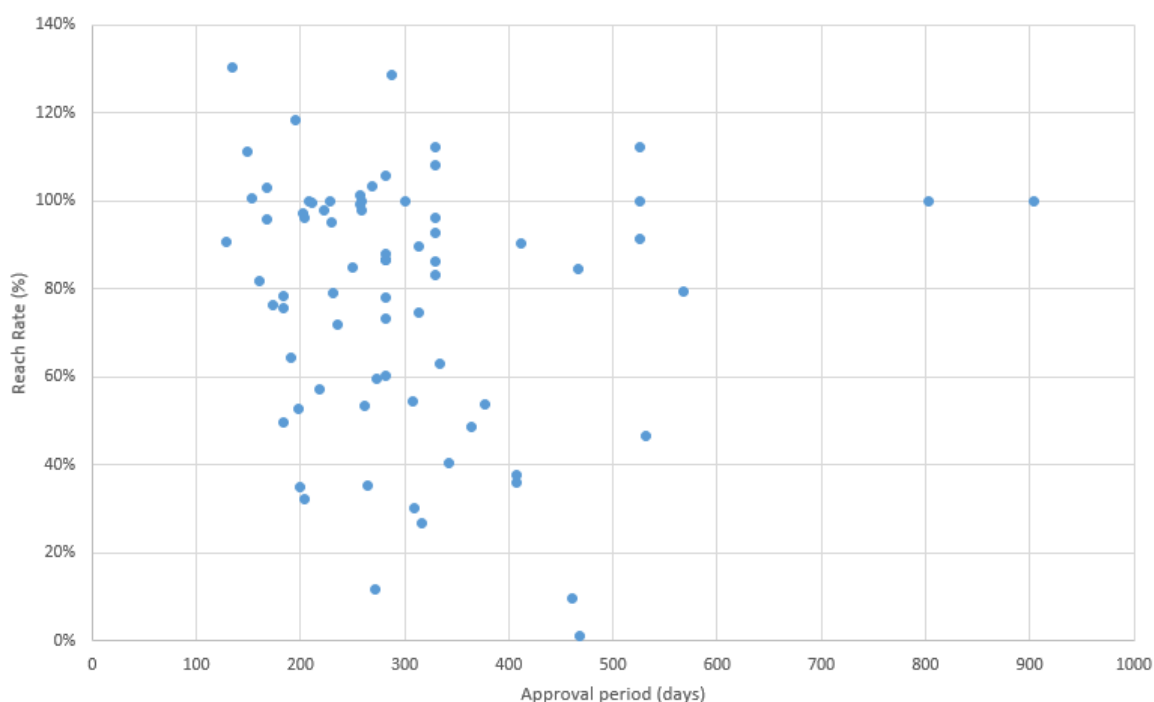
It was found by case researchers who worked across the three evaluations that early intervention can be very important for successfully re-integrating beneficiaries. This is linked to the disincentive and demotivating effect of longer periods of unemployment and the impact identified on loss of human capital. An early start of delivery of EGF funded measures also enables promoters and beneficiaries to exploit the full scale of support measures and where necessary, deliver longer or successive and mutually supporting training courses or other holistic forms of assistance.

Figure 1. Correlation analysis – approval period / budget implementation rate



Source: ICF Analysis

Figure 2. Correlation analysis – approval period / beneficiary reach rate



Source: ICF Analysis

2.3 Beneficiary reach rate

The beneficiary reach rate demonstrates the proportion of those workers participating in the EGF measures in proportion to the number targeted in the original application. Figure 3 below details the range of beneficiary reach rates across the 73 cases covered by the three evaluations.

The average beneficiary reach rate across all of the cases was 78%, with a minimum of 1% (in the case of IT Sardinia) and a maximum of 130% (in the case of NL Heijmans). 20 cases had beneficiary reach rates of 100% or more (this approximates to roughly 27% of all 73 cases covered by the evaluations). Reach rates of more than 100% can be attributed to additional workers being made redundant after the application deadline. They can (under certain conditions) still be included for support if this can be achieved within the agreed budgetary frame. For example, in NL Heijmans, NL Drenthe and SE Volvo, a higher number of eligible redundancies occurred after the submission of the EGF application, meaning there were a higher number of workers to deliver the assistance to.

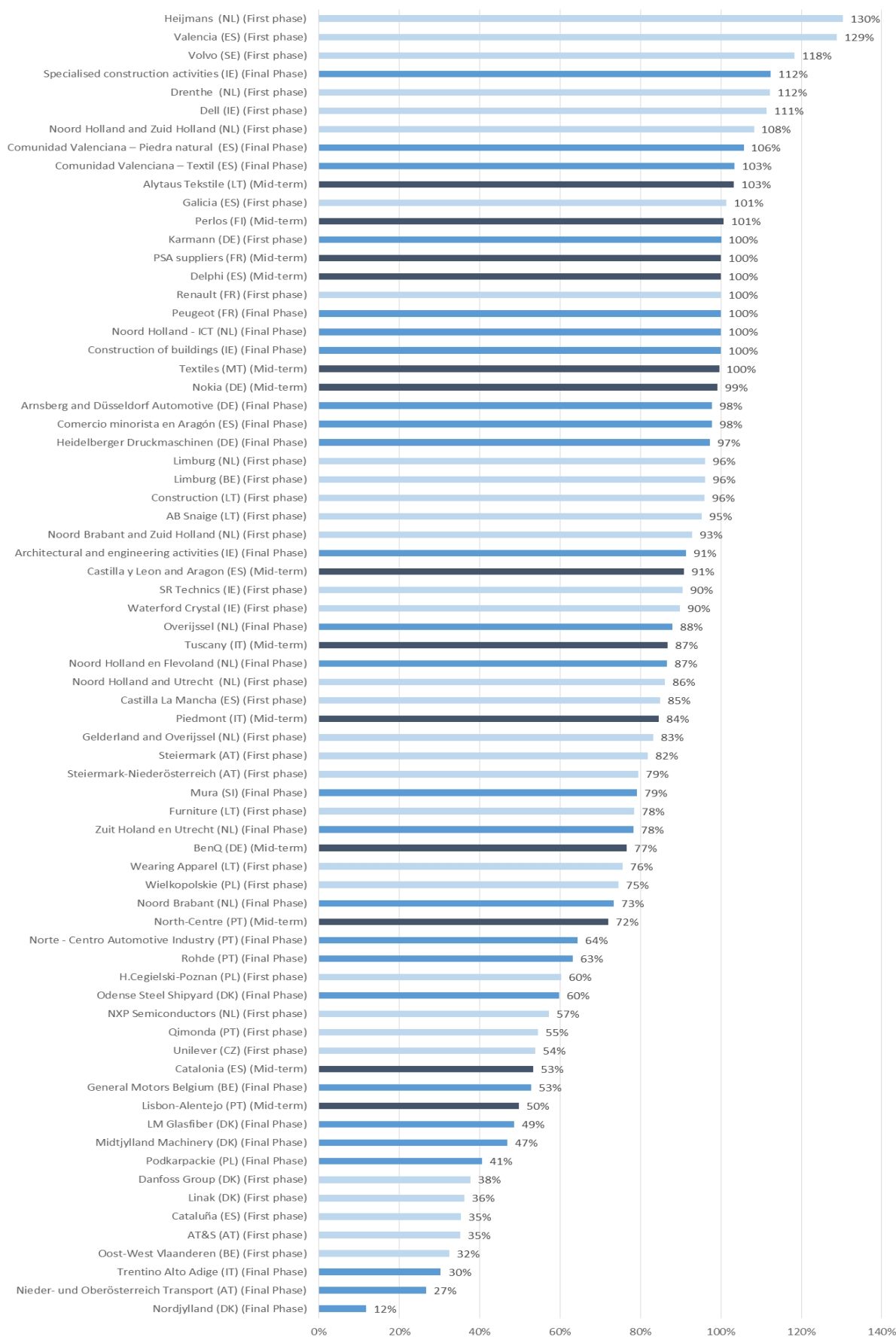
High reach rates also result from more workers than expected availing themselves of the EGF support, for instance, because of a deteriorating economic situation arising from the crisis. This was particularly noted as a contributing factor in ES Valencia, where the extent of job losses and the negative economic climate encouraged more dismissed workers to access EGF assistance as a way of being supported back into the labour market.

Eight EGF cases had beneficiary reach rates below 40%. Reasons for low reach rates were predominantly due to a number of dismissed workers finding jobs prior to the start of EGF assistance. For example, in AT Nieder- und Oberösterreich Transport stakeholders said the low reach rate achieved (27%) was partly attributed to the long gap between redundancies and start-up of the measures, due to uncertainty regarding approval. In DK Nordjylland and DK LM Glasfiber, the length of the approval period

meant that a large number of potential beneficiaries had found employment prior to the commencement of measures, impacting the reach rate achieved.

In some EGF cases, stakeholders also felt reluctance amongst beneficiaries to participate in assistance offered resulted in lower reach rates. For example, in PL Podkarpackie stakeholders argued felt it was competitive support (provided for by ESF funded measures) and hope for re-employment with their previous employer lowered the reach rate.

Figure 3. Reach Rates – across all 73 cases covered by evaluations



2.4 Beneficiary profile

2.4.1 Gender profile

The gender profile of final assisted EGF beneficiaries shows variation in the gender split amongst the 73 cases (see Figure 4). Across the 73 cases the average share of females was 33%, the average number of males was 67%.

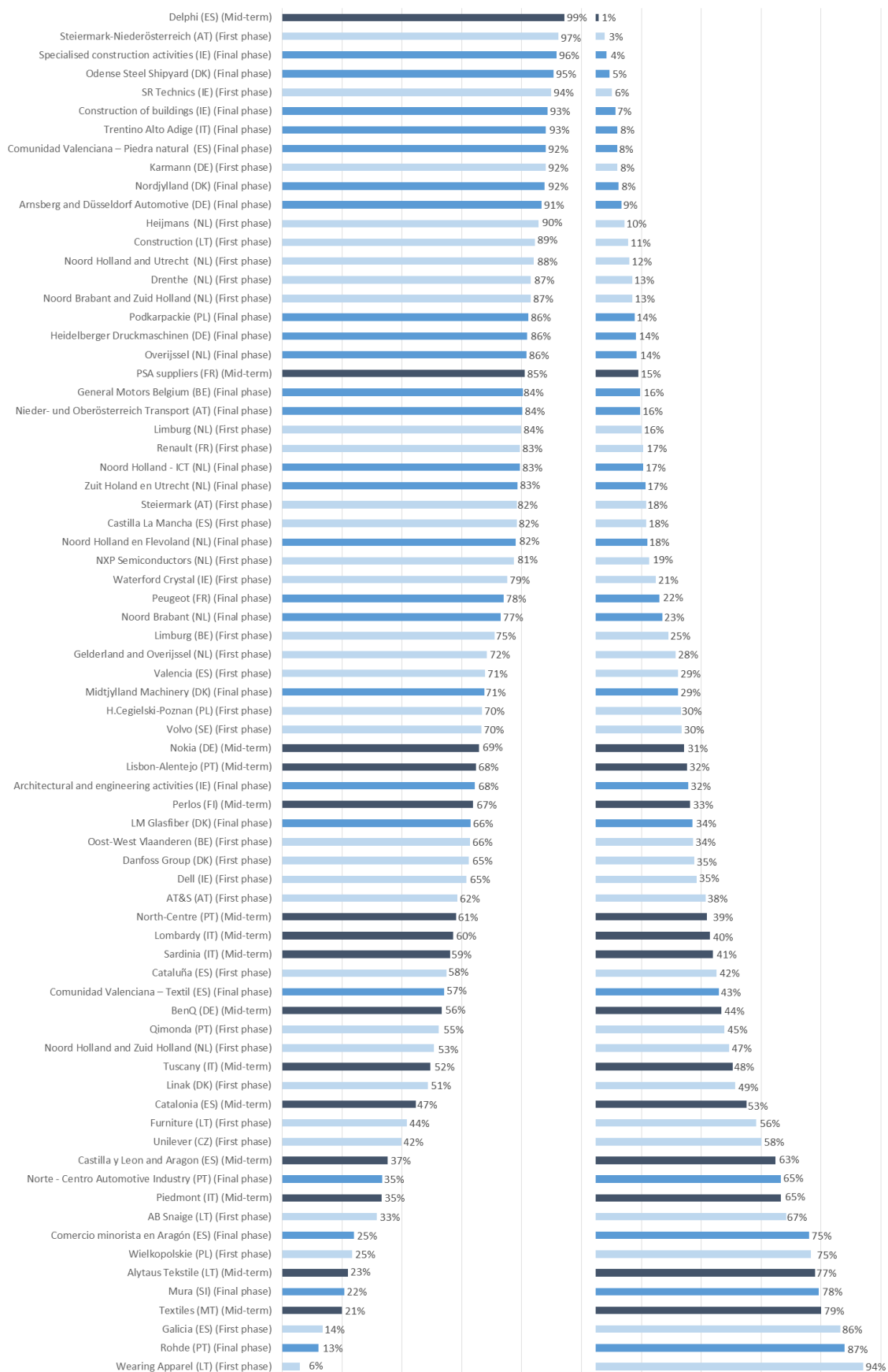
The variation in the gender profile can typically be explained depending on the sector of the EGF case and whether these are traditionally male or female dominated. For example, the construction, automotive, machinery and equipment and shipbuilding activities are associated with higher proportions of male beneficiaries in comparison to, for example, textiles and wearing-apparel which traditionally have higher proportions of female beneficiaries (see Table 2 below).

Table 2. Average gender breakdown by sector

Sector	Average % of male EGF case beneficiaries	Average % of female EGF case beneficiaries
Typically male dominated		
Automotive	71%	29%
Machinery and equipment	79%	21%
Construction	91%	9%
Typically female dominated		
Wearing apparel	14%	86%
Retail	34%	66%
Textiles	50%	50%

There are, of course, exceptions to this trend across the 73 cases. For example, PT Norte – Centro Automotive Industry case had 65% female participants despite being located in the automotive sector. Similarly, the PL Wielkopolskie case, also in the automotive sector, had a female beneficiary rate of 75%.

Figure 4. Gender profile breakdown



2.4.2 Age profile

Figure 5 overleaf displays the age profile of the beneficiaries¹³. In almost all cases, the majority of the beneficiaries fell into the 25 to 54 year age bracket (with the only exception being DK Danfoss Group case, with the majority of beneficiaries aged 55 – 64 years).

The average distribution of the age profile was:

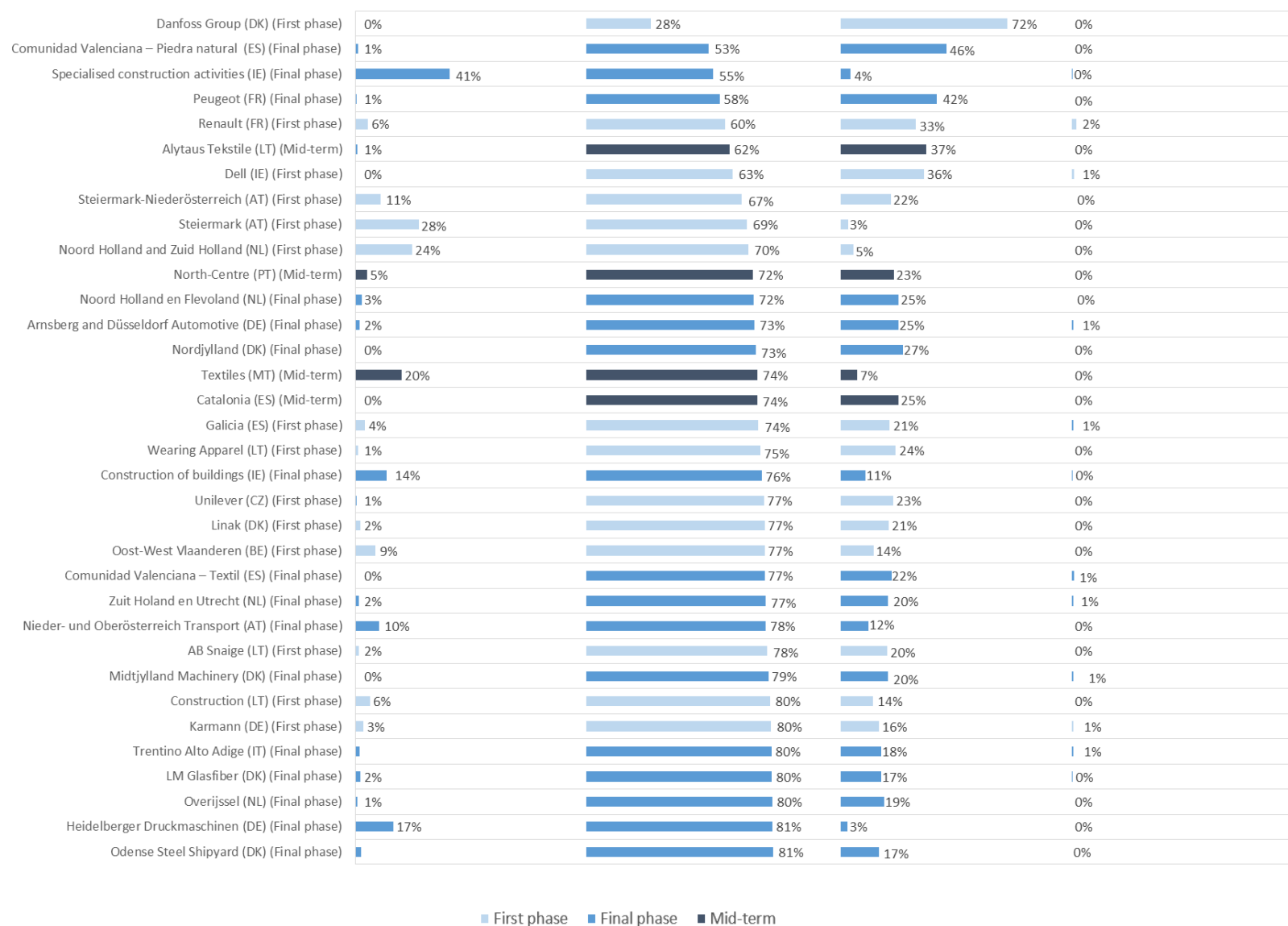
- 5% aged between 15 and 24 years;
- 79% aged between 25 and 54 years;
- 15% aged between 55 and 64 years; and,
- 0% aged older than 65 years.

Some cases did have a higher proportion of workers aged below 24 years (for example, IE Specialised construction activities, AT Steiermark, NL Noord Holland and Zuid Holland and MT Textiles). These workers would be less experienced than those with an older age profile although they may also be more geographically and occupationally mobile increasing their likelihood of re-employment.

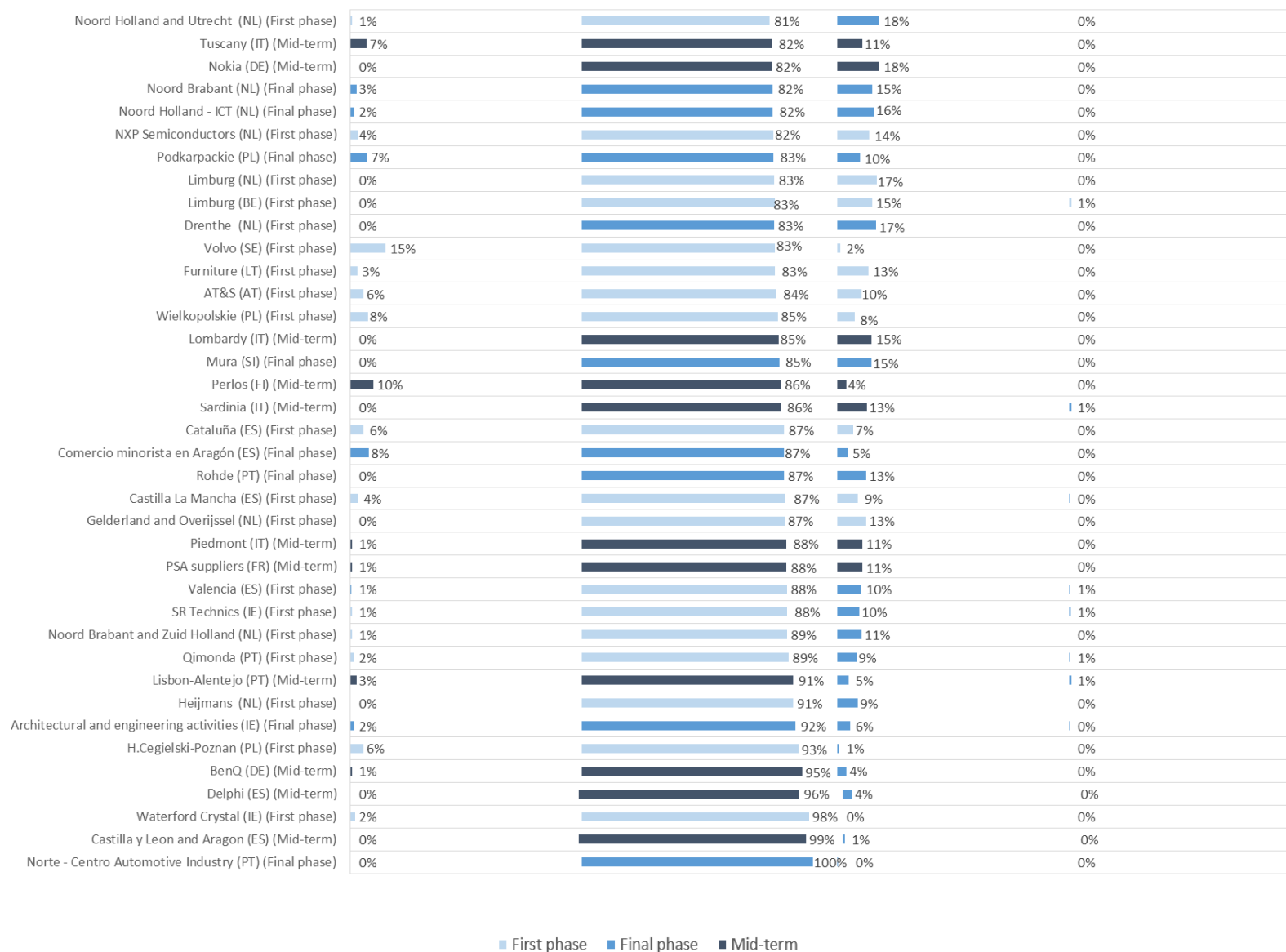
Other cases had a higher proportion of older workers (aged between 55 and 64 years). For example, DK Danfoss Group, ES Comunidad Valenciana Natural Stone, IE Construction 43, LT Alytaus Tekstile, IE Dell, DK Nordjylland and NL Noord Holland en Flevoland. In these cases, workers may face age discrimination or may be less inclined to be sectorally or occupationally mobile hence limiting opportunities for re-employment.

¹³ Age profile data are only available for 99% of beneficiaries.

Figure 5 Age profile of beneficiaries



Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

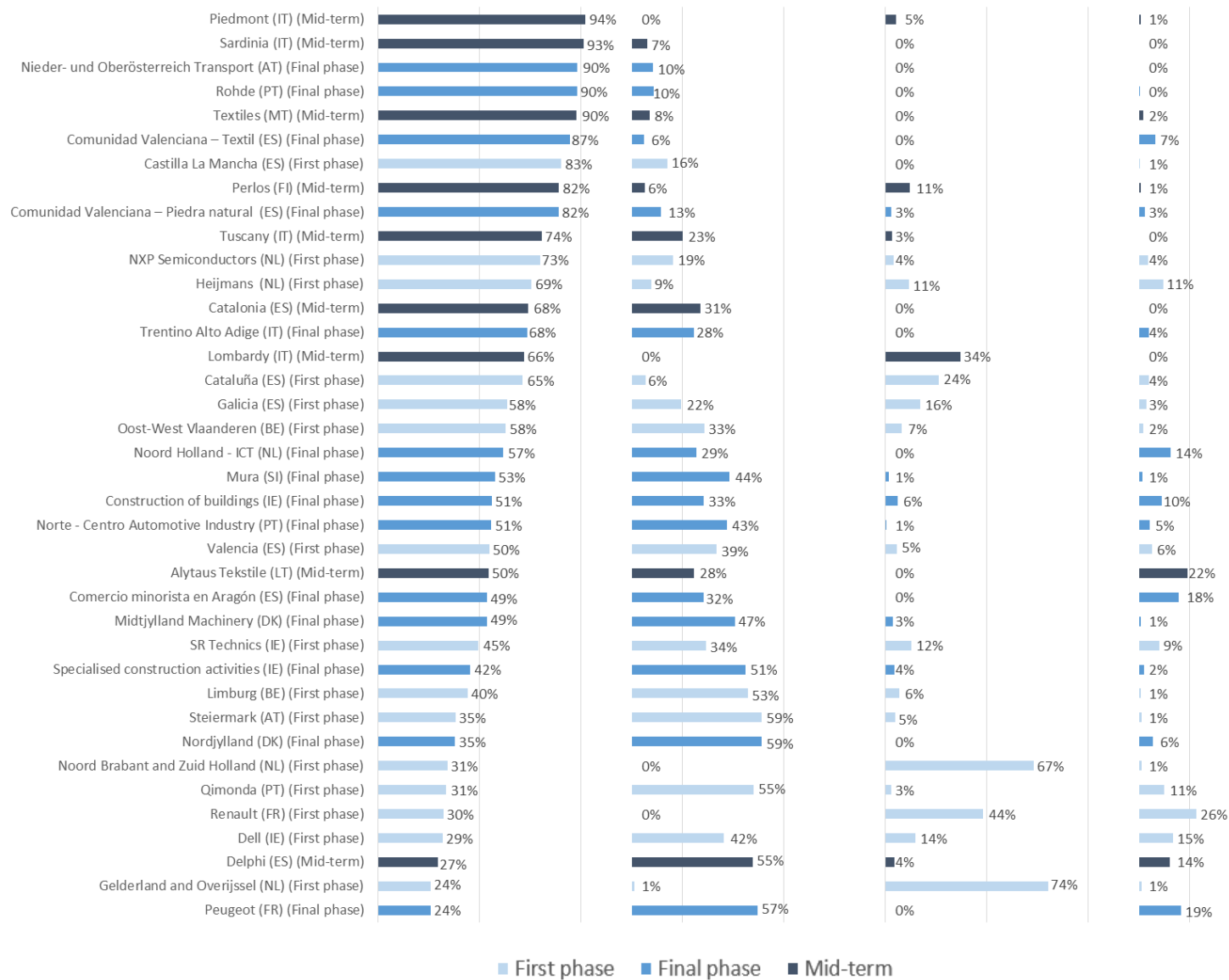


2.4.3 Educational profile

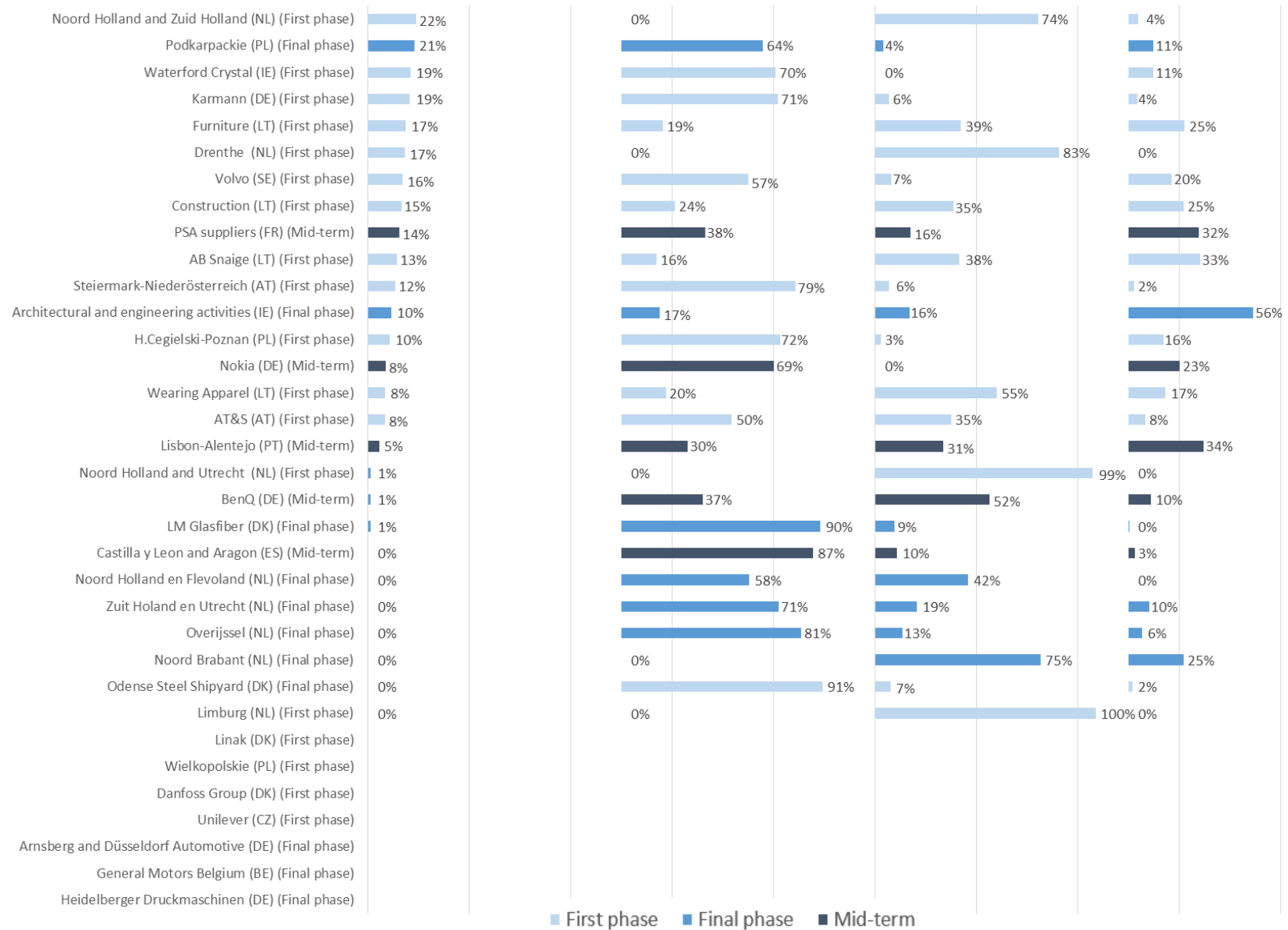
The level of educational attainment of final assisted beneficiaries shows significant differences between EGF cases (see Figure 6). Some cases had particularly high shares of high-skilled beneficiaries (e.g. IE Architectural and engineering activities, PT Lisbon-Alentejo, FR PSA Suppliers and LT AB Snaige) while others had a higher proportion of lower-skilled workers (e.g. IT Piedmont, IT Sardinia, AT Nieder- und Oberösterreich Transport and PT Rohde).

Overall, there is a tendency for the EGF beneficiaries to have a relatively lower than average educational attainment (that is, with a higher proportion of workers with ISCED 1 and 2 attainment). Looking across all of the 73 cases, this would certainly appear the case with an average of 37% of beneficiaries having ISCED 1 or 2 and 32% with ISCED 3.

Figure 6. Educational profile



Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report



Box 2: The EGF Beneficiary Survey: Profile of respondents

- It is important to compare the profile of all beneficiaries (outlined in the above sections) to the Beneficiary Survey that was conducted as part of the final phase evaluation.
- The table below summarises the profile of beneficiaries covered by the survey in comparison the beneficiary profile outlined above.

Table Comparison of survey respondents with beneficiary population (the numbers may not sum up to 100% due to rounding)

Profile feature	Across all cases	Survey representation
Gender	<ul style="list-style-type: none"> ○ Male: 67% ○ Female: 33% 	<ul style="list-style-type: none"> ○ Male: 83% ○ Female: 16%
Age	<ul style="list-style-type: none"> ○ 15 – 24 years: 4% ○ 25 – 54 years: 78% ○ 55 – 64 years: 15% ○ + 65 years: 0% 	<ul style="list-style-type: none"> ○ 15 – 24 years: 0% ○ 25 – 54 years: 67% ○ 55 – 64 years: 32% ○ + 65 years: 1%
Education	<ul style="list-style-type: none"> ○ ISCED 1 – 2: 34% ○ ISCED 3 – 4: 48% ○ ISCED 5 – 6: 8% 	<ul style="list-style-type: none"> ○ ISCED 1 – 2: 50% ○ ISCED 3 – 4: 33% ○ ISCED 5 – 6: 17%
Tenure	<ul style="list-style-type: none"> ○ No information 	<ul style="list-style-type: none"> ○ Less than 5 years: 11% ○ 5 – 9 years: 13% ○ 10 – 19 years: 23% ○ 20 + years: 53%

- As it can be seen, there is a slight over-representation of males, those aged 55 – 64 years and those educated to ISCED 1 & 2. Despite this, the profiles are in line with expectations of a slight selection bias (with those finding it more difficult to find employment, i.e. those less educated and older, slightly over-represented). It will be still provide a fair representation of views and outcomes for the workers.

2.5 Case expenditure and measures

This section will provide details on the EGF expenditure profile across all of the 73 cases. Table 3 provides an overview of total expenditure (both planned and actual) as well as EGF only expenditure (planned and actual). The table shows that the 73 cases were responsible for a total EGF expenditure of €187,195,250, with average EGF expenditure per person of €3,385.

Table 3. EGF Expenditure by case

M S	Case Name	Case reference	Amount requested (total)	Amount spent (total)	Amount requested (EGF only)	Amount spent (EGF only)	Total expenditure per person	EGF expenditure per person	Budget implementation rate
FINAL PHASE EX-POST EVALUATION									
DK	Nordjylland	EGF/2010/001	11,578,001	2,250,829	7,521,359	1,463,039	20,096.69	13,063	19%
ES	Comunidad Valenciana Natural Stone	EGF/2010/005	2,189,000	1,102,181	1,422,850	716,418	3,476.91	2,260	50%
ES	Valencia textiles	EGF/2010/009	3,168,409	3,066,670	2,059,421	1,993,335	8,471.46	5,506	97%
NL	Noord Holland - ICT	EGF/2010/012	3,934,055	1,404,008	2,557,136	912,605	2,290.39	1,489	36%
PL	Podkarpackie	EGF/2010/013	697,800	86,590	453,570	56,252	1,069.01	694	12%
SI	Mura	EGF/2010/014	3,458,370	1,583,550	2,247,941	1,029,307	784.71	510	46%
FR	Peugeot	EGF/2010/015	18,384,103	20,247,526	11,949,666	11,949,666	9,692.45	5,720	110%
ES	Aragón retail	EGF/2010/016	2,400,000	2,179,511	1,560,000	1,560,000	5,574.20	3,990	91%
DK	Midtjylland Machinery	EGF/2010/017	6,068,625	2,335,318	4,147,768	1,517,957	15,363.93	9,987	38%
DE	Heidelberger Druckmaschinen	EGF/2010/018	12,201,603	5,770,513	8,308,042	3,750,833	5,026.58	3,267	47%
IE	Construction 41	EGF/2010/019	19,522,829	12,618,893	12,689,838	8,202,280	4,260.26	2,769	65%
IE	Construction 43	EGF/2010/020	33,329,461	20,281,516	21,664,148	13,182,985	10,201.97	6,631	61%
IE	Construction 71	EGF/2010/021	2,135,108	1,810,636	1,387,819	1,176,913	3,695.18	2,402	85%
DK	LM Glasfiber	EGF/2010/022	9,593,304	7,077,178	6,247,416	3,949,385	17,648.82	9,849	74%
DK	Odense Steel Shipyard	EGF/2010/025	21,818,312	9,213,210	12,680,903	4,050,445	16,220.44	7,131	42%
PT	Rohde	EGF/2010/026	2,230,000	2,127,147	1,411,901	1,382,645	3,453.16	2,245	95%
NL	Noord Brabant	EGF/2010/027	1,027,420	262,285	667,819	170,485	1,796.47	1,168	26%
NL	Overijssel	EGF/2010/028	1,104,832	314,338	718,157	204,320	1,672.01	1,087	28%

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

M S	Case Name	Case reference	Amount requested (total)	Amount spent (total)	Amount requested (EGF only)	Amount spent (EGF only)	Total expenditure per person	EGF expenditure per person	Budget implementation rate
NL	Zuit Holand and Utrecht	EGF/2010/029	4,075,613	1,080,819	2,649,149	702,532	1,726.55	1,122	27%
NL	Noord Holland and Flevoland	EGF/2010/030	2,844,748	759,984	1,849,087	493,990	1,593.26	1,036	27%
BE	General Motors Belgium	EGF/2010/031	14,759,895	2,533,525	9,602,572	1,306,831	1,693.53	874	17%
AT	Nieder- und Oberösterreich Transport	EGF/2011/001	5,605,800	879,754	3,643,770	571,840	6,565.33	4,267	16%
IT	Trentino Alto Adige	EGF/2011/002	6,029,000	2,252,078	3,918,850	1,463,851	14,075.49	9,149	37%
DE	Arnsberg and Düsseldorf Automotive	EGF/2011/003	6,689,028	5,394,411	4,347,868	3,740,121	7,088.58	4,915	81%
PT	Norte - Centro Automotive Industry	EGF/2011/005	2,336,100	2,119,610	1,518,465	1,377,746	6,582.64	4,279	91%
FIRST PHASE EX-POST EVALUATION									
CZ	Unilever	EGF/2010/010	498,186	242,696	323,820	157,752	711.72	462.62	49%
DE	Karmann	EGF/2009/013	9,537,449	9,901,476	6,199,341	6,199,341	5,690.50	3,562.84	104%
DK	Danfoss Group	EGF/2009/015	13,682,057	8,014,013	8,893,336	2,719,896	20,815.62	7,064.66	59%
FR	Renault	EGF/2009/019	37,682,346	36,614,425	24,493,525	23,799,376	10,221.78	6,644.16	97%
IE	SR Technics	EGF/2009/021	11,455,174	4,504,198	7,445,863	2,927,729	5,857.21	3,807.19	39%
IE	Dell	EGF/2009/008	22,817,000	13,619,598	14,831,050	8,852,738	5,194.35	3,376.33	60%
IE	Waterford Crystal	EGF/2009/012	3,955,159	3,089,633	2,570,853	2,008,261	5,753.51	3,739.78	78%
NL	Heijmans	EGF/2009/011	594,021	318,358	386,114	206,933	561.48	364.96	54%
NL	NXP Semiconductors	EGF/2010/011	2,783,745	1,165,882	1,809,434	757,823	3,979.12	2,586.43	42%
PL	H.Cegielski-Poznan	EGF/2010/006	175,770	133,538	114,250	86,800	1,171.39	761.40	76%
PT	Qimonda	EGF/2009/023	3,701,032	3,120,878	2,405,671	2,028,571	5,844.34	3,798.82	84%
SE	Volvo	EGF/2009/007	15,137,960	8,731,627	9,839,674	5,675,558	4,919.23	3,197.50	58%

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

M S	Case Name	Case reference	Amount requested (total)	Amount spent (total)	Amount requested (EGF only)	Amount spent (EGF only)	Total expenditure per person	EGF expenditure per person	Budget implementation rate
AT	Steiermark	EGF/2009/009	8,777,900	8,557,951	5,705,635	5,562,668	26,171.10	17,011.22	97%
AT	Steiermark-Niederösterreich	EGF/2010/007	12,746,013	7,926,373	8,284,908	5,152,142	28,008.39	18,205.45	62%
BE	Oost-West Vlaanderen	EGF/2009/004	11,568,654	402,236	7,519,625	144,829	791.80	285.10	3%
BE	Limburg	EGF/2009/005	2,583,460	296,623	1,679,249	132,287	2,392.12	1,066.83	11%
ES	Cataluña	EGF/2010/002	4,235,284	1,484,975	2,752,935	963,258	2,946.38	1,911.23	35%
ES	Castilla La Mancha	EGF/2009/020	3,000,000	3,010,611	1,950,000	1,950,000	6,364.93	4,122.62	100%
ES	Valencia	EGF/2009/014	10,151,900	9,301,299	6,598,735	6,045,844	4,513.00	2,933.45	92%
ES	Galicia	EGF/2010/003	2,838,000	2,381,584	1,844,700	1,548,030	4,697.40	3,053.31	84%
LT	Construction	EGF/2009/017	1,721,374	1,142,376	1,118,893	742,544	1,477.85	960.60	66%
LT	Furniture	EGF/2009/016	1,018,597	703,118	662,088	457,027	1,409.05	915.89	69%
LT	Wearing Apparel	EGF/2009/018	805,355	551,553	523,481	358,509	1,486.67	966.33	68%
NL	Noord Holland and Utrecht	EGF/2009/026	3,487,116	1,930,473	2,266,625	1,254,807	3,113.67	2,023.88	55%
NL	Noord Brabant and Zuid Holland	EGF/2009/027	4,446,196	1,855,317	2,890,027	1,205,956	2,434.80	1,582.62	42%
NL	Gelderland and Overijssel	EGF/2009/029	3,097,875	956,517	2,013,619	621,736	1,768.05	1,149.23	31%
NL	Noord Holland and Zuid Holland	EGF/2009/024	3,579,168	621,368	2,326,459	403,889	960.38	624.25	17%
PL	Wielkopolskie	EGF/2010/004	973,965	317,641	633,077	206,467	721.91	469.24	33%
AT	AT&S	EGF/2010/008	1,878,658	679,455	1,221,128	441,646	26,132.88	16,986.38	36%
DK	Linak	EGF/2009/031	1,866,936	1,583,549	1,213,508	1,029,307	18,413.36	11,968.69	85%
LT	AB Snaige	EGF/2009/010	397,175	395,001	258,163	256,750	864.33	561.82	99%
NL	Limburg	EGF/2009/028	846,071	240,158	549,946	156,103	1,936.76	1,258.90	28%

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

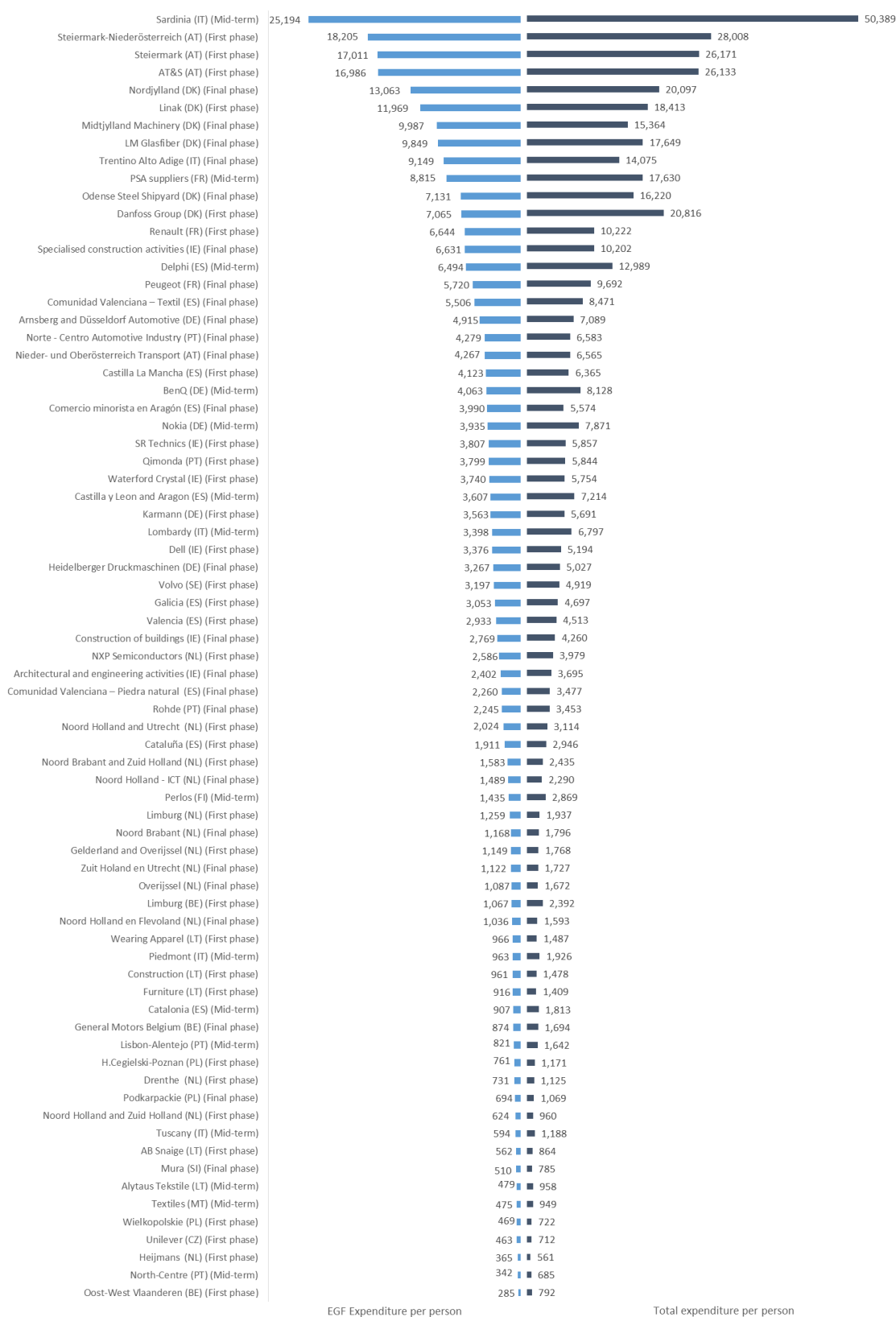
M S	Case Name	Case reference	Amount requested (total)	Amount spent (total)	Amount requested (EGF only)	Amount spent (EGF only)	Total expenditure per person	EGF expenditure per person	Budget implementation rate
NL	Drenthe	EGF/2009/030	697,896	176,655	453,632	114,826	1,125.19	731.38	25%
MID-TERM EVALUATION									
DE	BenQ	EGF/2007/003	25,532,300	20,547,446	12,766,150	10,270,092	8,127.95	4,062.54	80%
DE	Nokia	EGF/2009/002	11,107,700	10,271,293	5,553,850	5,135,646	7,870.72	3,935.36	92%
ES	Castilla y Leon and Aragon	EGF/2008/004	5,388,600	3,852,120	2,674,300	1,926,060	7,213.71	3,606.85	71%
ES	Cataluña	EGF/2008/005	6,613,500	1,064,232	3,306,750	532,116	1,813.00	906.50	16%
ES	Delphi	EGF/2008/002	20,943,557	20,639,298	10,471,778	10,319,649	12,988.86	6,494.43	99%
FI	Perlos	EGF/2007/004	4,057,075	2,642,506	2,028,538	1,321,253	2,869.17	1,434.59	65%
FR	PSA suppliers	EGF/2007/001	5,116,500	4,707,166	2,558,250	2,353,583	17,629.84	8,814.92	92%
IT	Lombardy	EGF/2007/007	25,068,250	1,182,662	12,534,125	591,331	6,796.91	3,398.45	5%
IT	Piedmont	EGF/2007/006	15,597,500	2,500,157	7,798,750	1,250,078	1,926.16	963.08	16%
IT	Tuscany	EGF/2008/001	7,708,400	1,606,557	3,854,200	803,279	1,188.28	594.14	21%
IT	Sardinia	EGF/2007/005	21,942,000	554,274	10,971,000	277,137	50,388.55	25,194.27	3%
LT	Alytaus Tekstile	EGF/2008/003	597,987	592,769	329,994	296,385	957.62	478.81	99%
MT	Textiles	EGF/2007/008	1,362,414	637,841	681,207	318,920	949.17	474.58	47%
PT	Lisbon-Alentejo	EGF/2007/010	4,851,350	916,090	2,425,675	458,045	1,641.74	820.87	19%
PT	Norte-Centro Automotive	EGF/2009/001	1,665,600	492,984	832,800	246,492	684.70	342.35	30%
TOTAL			557,471,641	314,930,630	337,792,246	187,195,250			
AVERAGE			7,636,598	4,314,118	4,627,291	2,564,318	5,695	3,385	55%

Source: EGF Final Reports and ICF Analysis

2.5.1 Expenditure per person

As it can be seen, EGF expenditure per person varied significantly, from EUR 25,194 in IT Sardinia to EUR 285 in BE Oost-West Vlaanderen. The average EGF expenditure per person across the 73 cases was EUR 3,385.

Figure 7. Expenditure per person



Source: ICF Analysis

2.5.2 Budget implementation rates

The budget implementation rates ranged from 110% (FR Peugeot) to 3% (IT Sardinia). Figure 8 provides an overview of the budget implementation rates across all of the 73 EGF cases. The average budget implementation rate was 55%.

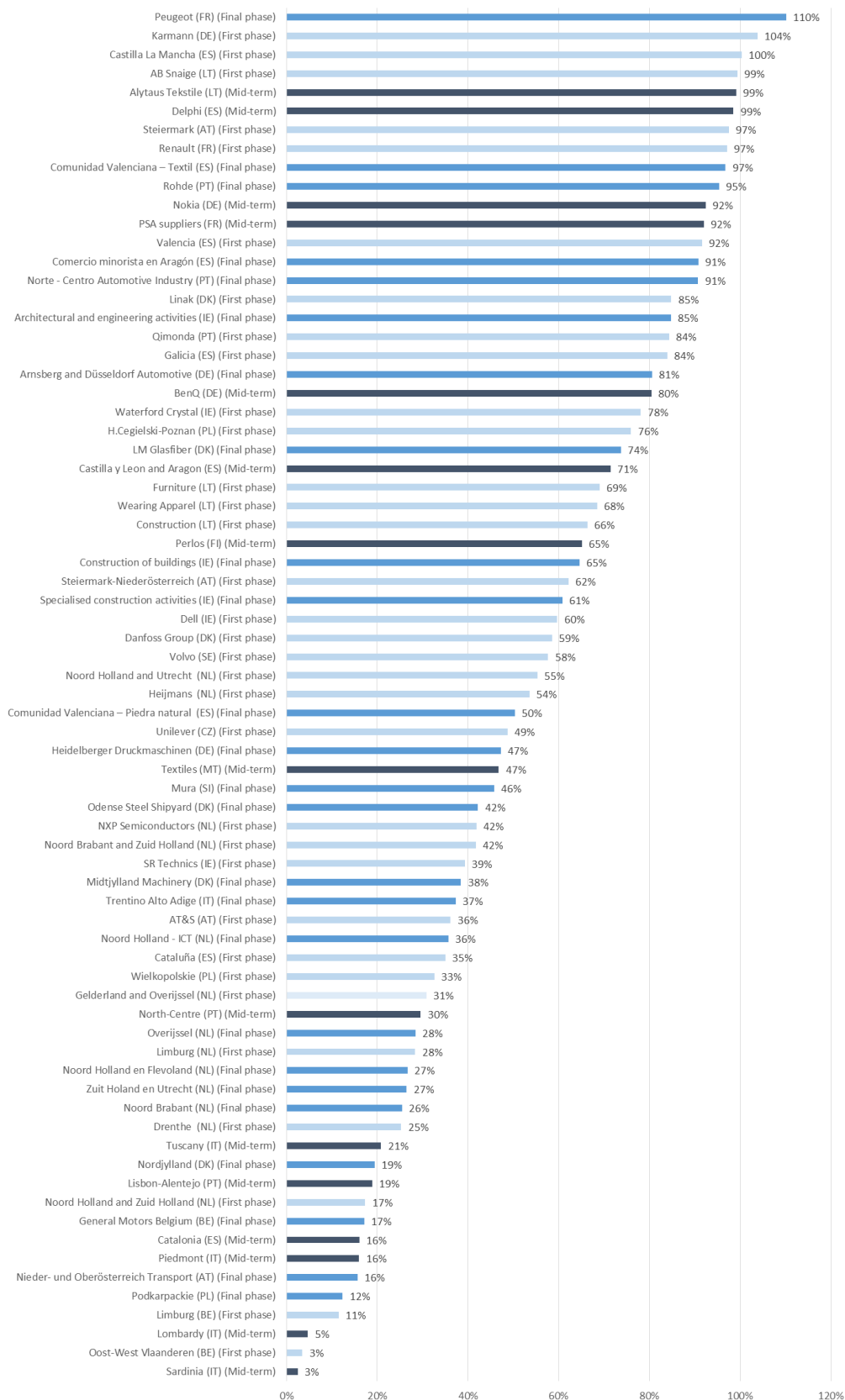
Budget implementation rates vary between cases for a variety of reasons. For example, in BE General Motors Belgium case, the over-estimation of the cost of some measures as well as more funding being made available from the national institutions led to a resultant underspend with an implementation rate of 17%. In other cases, the lower budget implementation rates were a result of fewer beneficiaries being assisted than expected (for example, DK LM Glasfiber). This was in turn due to a large number of potential beneficiaries finding a new job prior to the delivery of the EGF measures.

In other cases, the lower costs were a result of different (and less expensive) measures being implemented for the beneficiaries. For example, in DK Odense Steel Shipyard case, the beneficiaries chose shorter and less expensive courses than anticipated initially. Given the envisaged flexibility within the EGF case, it was difficult to predict what measures the beneficiaries would opt to take part in and hence to predict the average cost for each participant. In addition, in the case of PL Podkarpackie the low budget implementation rate (12%) was similarly attributed to lower cost measures being taken up by the beneficiaries in contrast to the more expensive measures that had been budgeted for.

Some country trends can be observed, for example, amongst the cases in the Netherlands which tend to have lower budget implementation rates. This would be partly explained by the fact that all but one of the cases based in the Netherlands were within the same sector and all had similar contributing factors to a low budget implementation rate: for example, fewer number of beneficiaries than was planned for, realised costs of particular measures were lower and some beneficiaries selected less-costly measures than expected. Some consistency amongst budget implementation rates can also be seen in Italy, where rates were quite low (below 20%). This was the case for IT Sardinia, IT Lombardy and IT Piedmont.

In the case of an overspend (for example, FR Peugeot and DE Karmann) it is important to note that this additional financing was contributed by the Member State, with EGF expenditure remaining the same (EGF only expenditure budget implementation rate was 100%).

Figure 8. Budget implementation rates



2.5.3 Profile of measures implemented

A range of support measures were provided to dismissed workers, such as information, advice and guidance through individual case management; specific training measures; employment and recruitment incentives; measures to support self-employment; and a range of other financial allowances to support job search, mobility and indeed subsistence allowances (while undergoing training).

The table below provides a summary of the proportion of outputs used by expenditure category. As it can be seen, the majority of outputs are used on individual case management and training and retraining.

Table 4. Proportion of outputs by expenditure category

Expenditure category	Proportion of output
MEASURE	
Individual case management (category 1)	44%
Training and retraining (category 2)	23%
Job rotation and job sharing (category 3)	0%
Employment and recruitment incentives (category 4)	4%
Supported employment and rehabilitation (category 5)	2%
Direct job creation (category 6)	0%
Promotion of entrepreneurship (category 7)	3%
ALLOWANCE	
Job search allowance (category 0.1)	8%
Training allowance (category 0.2)	6%
Mobility allowance (category 0.3)	1%
Subsistence allowance (category 0.4)	4%
Other allowance (category 0.5)	4%

Source: ICF Analysis of final EGF case reports.

The range and specific detail of measures applied in each case was determined by the requirements of the dismissed workers, the needs of the local economy and the mainstream provision available through the national restructuring framework. A finding across all evaluations undertaken was that a key feature of the flexibility in the EGF architecture allowed the cases to re-allocate funds between different measures whilst remaining within the overall budget ceiling. This was utilised in almost all of the 73 cases. It was a positive factor identified by stakeholders as it allowed a rapid response to the changing needs of the beneficiaries and local labour markets. The flexibility enabled the regional / local case coordinators and delivery partners to tailor the EGF assistance to the changing circumstances of the case delivery context and ensure that the assistance meets the requirements of the beneficiaries and local economies.

As part of the beneficiary survey, beneficiaries were asked to assess the challenges associated with accessing the measures provided. The box below outlines the responses received. As it can be seen, the most significant challenge for responding beneficiaries was in regards to appropriate content, followed by the length and timing of the training or measure. This finding is perhaps reflective of the fact that developing tailored content is more difficult for delivery partners involved in EGF cases because it involves takes longer to do. As a result not all cases provided tailored measures but rather offered more either mainstream measures or some variants of previously delivered activities.

Box 3: The EGF Beneficiary Survey: Challenges of the EGF measures

- Beneficiaries were asked whether various aspects of the measures and delivery of the measures were challenging. Their responses are outlined below.

Table Issues presenting challenged for beneficiary participation in EGF measures (numbers may not sum up to 100% due to rounding)

	Not a challenge	Slight challenge	Quite challenging	Significant challenge
Finding measures with appropriate content	38%	33%	23%	7%
Finding measures at an appropriate level	38%	29%	0%	8%
Travelling to the location of the measure	56%	27%	13%	4%
Timing of the training	57%	28%	11%	5%
Length of the training	57%	25%	13%	5%

3 EGF Outcomes and Impacts

3.1 Introduction

This section analyses the employment and other outcomes experienced across the 73 cases at the end of the EGF assistance and in the short to medium-term (where such information is available). This analysis is organised in the following sub-sections:

- presentation and analysis of the re-employment rates achieved at the end of each case, comparing reemployment rates 12 months later and identifying the rate of self-employment;
- analysis of the factors which influence reemployment rates;
- analysis of other wider outcomes achieved in as a result of EGF support; and,
- consideration of the cost-effectiveness of EGF cases, and comparison with outcomes achieved in other comparator cases.

3.2 Employment outcomes

Box 4: Calculating Re-employment Rates

Employment information in the final report provides a breakdown of :

- Number of workers who had found employment at the end of EGF funded measures;
- Of these workers finding employment, the number of who were self-employed;
- Of these workers who were unemployed, the number who were in education or training;
- Number of workers who were inactive at the end of EGF funded measures.
- In the majority of cases, the number of workers who were tracked as part of this break-down did not match the total population of workers actually assisted. This presents a methodological challenge in calculating the re-employment rates – there are two differing methodologies that can be used to calculate re-employment:
 1. The number who were employed at the end of EGF funded measures as a proportion of the **total number of workers assisted by the EGF for whom employment status was known**; or
 2. The number of individuals who were employed at the end of EGF funded measures as a proportion of **all workers assisted as part of the EGF**.
- Re-employment rates as a percentage of the number of workers for whom employment status is known is used in the evaluation (i.e. method 1) for the purposes of accuracy.

The re-employment rate at the end of EGF assistance varied considerably from 4% in the case of PT Norte-Centro Automotive to 86% in the case of NL Heijmans. The average re-employment rate achieved across the 73 cases was 49%.

Evidence from the survey conducted as part of the final phase ex-post evaluation show the time period in which beneficiaries found employment tended to vary (for example, 13% found employment during EGF and 18% between 1-3 months after EGF) with the majority taking between three and six months (or more) to find

employment¹⁴. Further, relatively few significant practical adjustments were required when taking up this new employment – only 4% of respondents to the survey said they had to move house and 22% said their new job increased their commuting time.

Looking at the relationship between re-employment rates and application criteria:

- In regards to the article 1 criteria:
 - The average for those cases applying under the trade criteria was 41%, 8% lower than the average across the total;
 - In comparison, the average for the crisis criteria was 53%, slightly higher than the total average (this may be because in cases using trade criteria, these are more likely to be sectors which have been in decline in Europe for some time and therefore offer fewer employment opportunities);
- Differences between the article 2 criteria were not as prevalent, with the average applying under criterion a being 49%, criterion b was 47% and criterion c was 58% (although only nine cases applied under this criteria).

Few sectoral trends can be observed amongst the 73 cases:

- The printing industry tended to exhibit higher re-employment rates (with the average across the nine cases being 69%);
- Cases within the machinery and equipment sector (across a range of Member States) also seem to be clustered at higher levels, however this still varied with an average across this sector equivalent with the total average at 49%;
- The automotive sector appeared to exhibit medium re-employment rates, with the average across these cases being 41%; and,
- No clear relationship can be seen amongst construction, textiles or retail with significant variation across these cases.

Information regarding the sustainability of these re-employment rates were only available for 51 EGF cases. For those with information available, the majority experienced increases in the re-employment rates achieved over this time, indicating a high level of sustainability in outcomes (or at least an enhanced employability of beneficiaries). Further, this indicates the longer term focus of the EGF support (for example, in regards to training and retraining). Across the 51 cases, 33 experienced an increase in the achieved re-employment rate, seven remained stable and 11 experienced a decline in the re-employment rate. On average, in these 11 cases, re-employment rates fell by 8%. This ranged from a 30% fall in the case of LT Alytaus Tekstile and a 17% fall in the case of LT Construction to a 2% fall in the cases of SE Volvo, LT Furniture and IE Construction 41. Notably, all of these cases declined from high- or medium- achieved re-employment rates at the completion of EGF measures.

Further to this, evidence from the survey conducted as part of the final phase ex-post evaluation shows that of 66%¹⁵ of beneficiaries indicating they had found employment since the completion of the EGF measures, only 52%¹⁶ were still currently in employment.

Anecdotal evidence from case research suggests that the main contributing factor to declining re-employment rates is the local labour market. In these cases, the longer-term benefits of EGF on employment prospects are still present however are hampered by low demand in the local labour market and associated sectors. It should

¹⁴ 14% found employment 3 – 6 months after the completion of the EGF measures and 47% took longer than 6 months. These results were derived from a sample of 358 beneficiaries who answered this question in the survey.

¹⁵ 477 of sample of 724 beneficiaries

¹⁶ 376 of sample of 724 beneficiaries

also be noted that during the period that these cases were delivered there was a period of substantial economic contraction with widespread job losses across Europe.

Table 5. Reemployment Outcomes

MS	Case Name	Case reference	Sector	App criteria article 1	App criteria article 2	Re-employment Rate	Re-employment Rate 12 months after EGF completion	Trend	Self-employment Rate
HIGH RE-EMPLOYMENT RATE									
NL	Heijmans	EGF/2009/011	Construction	Crisis	a	86%	92%	Up	n.a.
NL	Noord Holland and Zuid Holland	EGF/2009/024	Publishing	Crisis	b	78%	n.a.	n.a.	n.a.
PL	Podkarpackie	EGF/2010/013	Machinery and Equipment	Crisis	b	78%	67%	Down	5%
DE	Heidelberger Druckmaschinen	EGF/2010/018	Machinery and Equipment	Crisis	a	78%	83%	Up	2%
PL	H.Cegielski-Poznan	EGF/2010/006	Machinery and equipment	Crisis	a	76%	76%	Stable	9%
LT	Construction	EGF/2009/017	Construction	Crisis	b	74%	57%	Down	17%
NL	Noord Brabant	EGF/2010/027	Printing industry	Crisis	c	73%	81%	Up	0%
NL	Gelderland and Overijssel	EGF/2009/029	Printing Industry	Crisis	b	73%	n.a.	n.a.	n.a.
BE	Limburg	EGF/2009/005	Textiles Sector	Trade	b	72%	77%	Up	1%
NL	Limburg	EGF/2009/028	Printing Industry	Crisis	c	72%	77%	Up	n.a.
NL	Overijssel	EGF/2010/028	Printing industry	Crisis	c	70%	71%	Stable	0%
NL	Noord Holland and Utrecht	EGF/2009/026	Printing Industry	Crisis	b	70%	n.a.	n.a.	n.a.

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

MS	Case Name	Case reference	Sector	App criteria article 1	App criteria article 2	Re-employment Rate	Re-employment Rate 12 months after EGF completion	Trend	Self-employment Rate
NL	Drenthe	EGF/2009/030	Printing Industry	Crisis	c	69%	n.a.	n.a.	n.a.
SE	Volvo	EGF/2009/007	Motor industry	Crisis	a	67%	65%	Down	n.a.
NL	Zuit Holand and Utrecht	EGF/2010/029	Printing industry	Crisis	b	66%	68%	Up	0%
BE	Oost-West Vlaanderen	EGF/2009/004	Textiles Sector	Trade	b	66%	68%	Up	2%
NL	Noord Holland en Flevoland	EGF/2010/030	Printing industry	Crisis	b	66%	74%	Up	0%
IT	Tuscany	EGF/2008/001	Textiles	Trade	b	66%	n.a.	n.a.	0%
MT	Textiles	EGF/2007/008	Textiles	Trade	c	66%	n.a.	n.a.	6%
AT	Steiermark-Niederösterreich	EGF/2010/007	Basic metal	Crisis	b	65%	66%	Stable	n.a.
LT	Furniture	EGF/2009/016	Furniture	Crisis	b	65%	63%	Down	7%
BE	General Motors Belgium	EGF/2010/031	Automotive	Crisis	a	65%	68%	Up	2%
PL	Wielkopolskie	EGF/2010/004	Automotive	Crisis	b	64%	63%	Stable	8%
CZ	Unilever	EGF/2010/010	Retail sector	Crisis	a	63%	n.a.	n.a.	1%
SI	Mura	EGF/2010/014	Wearing apparel	Crisis	a	62%	n.a.	n.a.	1%
LT	Wearing Apparel	EGF/2009/018	Wearing apparel	Crisis	b	62%	56%	Down	10%
NL	Noord Brabant and Zuid	EGF/2009/027	Printing Industry	Crisis	b	62%	n.a.	n.a.	n.a.

MS	Case Name	Case reference	Sector	App criteria article 1	App criteria article 2	Re-employment Rate	Re-employment Rate 12 months after EGF completion	Trend	Self-employment Rate
Holland									
DK	Midtjylland Machinery	EGF/2010/017	Machinery and Equipment	Trade	b	60%	n.a.	n.a.	1%
MEDIUM RE-EMPLOYMENT RATE									
FI	Perlos	EGF/2007/004	Telecommunications	Trade	c	59%	84%	Up	4%
FR	PSA suppliers	EGF/2007/001	Automotive	Trade	a	57%	n.a.	n.a.	8%
DE	Arnsberg and Düsseldorf Automotive	EGF/2011/003	Automotive	Crisis	b	57%	53%	Down	2%
DE	BenQ	EGF/2007/003	Telecommunications	Trade	a	55%	n.a.	n.a.	5%
FR	Peugeot	EGF/2010/015	Automotive	Crisis	a	54%	n.a.	n.a.	44%
LT	Alytaus Tekstile	EGF/2008/003	Textiles	Trade	a	53%	24%	Down	4%
ES	Valencia	EGF/2009/014	Ceramic industry	Crisis	b	53%	54%	Up	n.a.
PT	Rohde	EGF/2010/026	Shoe manufacture	Crisis	a	49%	52%	Up	1%
ES	Galicia	EGF/2010/003	Wearing apparel	Trade	b	48%	n.a.	n.a.	n.a.
IE	Construction 41	EGF/2010/019	Construction of buildings	Crisis	b	48%	46%	Down	4%
NL	Noord Holland - ICT	EGF/2010/012	Wholesale Trade	Crisis	b	48%	n.a.	n.a.	9%
NL	NXP Semiconductors	EGF/2010/011	Computer, electronic and optical products	Trade	a	47%	70%	Up	3%

MS	Case Name	Case reference	Sector	App criteria article 1	App criteria article 2	Re-employment Rate	Re-employment Rate 12 months after EGF completion	Trend	Self-employment Rate
PT	Qimonda	EGF/2009/023	Electronic equipment	Crisis	a	47%	50%	Up	n.a.
AT	Nieder- und Oberösterreich Transport	EGF/2011/001	Road transport	Crisis	b	45%	51%	Up	2%
IE	Architectural and engineering activities	EGF/2010/021	Architectural and engineering activities	Crisis	b	45%	48%	Up	4%
IE	Construction 71	EGF/2010/020	Specialised construction activities	Crisis	b	44%	45%	Stable	3%
IE	SR Technics	EGF/2009/021	Aircraft maintenance	Crisis	a	44%	53%	Up	5%
ES	Castilla La Mancha	EGF/2009/020	Wooden doors	Crisis	b	43%	n.a.	n.a.	5%
AT	AT&S	EGF/2010/008	Printed Circuit boards	Trade	c	42%	39%	Down	n.a.
ES	Valencia textiles	EGF/2010/009	Textiles	Trade	b	42%	35%	Down	7%
IT	Piedmont	EGF/2007/006	Textiles	Trade	b	41%	47%	Up	n.a.
ES	Castilla y Leon and Aragon	EGF/2008/004	Automotive	Trade	b	41%	48%	Up	2%
IE	Dell	EGF/2009/008	Computer	Crisis	a	40%	48%	Up	6%
IT	Lombardy	EGF/2007/007	Textiles	Trade	b	40%	32%	Down	n.a.
DK	Odense Steel Shipyard	EGF/2010/025	Shipbuilding	Crisis	a	40%	56%	Up	5%
LOW RE-EMPLOYMENT RATE									

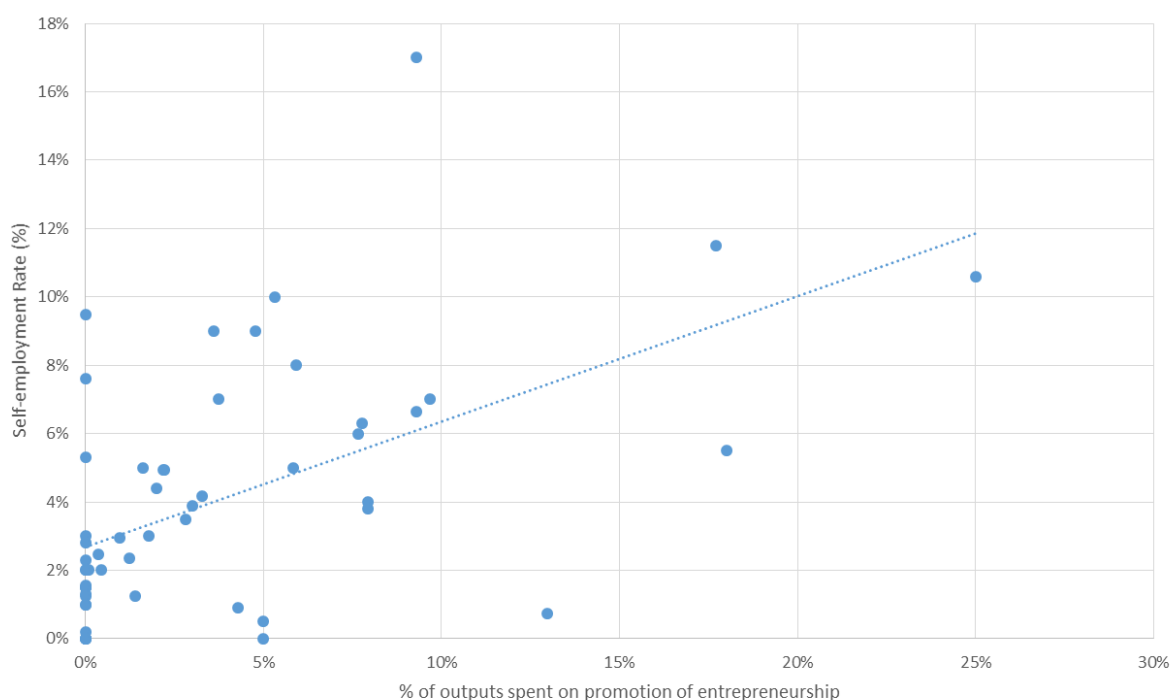
MS	Case Name	Case reference	Sector	App criteria article 1	App criteria article 2	Re-employment Rate	Re-employment Rate 12 months after EGF completion	Trend	Self-employment Rate
ES	Aragón retail	EGF/2010/016	Retail Trade	Crisis	b	37%	n.a.	n.a.	2%
DE	Karmann	EGF/2009/013	Automotive	Trade	a	37%	80%	Up	2%
LT	AB Snaige	EGF/2009/010	Domestic appliances	Crisis	c	35%	42%	Up	3%
PT	Norte - Centro Automotive Industry	EGF/2011/005	Automotive	Crisis	b	35%	55%	Up	11%
ES	Cataluña	EGF/2010/002	Automotive	Crisis	b	33%	n.a.	n.a.	4%
IE	Waterford Crystal	EGF/2009/012	Crystal Glass	Crisis	a	32%	n.a.	n.a.	7%
DK	Linak	EGF/2009/031	Mechanics / electronic	Crisis	c	32%	32%	Stable	n.a.
DK	LM Glasfiber	EGF/2010/022	Machinery and Equipment	Trade	a	30%	n.a.	n.a.	3%
DE	Nokia	EGF/2009/002	Telecommunications	Trade	a	30%	48%	Up	3%
ES	Comunidad Valenciana Natural Stone	EGF/2010/005	Stone/ Marble	Crisis	b	28%	38%	Up	6%
DK	Danfoss Group	EGF/2009/015	Mechanics / electronic	Crisis	a	25%	32%	Up	2%
FR	Renault	EGF/2009/019	Automotive	Crisis	a	24%	n.a.	n.a.	9%
AT	Steiermark	EGF/2009/009	Motor industry suppliers	Crisis	b	24%	51%	Up	2%
IT	Trentino Alto Adige	EGF/2011/002	Construction of buildings	Crisis	b	21%	41%	Up	1%

MS	Case Name	Case reference	Sector	App criteria article 1	App criteria article 2	Re-employment Rate	Re-employment Rate 12 months after EGF completion	Trend	Self-employment Rate
PT	Lisbon-Alentejo	EGF/2007/010	Automotive	Trade	b	16%	32%	Up	11%
DK	Nordjylland	EGF/2010/001	Machinery and Equipment	Crisis	b	15%	n.a.	n.a.	1%
ES	Delphi	EGF/2008/002	Automotive	Trade	a	11%	29%	Up	1%
IT	Sardinia	EGF/2007/005	Textiles	Trade	b	6%	5%	Stable	2%
ES	Cataluña	EGF/2008/005	Textiles	Trade	b	5%	32%	Up	n.a.
PT	Norte-Centro Automotive	EGF/2009/001	Textiles	Trade	b	4%	9%	Up	0%

As can be seen in the above table, the level of self-employment also significantly varied across the cases, from 44% in FR Peugeot to 0% in PT Norte-Centro Automotive¹⁷, although the average rate for all cases with data available was only 5%.

Figure 9 below looks at the relationship between the self-employment take-up rate and the proportion of outputs used on 'promotion of entrepreneurship' within the EGF budget. As it can be seen, a positive trend can be seen between resources used on promotion of entrepreneurship and the self-employment rate at the end of the measures. This indicates a high degree of success with the use of these measures as part of EGF in promoting and fostering entrepreneurship.

Figure 9. Relationship between self-employment outcomes and proportion of EGF case outputs on promotion of entrepreneurship



Source: ICF Analysis.

Please note, FR Peugeot is excluded from this analysis as it presented as an outlier.

Gender could potentially have an impact on the self-employment rate, with the typical entrepreneur in Europe being a man. However, this relationship between self-employment rates and gender were examined as part of this analysis, and no significant relationship could be found.

However, the sector which dismissed workers originated from appears to have an influence on the self-employment rate. For example, of the 10 cases with the highest proportions of self-employment, six were from the automotive sector with an average self-employment rate of 9% across all EGF cases in the automotive sector. In comparison, the printing and textiles sector were associated with lower self-employment rates (on average, 0% and 3% respectively).

Higher rates of self-employment were also observed in particular countries, for example Lithuania (e.g. LT Construction, LT Wearing Apparel and LT Furniture), in Portugal (e.g. PT Norte-Centro Automotive Industry and PT Lisbon-Alentejo), Poland (PL H.Cegielski-Poznan and PL Wielkopolskie) and France (FR Peugeot and FR PSA

¹⁷ Self-employment data was only available for 56 of the 73 cases.

suppliers). This could reflect economic conditions and limited alternative employment opportunities within these particular countries.

Data on the sustainability of self-employment outcomes is not widely available across the cases. Results from previous evaluations indicate some sustainability with these self-employment rates, although this tends to vary by case.

3.2.1 Quality of new employment

Evidence from the beneficiary survey undertaken as part of the final phase ex-post evaluation has shown that roughly 89% of those beneficiaries who found employment were in full-time work with 11% in part-time work. Further, 81% of these were permanent contracts with only 19% being offered temporary contracts.

In most of the 73 EGF cases, information on the characteristics of new employment was difficult to obtain with most administrative systems not recording such information. To aid in understanding satisfaction with new employment, the survey asked respondents who had found new employment at some stage (477 of the 724 surveyed) to rate their satisfaction with various aspects of their new employment. These are outlined in the table below:

Table 6. Survey results: quality of new employment (numbers may not sum up to 100% due to rounding)

	Far better	Better	The same	Worse	Far Worse
Total Pay	3%	11%	50%	28%	8%
Match between skills and role	5%	18%	35%	33%	8%
Training and support provided to you	4%	17%	35%	35%	9%
Work/ life balance	10%	23%	28%	29%	10%
Overall satisfaction	11%	24%	24%	32%	9%

As it can be seen, 41% of beneficiaries felt the quality of new employment was overall worse or far worse than that previously held. 24% felt it was the same and 35% felt it was better or far better. The most dramatic differences appeared to be in regards to matching skills and role as well as training and support provided.

3.2.2 Statistical analysis of factors contributing to employment

The statistical regression analysis explores the relationship between various supply, demand and policy mix factors on the EGF re-employment rates achieved in the 73 cases.

Table 7. Indicators used in the statistical analysis

Indicator	Data source
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¹⁸ n=440

¹⁹ n=428

²⁰ n=420

²¹ n=433

²² n=433

Supply side	The proportion of the EGF beneficiaries less than 25 years of age	EGF Final Reports
	The proportion of the EGF beneficiaries over 55 years of age	EGF Final Reports
	The proportion of the EGF beneficiaries with education of ISCED 2 and below	EGF Final Reports
	The proportion of the EGF beneficiaries with tertiary education (ISCED 5 and above)	EGF Final Reports
	The proportion of the EGF beneficiaries who are female	EGF Final Reports
Demand side	Gross Domestic Product (GDP) at current market prices, by NUTS 2 regions (measured by change in € per inhabitant), (%)	Eurostat
	Employment rates (total, working age population, NUTS 2), (%)	Eurostat
	Unemployment rate (total, working age population, NUTS 2), (%)	Eurostat
	Long-term unemployment by NUTS 2 region (% of unemployment), Long-term unemployment is defined as unemployment lasting longer than 1 year ²³ .	Eurostat
	Level of urbanisation (proportion of households living in urbanised area)	Eurostat
Policy side	Public expenditure on labour market policies, by type of action (categories 1-9, % of GDP).	Eurostat
	The proportion of the EGF budget spent on training or re-training (ALMP Category 2) and individual case management (ALMP Category 1).	EGF Final Reports

Several caveats and data issues should be borne in mind when interpreting the results as they affect the robustness of observations:

- The time periods for application and implementation range across all the cases (from 2007 to 2013). Over this period, a number of significant economic changes occurred (most notably, the onset of the financial crisis). As such, accounting for this structural change will be important. To determine the most appropriate period for analysis, a number of different averages will be used and tested, including a 5-year average and years relevant to implementation.
- Changes to the EGF implementation period in June 2009 also will mean there exists a structural break in the results. This change increased the implementation period from 12 months to 24 months. The impacts of this will need to be tested and accounted for through the use of a dummy variable.
- The lack of uniformity of information across all 73 cases is a potential concern, particularly regarding the indicator '% of Budget Spent on Training / Re-Training'. Attempts will be made to ensure consistency amongst expenditure allocation, particularly to training / re-training.

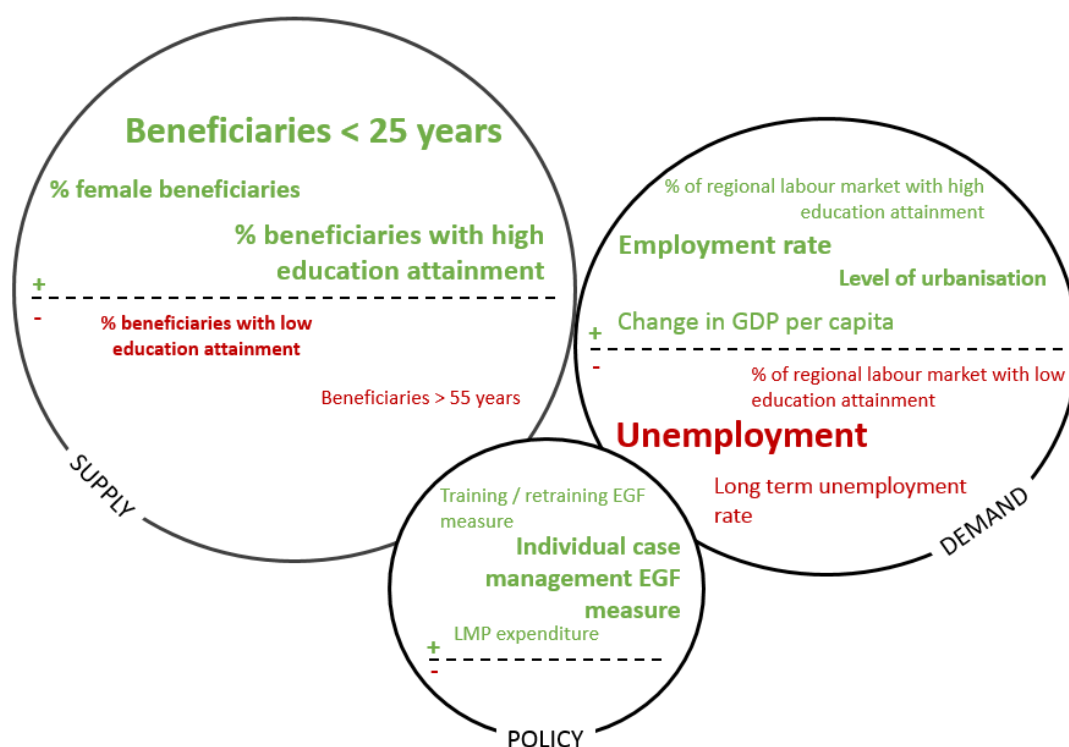
The figure below summarises the statistical findings in terms of:

23

<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&code=tsdsc330>

- The relative significance of demand, supply and policy mix factors (depicted by the size of each circle);
- The significance of a variable in explaining the EGF re-employment rates achieved; the larger the size and emphasis of the text, the more significant the effect of that variable; and,
- The direction of the relationship (i.e. positive or negative relationship with re-employment rate).

Figure 10. Statistical analysis: headline findings



Source: ICF Analysis.

As it can be seen, comparatively the supply side factors offer relatively more explanatory power than demand, and demand more so than policy factors. It may be argued that this demonstrates that even in labour markets with relatively few job opportunities employment is still generated which can be taken up by those with relevant qualifications and/or competencies. Further to this:

- On the supply side: on the supply side having a positive impact on re-employment rates were the proportion of beneficiaries less than 25 years, the proportion of workers with high education attainment and the proportion of female beneficiaries all offered explanatory power in both models. In contrast, the proportion of workers with lower education attainment had a negative relationship with re-employment rates. The proportion of workers over 55 years had a negative impact on the re-employment rates but was not found to be significant in the final models;
- On the demand side: The unemployment rate was found to be the most explanatory demand side variable, with a negative relationship to the re-employment rates. The long term unemployment rate was also found to be negative, although not statistically significant. Having a positive relationship with the re-employment rates was change in regional GDP, although with

varying significance across the two models. The level of urbanisation of a region was also positively associated with re-employment rates (i.e. regions which were more densely populated were associated with higher re-employment rates);

- In terms of policy, the results were limited by data availability in terms of regional policy (due to data not being available at a regional level). The most explanatory variable appeared to be the proportion of outputs supported by individual case management.

3.2.3 Important supply variables

3.2.3.1 The influence of age profile

It would be expected that workers aged 25 – 54 years would be easiest to re-integrate in principle (obviously depending on their skill sets). Older workers, faced with particular obstacles relating to age discrimination in recruitment, greater skills obsolescence and nearing retirement, would perhaps be less active in their job search and more reluctant to be mobile geographically or between sectors. This was found anecdotally in some cases, for example, NL Noord Holland en Flevoland where the average of the target group was 50 years or older which meant tailoring the EGF activities for this type of group. Other examples where an older workforce was seen as an obstacle whereby more intensive or tailored support was required because of an 'older worker' profile were DE Arnsberg and Düsseldorf Automotive, DK Linak, DK Danfoss Group and FR Renault.

The impact of a high proportion of younger beneficiaries (under 25 years) also faced specific barriers to the labour market as a result of their lack of experience. However, the workers specific to EGF have had previous experience in the job market (prior to being made redundant) and would perhaps be more open to occupational and/or geographical mobility. The statistical analysis confirms a positive relationship between this proportion of workers and re-employment. This variable was found to be statistically significant during the econometric investigation.

3.2.3.2 The influence of beneficiary education levels

More qualified workers tend to be easier to re-integrate and evidence from the EGF cases confirm this. For example, in DK Midtjylland Machinery the beneficiary group mainly consisted of unskilled or low skilled workers. They were the most hard-to-reach and required measures to improve their basic skills which limited the scope for employment. More highly skilled workers are more likely to possess transferable skills, giving them access to a wider range of labour market opportunities. For example, in SI Mura the most qualified workers were the quickest to find re-employment.

Statistically, the educational profile was significant in explaining variation in re-employment rates. The proportion of workers with lower education achievement (ISCED 2 and below, with a negative relationship) and the proportion of workers with higher education achievement (ISCED 5 and above, with a positive relationship) both offered explanatory power in the models.

3.2.3.3 The influence of gender profile

The impact of the gender profile on re-integration is difficult to assess. Looking at the profile of cases covered by both this final phase evaluation, as well as previous evaluations, the crisis and sectoral decline has impacted predominantly on male dominated sectors (e.g. manufacturing, automotive and construction). Contrastingly, male beneficiaries may be slightly easier to re-integrate, particularly if women are looking for flexible part-time work opportunities or have little geographical flexibility. As a result, the influence of the gender profile is ambiguous.

Interestingly, the statistical analysis indicates the proportion of female beneficiaries has a positive relationship with re-employment rates.

3.2.3.4 The influence of skills profile and characteristics of workers

There are other factors of the characteristics of workers which is not easily measured for a quantitative analysis, such as worker motivation and willingness/ ability to be geographically mobile.

Qualitative evidence suggests beneficiaries' level of motivation for job search differed across the cases. Worker motivation is linked to the personal and socio-economic characteristics of beneficiaries, and their acceptance of geographical or occupational mobility. Low levels of worker readiness were identified as a challenge in some cases (e.g. DK Linak, DK Danfoss Group, ES Galicia and IE Construction 41). Worker motivation could be affected by long employment records within the same company (as was found in SI Mura and DK Nordjylland) or the generosity of their redundancy packages (as was found in FR Peugeot).

On the contrary, in some cases beneficiaries' motivation for finding work had a positive impact on the re-employment rate. For example, in the case of PL H.Cegielski-Poznan beneficiaries were considered to be particularly active in their job search due to their level of skills and good degree of employability.

3.2.4 Important demand variables

3.2.4.1 The influence of regional employment and unemployment rates

The level of employment, unemployment and long term unemployment can be a relatively good indicator of the employment prospects within a region. It is important to note that the unemployment and employment rates had to be tested in isolation of one another due to multicollinearity.

The statistical analysis revealed unemployment had the most significant relationship with the re-employment rates. This is a good indicator of the number of other workers looking for jobs at the same time, and thus competition in the labour market. This was identified as an important indicator in the case of ES Aragon, PT Rohde and DE Heidelberger Druckmaschinen. Another component of unemployment is the long-term unemployment rate. High rates of long-term unemployment reflects structural problems in the labour market and can mean that the skills of long-term unemployed persons become obsolete. In the regression analysis, the long-term unemployment rate was found to have a negative relationship with re-employment rates, although was not testing to be significant.

The statistical analysis confirmed a positive relationship between the regional employment rate and re-employment rates, testing significant in both models. However this variable was omitted from the multi-variant regression analysis because of its strong relationship with the unemployment rate.

3.2.4.2 The influence of regional growth

A positive environment with good GDP growth and sectoral growth rates are more likely to lead to positive job outcomes, even for harder to place EGF beneficiaries. This is in line with expectations and anecdotal evidence from the case research. Lack of regional was particularly cited as a hindering factor in the Spanish cases post-2007 (ES Aragón retail, ES Valencia textiles, ES Comunidad Valenciana Natural Stone and ES Galicia). Conversely, stronger growth (in comparison to national averages) contributed to job opportunities allowing higher re-employment rates in some cases. This was noted in Denmark in regards to DK Midtjylland Machinery and DK Odense Steel Shipyard. Similarly, in Lithuania with cases of high re-employment (e.g. LT Construction, Wearing Apparel and Furniture) the return to positive GDP growth in 2010 and 2011 was important in providing new job opportunities.

Sectoral growth was anecdotally suggested to be important in explaining re-employment rates. The impact of this variable depends on the sectoral mobility of

workers (which is relatively high). Sectoral mobility was seen in many of the cases covered by the evaluations. In addition, due to the nature of EGF serving sectors in decline it would be expected that most workers would have to develop diverse skills and retrain for other sectors.

Further to this, it was found through qualitative research that when re-training strategies were matched with the local or regional economic development strategies, employment was likely to be more sustainable. Tailoring the EGF skills provisions to the requirements of the regional labour market was seen as important. This was because beneficiaries were supported to acquire a relevant and future orientated skill mix. For example, in the case of ES Valencia textiles, preparatory analysis of the local labour market was undertaken, in combination with the characteristics and profile of the dismissed workers. This was to establish key sectors workers could retrain in in order to increase probability of sustainable re-integration.

3.2.4.3 Other factors

The level of urbanisation in a region, measured by the proportion of households in densely populated areas, had some positive and significant impacts on the statistical model. That is, as the level of urbanisation increased, so too do the associated re-employment rates. This reflects the greater job opportunities that would exist in more urban areas but also reflects ability to reach, and for beneficiaries to participate, in EGF measures. For example, one of the main challenges identified in FR Peugeot was the geographical scope of the redundancies and reaching beneficiaries in all locations with a common approach and the same level of support.

3.2.4.4 The educational profile of a region

The educational profile of a region (the proportion of the region's population educated to upper secondary level or well and those educated to tertiary level and above) was found to offer some explanatory power in the model. This could be a reflection of the skill profile of a region (reflecting the 'employability' of the general population) or could be a proxy for some other policy factors that contribute to the educational make-up of a region (i.e. education expenditure or education facilities).

3.2.5 Important policy variables

3.2.5.1 The influence of EGF measures

The impact of the EGF policy mix on re-employment rates was analysed in the regression model by capturing two of the most used EGF measures employed (individual case management and training/ retraining). Both of these were found to have a positive relationship with re-employment rates, however only individual case management was found to be statistically significant. The impact of support of the EGF is difficult to quantify and isolate in practice. In reality, the measures are tailored to the need of the workers which cannot be captured by a variable²⁴. As such, anecdotal evidence and the survey results are a reliable indicator of how the measures impact the re-employment rates.

Evidence from case researchers indicated that the structure of the EGF and the measures was a key success factor, and positively contributed to sustainable re-integration rates:

- Evidence from case researchers indicate that the most frequently mentioned success factors is the availability of tailored, individualised and intensive support to redundant workers. The EGF assistance can allow specialist support to be brought in (e.g. from transition agencies) offering lower client-to-

²⁴ It could be argued that individual case management can be seen as a proxy for such a variable as it means that supporting measures will be tailored to their requirements (which may not otherwise be the case in a 'normal' PES support scenario).

counsellor ratios than PES can normally provide and access to additional and different support measures. A strong link between training provision tailored to local labour market needs was also consistently identified as an important element helping to secure positive and sustainability transition outcomes.

- Further to this, the ability to deliver measures which are additional and/ or different to what might normally be offered was identified as a key success factor. In some countries, the support delivered by the EGF resembles that provided by existing national restructuring models of support (e.g. transition agencies) and in some cases simply extended their provision. However, in a number of countries (e.g. DK and ES) the ability of the EGF to offer something clearly additional and distinct (or of a much greater magnitude) than the PES was highlighted. Such measures included: individual or group motivation measures, intensive, tailored support for self-employment, longer training courses and education or training which could not be funded from national or ESF sources.
- The flexibility of measures utilised by the EGF was also seen as a key success factor in enabling re-integration. This concerns the possibility to move funding between measures, for example if some measures prove more popular than others. This further enhanced the ability to tailor the EGF measures to the needs of the individual.

3.2.6 The influence of national LMP expenditure and policy

The impact of the external policy environment was tested (LMP expenditure as a proportion of GDP). The impact of this variable was consistently positive however unstable. This was most likely because data was only available at a national level and not at a regional level, thus biasing the impact of this variable and not allowing a conclusive finding statistically. As such, it is omitted from the final model.

Based on qualitative evidence it would be expected that the external policy environment would be important, with the support provided within a national context (outside of EGF) contributing to re-employment rates. For example, in FR Peugeot and FR Renault due to the national context the measures and the way EGF was implemented varied to other cases. Such instances of differences as a result of national policies would have an impact but have been difficult to capture statistically.

3.3 Other wider outcomes achieved in EGF cases

3.3.1 Soft outcomes for beneficiaries

A range of soft outcomes have been identified in the cases examined as part of the evaluations of EGF cases. The main outcomes identified are outlined below. It should be noted that outcomes identified are not uniform across all cases and beneficiary groups, but rather employability impacts are more evident for some beneficiary groups than others. Younger and skilled workers were generally better prepared to take advantage of the learning opportunities to up-skill/retrain compared to migrants and mid-term career workers. This is perhaps mostly due to a greater willingness to adapt and diversify to new sectors and positions.

A relationship was identified between the participation in measures and workers' level of motivation across the cases. For example, initially the majority of participants (particularly production line workers with lower formal levels of education) were sceptical about the activities provided by the EGF. However, as motivation improved participation in activities more than doubled. By the end of the funding period, many within this beneficiary group had improved literacy and were open to moving into another sector.

3.3.2 Psychological benefits of assistance

In most cases, the psychological impact on dismissed workers of losing a job was a significant challenge for delivery partners, particularly where individuals had worked for the same employer for a long time (this was particularly emphasised in the survey findings, whereby 53% of respondents had worked for the sample employer for longer than 20 years). As a result, delivery partners frequently faced de-motivated workers who were sceptical about their chances of re-employment given the lack of vacancies (for their specific skills) in the job market. In addition many dismissed workers were reluctant to participate in active measures such as training. In this context it is understandable that psychological benefits for assisted workers, including a greater feeling of empowerment, improved self-esteem and better ability to assess labour market opportunities was the most commonly identified soft outcome for EGF beneficiaries.

Psychological benefits were highlighted in particular for those workers who had spent a long time working in the same role. For these workers, the prospect of finding a new job was particularly daunting due to their lack of experience of CV preparation, job interviews and job search methods. The intensive support provided to these workers was particularly empowering, and beneficiaries reported feeling supported and better able to operate in the job market. This was confirmed by the survey findings, undertaken as part of the final phase ex-post evaluation, whereby 36% of respondents indicated the EGF support significantly improved or improved their ability to find a job, with 25% also saying it would help them maintain a job in the future.

The survey also asked beneficiaries how they rated the personal benefits of the EGF measures. The majority (54%) felt the measures were beneficial to them personally, with only 17% saying they felt there was no benefit.

3.3.3 Engagement with mainstream employment services

Due to the fact that EGF measures provide additional resources to Member States which enable more intense and/or longer periods of support to be provided it is also the case that psychological support is provided within a framework of increasing employability of supported individuals. This is recognised as a particularly important element in the design of EGF provision, the interaction with follow on mainstream support is important in order to build on this where EGF support has not resulted in a return to employment.

For those with the most significant labour market barriers, re-engaging them with mainstream public employment services may actually be seen to be a positive outcome in itself. In the absence of this individuals can become cut-off from the labour market and also increasingly less able to play a part in family and their community life. Through engagement in EGF measures it is noted that many people were able to participate in measures which increased job prospects or continued learning.

3.3.4 Increased adaptability and labour market flexibility

An improved ability to participate in the labour market, including in a different sector from previous employment, was highlighted as a key soft outcome for beneficiaries, even though not all beneficiaries were able to obtain a new job. Through participating in the EGF assistance measures such as re-training, counselling and career advice they were better positioned in the labour market in terms of updating and widening their skills profile, increasing their employability and attractiveness to future employers, and learning career management skills to look for a job and operate in the open labour market.

3.3.5 Impacts on wider communities

In many of the communities affected by the job losses which led to the provision of EGF support, the employers making job losses were dominant employers. As such, the

job losses had a significant impact on local communities, many of which had grown as a result of jobs created in the locality, directly or indirectly, by the major employer. The job losses were therefore a significant shock to the communities concerned

In this context the evaluation sought evidence in order to assess the extent to which EGF assistance mitigated some of the negative effects of the job losses on local communities. Evidence was gathered through interviews with case coordinators; organisations involved in delivery of measures; independent experts; and, through consultation with beneficiaries. A number of common elements were observed when analysing this evidence.

Firstly, EGF contributed to maintaining social cohesion by helping large groups of people in acute need of assistance. In the absence of EGF, there would have been many more people and families unemployed, accessing social security benefits and other support forms, with the associated costs to the state. The impacts and psychological effects of solidarity were felt especially where the EGF cases were implemented in a single, relatively confined geographical area. This allowed the impact and visibility of the EGF assistance to be concentrated in a confined territory

Secondly, where assisted beneficiaries had family responsibilities the assistance provided enabled beneficiaries to re-enter employment and contribute to the family earnings or remain active in the job search and thus avoid negative unemployment traps.

Lastly, each re-employed EGF beneficiary no longer had incentive to move away (with or without the family) from the local community which can be considered to be beneficial in terms of preventing labour drain. Additionally, EGF can be seen to have provided some support to the skills base in the locality which is available for future inward investment and/or indigenous business expansion. For example, the general improvement in the skills levels amongst the EGF beneficiaries as a result of the measures that they participated in may support future growth opportunities in localities and regions effected.

Findings from the survey undertaken as part of the final phase ex-post evaluation revealed that beneficiaries did recognise that there were benefits for the wider community, as well as their families: These responses do not, however, suggest particularly strong impacts from EGF assistance for families and communities, with less than half identifying such benefits.

Table 8. Survey findings: wider benefits for family and community (numbers may not sum up to 100% due to rounding)

	Highly beneficial	Of some benefit	Few benefits	No benefits	Not applicable
Family ²⁵	11%	24%	18%	23%	23%
Community ²⁶	7%	20%	22%	22%	29%

3.3.6 Learning outcomes for organisations involved in delivering the EGF

The examination of case studies undertaken for the three commissioned EGF evaluations illustrates an interesting range of impacts for organisations involved in provision of EGF measures. These outcomes are described below.

²⁵ n=601

²⁶ n=581

3.3.6.1 Capacity-building / organisational learning outcomes

There were positive learning outcomes for organisations involved in delivering the EGF support. This included learning at the individual advisors/providers level on how to effectively engage and support the dismissed workers. For organisations involved in the delivery of EGF assistance, the EGF experience allowed for capacity building in terms of efficient management of the package of measures, working towards joint delivery of services via public-private partnerships, and joined-up implementation of an integrated package of measures between different partners at the local and regional level. It can be anticipated that such learning effects can have longer term impacts which will benefit the future provision of assistance to redundant workers.

In addition EGF provided useful administrative learning experience for Public Employment Services and delivery partners, in some cases it was highlighted that the instrument had taught partners how to effectively apply, develop and report for EU instruments/funds where there was little previous experience.

3.3.6.2 Strengthened partnership outcomes

This is particularly true for countries, regions and localities where such partnerships were not already in place. Once established, such partnerships, co-operations and personal contacts tend to persist not only to help deal with other similar cases for large scale restructuring, but also to assist difficult-to-place individuals back into the labour market.

The experience of delivering EGF also strengthened existing partnerships in many cases due to the fact that stakeholders reported that the design and implementation of the EGF demanded more of them because it presented an opportunity for fresh thinking and so was more demanding than other previously implemented measures. In some cases this was not the case due to well-developed mechanisms, for example the use of Transfer Companies in German and Austrian cases and where delivery partnerships are relatively simple and well established.

Systemic changes to EGF have also increased the scale of softer outcomes. In 2009, a changes to the EGF architecture were made. Overall, the impact of the changes introduced in 2009 has been positive. Extending the implementation period to 24 months has improved the delivery of EGF by allowing a longer time period to implement measures. The reduction of the required number of redundancies to 500 allowed EGF assistance to reach more dismissed workers in restructuring situations. The increase of co-financing from 50% to 65% has had a positive impact in terms of allowing a higher level of resources to be deployed to assist the dismissed workers. The introduction of the crisis criterion meant that the EGF assistance was delivered in more cases as a concrete expression of solidarity with dismissed workers.

3.4 Cost effectiveness of EGF cases

3.4.1 Introduction

This section considers the cost-effectiveness of the 73 EGF cases evaluated, analysing to what extent the desired results were achieved at a reasonable cost, how economically the resources used were converted into results and the overall relationship between the results of the EGF assistance and the resources used to deliver it.²⁷ The assessment of the cost-effectiveness of the 73 EGF cases is based on the following strands of evidence:

²⁷ See cost-effectiveness definition in the Commission's guidance on evaluation, European Commission (2001).

Evalsed Sourcebook: Methods and techniques: P.150-151.
(http://ec.europa.eu/regional_policy/information/evaluations/guidance_en.cfm)

- Analysis of stakeholder views about cost-effectiveness gathered in the consultations,
- Assessment of the financial cost of the cases and association between the overall cost to the outcomes achieved,
- Analysis of the cost-effectiveness of different types of measures based on their relative success rates
- Comparisons of the financial cost of the cases and association between of the funding to the outcomes achieved in the previous EGF cases implemented,
- Comparisons of the financial costs and outcomes achieved in other non-EGF redeployment projects.

The key findings from the various strands of evidence are discussed in turn below.

3.4.2 Perceptions of the stakeholders

The overall view of stakeholders was that the EGF provided an appropriate resource which was effectively spent in view of the labour market re-integration challenges faced by the dismissed workers. In the stakeholder consultations, the fact that the EGF case budget was mostly spent on measures which directly assisted beneficiaries (rather than the administrative and management costs) was considered to be highly positive. Indeed, across the 73 cases evaluated, the proportion claimed for management and implementation²⁸ was 6% on average (see Table 9).

The most significant aspect of cost-effectiveness identified by the stakeholders was the number of re-employed workers in the EGF cases. This resulted in savings for the Member States in relation to payment of a number of benefits (unemployment and other social benefits).²⁹ Moreover, the newly re-employed EGF beneficiaries were paying taxes and social security contributions, and in this way they were 're-paying' the EGF resources spent on them via the taxes and social security contributions paid in their newly found employment. The high proportion of expenditure on support measures was also considered by the stakeholders to be in line with the overall aim of the EGF to directly assist the dismissed workers.

Table 9. Distribution of the total expenditure (EGF and national) by type of expenditure (measures and implementing activities)

MS	Case Name	% of total budget spent on measures	% of total budget spent on implementation
FINAL PHASE EX-POST EVALUATION			
DK	Nordjylland	91%	9%
ES	Comunidad Valenciana Natural Stone	92%	8%
ES	Valencia textiles	96%	4%
NL	Noord Holland - ICT	97%	3%

²⁸ Activities/costs associated with implementing the EGF co-funded package of measures, including preparatory, management, information and publicity, and control activities.

²⁹ The lowest minimum unemployment benefit duration in Europe is assessed as 5.2 months, and the maximum unemployment benefit duration as 36.4 months, see European Commission (2012), EUROPEAN ECONOMY Economic Papers 454, Benchmarking Unemployment Benefit Systems.

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

MS	Case Name	% of total budget spent on measures	% of total budget spent on implementation
PL	Podkarpackie	97%	3%
SI	Mura	100%	0%
FR	Peugeot	100%	0%
ES	Aragón retail	98%	2%
DK	Midtjylland Machinery	88%	12%
DE	Heidelberger Druckmaschinen	92%	8%
IE	Construction 41	99%	1%
IE	Construction 43	99%	1%
IE	Construction 71	99%	1%
DK	LM Glasfiber	93%	7%
DK	Odense Steel Shipyard	93%	7%
PT	Rohde	98%	2%
NL	Noord Brabant	92%	8%
NL	Overijssel	93%	7%
NL	Zuit Holand and Utrecht	93%	7%
NL	Noord Holland en Flevoland	91%	9%
BE	General Motors Belgium	98%	2%
AT	Nieder- und Oberösterreich Transport	85%	15%
IT	Trentino Alto Adige	87%	13%
DE	Arnsberg and Düsseldorf Automotive	94%	6%
PT	Norte - Centro Automotive Industry	98%	2%
FIRST PHASE EX-POST EVALUATION			
CZ	Unilever	95%	5%
DE	Karmann	96%	4%
DK	Danfoss Group	96%	4%
FR	Renault	100%	0%
IE	SR Technics	98%	2%
IE	Dell	97%	3%
IE	Waterford Crystal	97%	3%

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

MS	Case Name	% of total budget spent on measures	% of total budget spent on implementation
NL	Heijmans	93%	7%
NL	NXP Semiconductors	97%	3%
PL	H.Cegielski-Poznan	99%	1%
PT	Qimonda	97%	3%
SE	Volvo	95%	5%
AT	Steiermark	97%	3%
AT	Steiermark-Niederösterreich	97%	3%
BE	Oost-West Vlaanderen	87%	13%
BE	Limburg	93%	7%
ES	Cataluña	88%	12%
ES	Castilla La Mancha	95%	5%
ES	Valencia	95%	5%
ES	Galicia	93%	7%
LT	Construction	92%	8%
LT	Furniture	92%	8%
LT	Wearing Apparel	92%	8%
NL	Noord Holland and Utrecht	98%	2%
NL	Noord Brabant and Zuid Holland	98%	2%
NL	Gelderland and Overijssel	97%	3%
NL	Noord Holland and Zuid Holland	95%	5%
PL	Wielkopolskie	99%	1%
AT	AT&S	96%	4%
DK	Linak	98%	2%
LT	AB Snaige	93%	7%
NL	Limburg	93%	7%
NL	Drenthe	97%	3%
MID-TERM EVALUATION			
DE	BenQ	99%	1%
DE	Nokia	95%	5%

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

MS	Case Name	% of total budget spent on measures	% of total budget spent on implementation
ES	Castilla y Leon and Aragon	Not available	
ES	Cataluña	Not available	
ES	Delphi	Not available	
FI	Perlos	Not available	
FR	PSA suppliers	Not available	
IT	Lombardy	96%	4%
IT	Piedmont	96%	4%
IT	Tuscany	Not available	
IT	Sardinia	Not available	
LT	Alytaus Tekstile	96%	4%
MT	Textiles	89%	11%
PT	Lisbon-Alentejo	88%	12%
PT	Norte-Centro Automotive	81%	19%

Source: *The EGF case final reports.*

Several factors have been identified by the case stakeholders which could have further increased the cost-effectiveness of the support measures delivered:

- Stakeholders in the DE Arnsberg and Düsseldorf Automotive case remarked that the administrative resource associated with the EGF cases is high. With the German model of implementation at least, the EGF is not considered to be a very suitable or efficient resource for the implementation of cases linked to redundancies in SMEs because of the high cost of co-ordination required between a high number of stakeholders.
- In the IE Construction 41, IE Construction 43 and IE Construction 71 cases and the DK Midtjylland and DK Nordjylland cases, a longer delivery period may have resulted in greater interaction with beneficiaries and increased the efficiency of resources used in these cases. This is due to the fact that significant public sector in-kind support was necessary to set up and deliver the funded measures. Increasing the number of participants may have produced greater economies of scale. There may also have been better outcomes through increasing the number of participants, for example, a longer delivery period and more publicity could have resulted in larger groups of participants in some forms of training. This may have resulted in larger learning groups, building a sense of collegiality. Providing greater subsistence allowances may also have led to greater participation and thus a further increase in cost-efficiency.
- DK LM Glasfiber and the DK Odense Steel Shipyard cases had to adhere to nationally determined costs for the education and training courses. This in turn limited the use of competitive tendering for education and training provision which could have driven down the cost of delivery. The higher training costs also reflect the particular growth areas where the delivery of training to the dismissed workers was targeted. For example, vocational training in relation to

energy technology tends to be more expensive than vocational training in other areas.

- Across the cases implemented in the Netherlands, the importance of initial assessment of the requirements of the beneficiaries was highlighted. This initial assessment led to a 'streaming' into support pathways with different levels of financial support attached. The accuracy of the first assessment (or profiling) can therefore have an important impact on the efficiency of the measures delivered.

A number of good practices in maximising the cost-effectiveness of the EGF resources have been identified in the evaluations and these are described below.

Box 5 Good practice: maximising the cost-effectiveness of EGF resources

Some good practices were identified which supported the maximisation of the cost-effectiveness of the EGF resources.

Having a strong plan early on in the process (at the application stage):

- In the LT AB Snaige case, the EGF application prepared reflected the previous EGF case implementation experience in the locality (LT Alytaus Tekstile case) which informed careful planning of the type and nature of the measures. Whilst this is a rather unique situation, there is value in carefully selecting and planning the measures at the application stage, which should reflect strongly the needs of the beneficiaries, local and regional labour markets, local knowledge of employers and trade unions and expertise of the PES.

A particularly effective use of human resources:

- In the ES Cataluña case, dismissed workers received mentoring and peer support from previous EGF participants who had successfully re-integrated into the labour market. They were thus able to share experiences and enhance the support provided.

An emphasis on the use of local resources:

- In the ES Castilla La Mancha case, materials and assistance required for the implementation of the EGF measures were sourced in the locality, thus ensuring that the financial resources spent also benefited the local economy.

Good publicity was an additional strength to maximise resource use through ensuring optimum take-up:

- In the ES Valencia case, the EGF training resources were promoted through a variety of regional media channels, including websites, radio and newspapers (such as Periódico Mediterráneo and Las Provincias) to increase their visibility. This was particularly important and effective in targeting beneficiaries who had been unemployed for a while before EGF support arrived.

3.4.3 Relationship between level of funding and employment outcomes

The comparisons between the size of expenditure and outcomes achieved in countries show no clear patterns. However, countries with multiple EGF cases have strong similarities between the level of resources and results achieved. However, the relationship in terms of the cost effectiveness is not consistently linear, as outlined below.

Comparisons of the amount of the total expenditure per EGF beneficiary (adjusted for differences in purchasing power parities³⁰) and the re-employment results achieved across the 73 cases (see Table 10) do not show consistent linear trends. For individual cases, a high level of expenditure is not observed alongside higher re-employment rates. Indeed, the opposite can be observed in 23 cases where high re-employment rates were achieved with low beneficiary expenditure. Furthermore, the medium level of spending between EUR 3 000 and EUR 9 000 per beneficiary occurred mostly in the cases with medium re-employment rates of between 40% and 60%. This conclusion is in line with the analysis of the success factors underpinning the re-employment rates (see section 4.12) where a range of supply, demand and policy mix factors were found to bring about the re-employment rates achieved in the 25 EGF cases (as opposed to a single factor attributable to the level of expenditure).

Amongst the countries with multiple EGF cases, a common, but not always linear, pattern can be identified in 7 countries. In Belgium, Lithuania, Netherlands and Poland, a low level spending is associated with medium to high re-employment rates in the EGF cases. In contrast, in Ireland, the spending in most country EGF cases is low to medium and the cases have low to medium re-employment rates. On the other hand, in Portugal and Spain, most country cases have low to medium expenditure rates and low to medium re-employment rates.

In contrast, no clear trend is identified amongst the multiple cases in Austria and Denmark. Here, although most cases have a high level spending, the re-employment rates differ from low to medium to high. The lack of clear country pattern is also the case in Germany and Italy where the country EGF cases had a variety of re-employment rates and levels of expenditure.

³⁰ This allows taking account of varying costs of goods and services between the Member States where the 73 cases were implemented.

Table 10. Relationship between the level of spending and re-employment outcomes achieved in 73 cases

EGF expenditure** (€/person)↓			
Re-employment rate* ↓	Low	Medium	High
High	BE Limburg BE Oost-Vlaanderen BE General Motors Belgium CZ Unilever IT Tuscany LT Furniture LT Construction LT Wearing Apparel MT Textiles NL Noord Holland en Flevoland NL Zuit Holand and Utrecht NL Overijssel NL Noord Brabant NL Limburg NL Noord Brabant and Zuid Holland NL Noord Holland and Utrecht NL Nord Holland and Zuid NL Drenthe NL Heijmans PL Wielkopolskie PL H. Cegielski-Poznan	DE Heidelberger Druckmaschinen FR Peugeot NL Gelderland and Overijssel SE Volvo	AT Steiermark-Niederosterreich DK Midjylland Machinery

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

EGF expenditure** (€/person)↓			
Re-employment rate* ↓	Low	Medium	High
	PL Podkarpackie		
	SI Mura		
Medium	BE General Motors Belgium ³¹ ES Valencia FI Perlos IE Architectural and engineering activities IE Construction 41 IT Piedmont LT Alytaus Tekstile NL Noord Holland - ICT NL NXP Semiconductors PT Rohde	AT Nieder und Oberosterreich Transport DE Arnsberg and Dusseldorf Automotive DE BENQ DK Odense Steel Shipyard ES Galicia ES Castilla y Leon and Aragon ES Castilla La Mancha ES Valencia textiles FR PSA suppliers IE SR Technics IE Dell IE Construction 43 IT Lombardy PT Qimonda	AT AT&S
Low	ES Cataluña Textiles ES Comunidad Valenciana Natural Stone LT AB Snaige	DE Karmann DE Nokia DK Danfoss Group	AT Steiermark DK Nordjylland DK Linak

³¹ Although spending per capita is an under-estimate of actual costs as a significant proportion of costs incurred were actually not claimed under the EGF.

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

EGF expenditure** (€/person)↓			
Re-employment rate* ↓	Low	Medium	High
	PT Lisbon Alentejo	ES Aragón retail	DK LM Glasfiber
	PT Norte-Centro	ES Delphi	IT IT Trentino Alto Adige
		FR Renault	IT Sardinia
		IE Waterford Crystal	
		PT Norte - Centro Automotive Industry	

Notes:

*Re-employment rate (at the conclusion of the EGF assistance) is defined by evaluators as high being above 60%, medium (between 40 and 60%), and low (below 40%).

**EGF spending (EUR/person) is defined as high (above EUR 9 000), medium (between EUR 3 000 and EUR 8 999), low (below EUR 3 000).

In **bold type** are the cases where significant additional provision beyond the EGF and standard PES assistance to the unemployed job seekers was provided.

In some cases, the EGF funding was supplemented by additional assistance (in addition to the national co-financing provided to match the EU EGF funding) or in-kind support to the EGF beneficiaries. This was funded by the companies dismissing the workers and / or other national (and/or regional) public sector funding. This was provided in around 26 EGF cases (see cases highlighted in bold in Table 10). In the remaining cases, EGF beneficiaries received very limited additional assistance beyond the EGF-funded measures (usually, the standard PES assistance for the unemployed). The information about the size of these additional resources is limited (see Box 6).

Box 6: The examples of additional assistance across the 73 cases

The extent of additional assistance varied between the cases:

- In the DE Heidelberger Druckmaschinen case, the additional support to EGF beneficiaries was substantial (the total expenditure per person was €5,027 per beneficiary). Workers from one affected company received 11% in addition to the legally established severance payment. The amount made available for qualification and training by the company was not communicated. Workers from the second affected company received €1,945 for training and re-qualification and a severance payment of €5,000. The ESF was used to provide additional support for training and qualification to a total value of approximately €530,000.
- In the DE Arnsberg and Dusseldorf Automotive case, one of the companies affected contributed € 225,000 for qualification measures, and for the 225 dismissed workers from same company, the PES approved €145,000 from the ESF funding for individual and group qualification measures, resulting in the total of around €370,000 made available to the 225 dismissed workers (around €1,600 per worker). In comparison, around €7,000 on average was spent on all EGF beneficiaries in this case.
- In the DK Mydtjylland Machinery case, dismissed workers had received financial support from both the dismissing company and the warning pools (to support further education and training for the dismissed workers already during the notification period (although these are generally provided during a shorter period than the EGF funded courses). Warning pools in this way resemble the function of EGF; they are however introduced before the EGF support and on a smaller scale.
- In FR Peugeot case, the company was legally required to provide support under the form of a redeployment leave to dismissed workers for a minimum duration of four months, according to provisions of Article L1233-71 of the Labour Code. As such, the support provided to workers on redeployment leave during the first four months after the start of the implementation of the measures was entirely financed by PSA. Support provided after this period to the same individuals was co-funded by EGF.
- In IT Trentino Alto Adige case, the so called "reddito di garanzia" unemployment allowance was granted to some beneficiaries. This allowance is only available in the province of Trento (not at national level), established by regional law. Requirements to obtain this allowance are quite restrictive. Furthermore, in this case, the monthly allowance was linked to participation in one of the implemented activities for at least 4 hours a day.
- In the PL Podkarpackie case, the EGF beneficiaries had access to other types of support. However, the nature and size of this additional support is unknown as the beneficiaries are not obliged to report to the PES they receive other support (unless it is a start-up grant).
- It was possible to quantify the additional assistance in the DE Karmann case, where the whole assistance package was €27,137,591, of which EGF funded

measures were around a third at €9,537,449.

- In the FR Renault case, the cost of the whole assistance package is not known but Renault spent €12,020,000 for the set-up of outplacement cells alone (also for non-EGF beneficiaries), of which EUR 6,819,000 was considered eligible costs for the EGF case.
- In BenQ (DE) case, the additional assistance was estimated to be approx. € 65,000,000.
- In Nokia (DE) case, the additional assistance was estimated to be approx. € 90,000,000.
- Perlos (FI), the additional assistance was estimated to be approx. € 16,000,000.

What is worth noting is that around 20 cases (out of 30) with additional resources had medium to high re-employment rates. This could indicate the potential importance of the additional resources in achieving the positive outcomes for dismissed workers. This also indicates the need to capture the information about additional assistance provided to the EGF beneficiaries outside the EGF framework on a more systematic basis.

3.4.4 Results of different types of measures

In some of the evaluated 73 EGF cases, information on the success rates of various types of measures funded by the EGF was available and collected by the evaluators. However, such analysis needs to be treated with caution as many of the EGF beneficiaries participated in more than one EGF funded measure, and hence the re-employment result is an outcome of a package of measures rather than due to a single measure (alongside a range of supply and demand factors).

Indeed, where data was available, it was analysed to understand the relationship between the re-employment rates and the number of measures the EGF beneficiaries participated in. It shows that participation in a higher number of measures (which inevitably entail a higher cost) was associated with an increasing rate of re-employment (see Box 7, note the analysis was possible only in one case).

Box 7: Employment rates by number of measures per participant

Data on employment rates by the number of measures beneficiaries participated in is shown in the table below for LT AB Snaige case. Only 49 participants were provided with a single measure, whereas the majority of participants were provided with at least two measures, and around half took part in at least three measures. Participation in a higher number of measures (which inevitably entail a higher cost) was associated with an increasing rate of re-employment. So, the higher levels of investment associated with implementing a larger number of measures per participant showed a return in terms of increasing re-employment rates.

LT AB Snaige - participation of individual measures and employment outcomes

Actions	Number of participants	Number of employed amongst the participants (end of EGF , July 2011)	Employment rate (end of EGF, July 2011)
Single measure only	49	12	24%
Job search assistance + at least 1 measure	429	143	33%

Job search assistance + at least 2 measures	242	115	47%
Job search assistance + at least 3 measures	104	58	55%
Job search assistance + at least 4 measures	25	19	76%
Job search assistance + 5 measures	4	4	100%

Source: EGF beneficiary data file provided by Alytus Labour Exchange.

Where comparable information was available, the detailed data on the types of measures delivered to the EGF beneficiaries was analysed. This is useful in order to consider the relationship between participation in specific types of measures and re-employment rates. Evidence below shows that different types of measures are associated with different re-employment rates, but there is no clear consistent pattern identified in terms of more costly measures associated with higher re-employment rates.

In the BE General Motors case, the re-employment results according to the specific measures shows the variance of re-employment rates between 50% and 90% depending on the measure (see table 15). However, this needs to reflect that the vulnerable groups are overrepresented in Action 2. More specifically, of those who followed such individual counselling and job search, 21% had a lower educational background and 17% were older than 50, whereas these were 10% and 6% for those who followed training and 2% and 0.4% for those who followed employment via IBO (Individual Vocational Training). Furthermore, the conditions of the action of employment via IBO were such that employment was guaranteed. This in part explains the high re-employment figures but also the fact that a thorough selection took place of those who could enter this measure in order to increase its efficiency.

Table 11. BE General Motors case: re-employment rate at the conclusion of the EGF measures³², 6 months and 12 months later, by type of measure followed

Action 2 Individual counselling in job search			Action 6 Training			Action 8 Employment via IBO (Individual vocational training)		
Oct 2012	April 2013	October 2013	Oct 2012	April 2013	October 2013	Oct 2012	April 2013	October 2013
50.9%	53.4%	57.2%	69.9%	69.4%	73.2%	92.5%	94.7%	90.2%

Source: VDAB Vlaamse Dienst voor Beroepsopleiding (Belgian Public Employment Service).

In two earlier Belgian cases (BE Limburg and BE Oost West Vlaanderen), analysis of the re-employment rates by different types of EGF funded measures illustrates the importance of individual assistance, individual training, application training and generic competency training/lifelong learning in securing re-employment (see Table 12). Overall, taking into account the number of people that participated in each

³² It is possible for a participant to participate in more than one measure.

measure, individual assistance in finding a job as well as the generic competency training/lifelong learning was considered to be most successful. When only looking at re-employment rates, it was individual training pathways and application training which led to the best results. The slightly higher effectiveness of these measures was to be expected, considering the strong direct connection between these measures and the labour market (since they work towards the defined aims and specific professions and vacancies).

Analysis of the costs of, and results achieved by, different types of measures in the two Belgian cases does not show a clear causal relationship in the sense of higher cost measures being associated with higher re-employment rates. The most expensive measures (such as assistance with training costs or generic competency training) have a range of high and medium success rates, whereas lower costs measures (such as application training) show high re-employment rates. This shows that clear conclusions about cost-effectiveness of separate types of measures cannot be drawn.

Table 12. Employment results at the conclusion of EGF measures by type of measure – BE Limburg and BE Oost West Vlaanderen cases

Measure	BE Limburg			BE Oost West Vlaanderen		
	Cost per beneficiary (€)	Employed Number	%	Cost per beneficiary (€)	Employed Number	%
Competency Screening	54.29	1	50%	61.19	3	60%
Individual Training pathways	145.19	42	78%	202.70	30	82%
Entry premium EGF trajectory	150	4	57%	150	17	71%
Generic competency training/lifelong learning	825,58	133	69%	533.32	207	65%
Application Training	43.69	22	85%	189.77	15	79%
Encouragement premium certificate of experience and/or certificate Talent Service	0	0	0%	13.33	13	87%
Employment premium	250	2	67%	250	10	100%
Assistance training costs	1,430.88	64	89%	1,233.27	19	87%
Assistance with dismissal guidance via outplacement	0	0	0	904.83	100	69%

Source: EGF case evaluation reports.

In the FR Peugeot case, the most effective type of support was support for a personal project (basically, individualised guidance and counselling and associated support

measures, see table 20) and the least effective type of support was the re-deployment leave.

Table 13. FR Peugeot case: employment outcomes of beneficiaries by type of support

Type of support	Number of beneficiaries	Re-employment rate	Employed	Of which: Self-employed
Re-deployment leave	1369	38.9%	533	322
Support for business creation	607	79.9%	485	484
Personal project	113	92.9%	105	105

Source: case coordinator.

In the DK LM Glasfiber case, the beneficiaries were able to re-skill within four growth areas. For those that were unemployed in April 2011 (n=238), and thus had the longest opportunity for re-skilling, the re-employment rate has been highest within the food and health care sector (41%) (n=38), followed by the energy sector (31%) (n=111). Re-employment rates in the tourism and the design sectors were 19% (n=78) and 27% (n=11) respectively. In the DK Odense Steel Shipyard case, for those that participated in vocational education and training measures, the re-employment rate ranges from 24% (welfare technology) to 46% (energy technology). The lowest re-employment rates are seen amongst those that have attended general education and training courses (12%) and entrepreneurship courses (19%). Those beneficiaries who attended further education and training courses have a re-employment rate of 29%, and for those who participated in work-based learning the re-employment rate is 39%. It is important to treat this information with caution, particularly as some measures have only had relatively few participants. Moreover, beneficiaries may have participated in different combinations of measures which may influence the outcomes.

In two earlier Danish EGF cases (DK Danfoss Group and DK Linak), adult apprenticeship programmes achieved the best outcomes, with 86% of the participants (in both cases) getting a job afterwards. The relative costs of apprenticeship programmes in the two cases were 'medium-level' compared to other EGF funded measures. The combination of providing training and internship and an employer receiving a small wage subsidy were also relatively effective as 34% and 41% of these EGF beneficiaries were retained in employment following the internship. These measures were also medium-level in terms of costs.

In the IT Trentino Alto Adige case, the overall EGF approach was based on individual and flexible training requiring more resources. Given the actual number of workers assisted, the measures proved to be overall cost-efficient. In particular some measures, such as the personalised coaching and counselling, seemed to be more valued by beneficiaries and had more effective results in terms of re-employment/reintegration into the labour market.

In the Lithuanian cases, one of the common trends is that the measure with the highest cost per worker (entrepreneurship promotion) led to a higher re-employment rate, which was also sustained in the medium term, indicating that the businesses established by the EGF beneficiaries tended to survive. However, when considered individually, less costly measures (such as job search allowances) had relatively high re-employment rates. It is also important to note that the rather high costs associated with training measures 'paid off' in the long term, with employment rates increasing significantly 12 months after participation in the measures. This applies to all three of

the measures with a training component (training/requalifying, training allowances and support for improvement of qualifications). The measure with the highest re-integration rate both in the short and medium term (wage subsidies) was medium-level in terms of costs.

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

Table 14. Cost of individual measures and employment outcomes – the Lithuanian LT EGF cases

Type of measures	LT Wearing Apparel			LT Furniture			LT Construction			LT AB Snaige		
	Cost per worker participated (€)	Employment rate (6 months after EGF conclusion)	Employment rate (12 months after conclusion of EGF)	Cost per worker participated (€)	Employment rate (6 months after EGF conclusion)	Employment rate (12 months after conclusion of EGF)	Cost per worker participated (€)	Employment rate (6 months after EGF conclusion)	Employment rate (12 months after conclusion of EGF)	Cost per worker participated (€)	Employment rate (6 months after EGF conclusion)	Employment rate (12 months after conclusion of EGF)
Training and re-training	1,067	38%	31%	884	34%	31%	880	70%	60%	923	37%	59%
Outplacement assistance	1,237	61%	56%	1,386	50%	47%	1,477	58%	52%	766	58%	65%
Training allowances	985	38%	31%	870.61	50%	50%	793.80	67%	-	970	36%	38%
Support for entrepreneurship	2,681	76%	73%	9,267	52%	45%	9,267	69%	64%	1,543	59%	55%
Employment bonus	685	50%	50%	631	55%	55%	695	86%	86%	-	-	-
Wage subsidies	526	66%	57%	507	89%	87%	517	91%	86%	487	91%	83%
Support for the improvement of	898	50%	25%	929	50%	36%	617	67%	67%	394	33%	50%

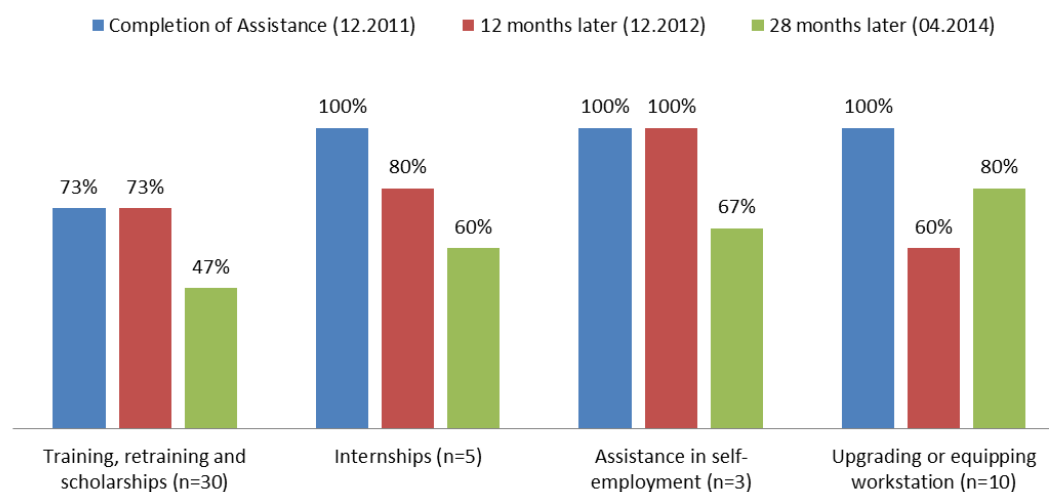
Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

<i>Type of measures</i>	LT Wearing Apparel			LT Furniture			LT Construction			LT AB Snaige		
qualifications												
Job search allowance	93	37%	11%	-	-	-	94	19%	15%	99	31%	40%
Geographical mobility assistance	-	-	-	269	100%	100%	310	50%	100%	-	-	-

Sources: EGF case final reports; data provided by the Lithuanian Labour Exchange.

In the PL Podkarpackie case, in the long term, the measures aimed at creating work place by the individuals (self-employment) or at companies (equipping the workstation) have the highest employment effects (see Figure 11). However, they remained the most costly.

Figure 11 Re-employment rates at the conclusion of EGF measures, 12 and 28 months later, by type of measure (PL Podkarpackie case)



Source: PES database.

In the SE Volvo case, EGF beneficiaries who took part in training offered by the PES (short work-related education) had most success in being re-employed compared to individuals who took part in training offered by the Swedish National Agency for Education (73% in comparison to 59%). This may be due to the fact that the training was longer and more comprehensive.³³ However, individuals who participated in training at the Swedish National Agency for Education without any governmental financial support were relatively more successful in gaining re-employment. Although cost information is not reported separately for the two types of training, the PES's educational programme offered short work specific training courses. This could be expected to have been less expensive, while the Swedish National Agency for Education offered more comprehensive and longer education course (equivalent to upper secondary level) where the cost is likely to have been higher.

3.4.5 Comparing the cost-effectiveness with the previous EGF cases

The rates of the EGF expenditure per beneficiary and the outcomes achieved in the EGF cases evaluated were compared with the previous EGF cases implemented in the same Member State. Such comparison was possible in 12 Member States (see table 4).

The comparisons of trends in relation to the expenditure levels and re-employment levels do not show clear historical trends in terms of the changes to the relationship between the level of expenditure and the re-employment rate. In one group of countries, no change in the level of expenditure and re-employment rate is apparent between the different waves of the EGF cases. In Ireland, the Netherlands and Poland, the different waves of EGF cases had similar levels of spending and similar re-

³³ This was identified in the EGF case evaluation commissioned in Sweden, see SWECO EUROFUTURES (2012).

employment rates. In contrast, in Denmark, Germany and France, the different waves of EGF cases had similar order of spending, but varied employment rates.

Amongst the countries where changes between the different waves of EGF cases are detected, in Lithuania and Portugal, the level of spending has increased amongst the more recent cases, alongside an increase in the re-employment rates. In contrast, in Belgium and Italy, the most recent EGF case had a higher level of spending but similar level of the re-employment rate compared to some of the earlier cases in the country. Furthermore, in Austria, the level of expenditure has declined in the recent cases, but the re-employment rate remained comparable to rates achieved in some earlier cases. Finally, in Spain, there is a variation between the spending levels and re-employment rates across the different waves of EGF cases with no apparent visible trend.

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

Table 15. Comparison of the level of resources and outcomes achieved between the different waves of the EGF cases in the same Member State

MS	Case Name (evaluation phase)	EGF Expenditure per person	Re-employment Rate
AT	Nieder- und Oberösterreich Transport (AT) (Final phase)	4,267	45%
	AT&S (AT) (First phase)	16,986	42%
	Steiermark (AT) (First phase)	17,011	24%
	Steiermark-Niederösterreich (AT) (First phase)	18,205	65%
BE	General Motors Belgium (BE) (Final phase)	874	65%
	Oost-West Vlaanderen (BE) (First phase)	285	66%
	Limburg (BE) (First phase)	1,067	72%
DE	Heidelberger Druckmaschinen (DE) (Final phase)	3,267	78%
	Arnsberg and Düsseldorf Automotive (DE) (Final phase)	4,915	57%
	Karmann (DE) (First phase)	3,563	37%
	Nokia (DE) (Mid-term)	3,935	30%
	BenQ (DE) (Mid-term)	4,063	55%
DK	Nordjylland (DK) (Final phase)	13,063	15%
	Odense Steel Shipyard (DK) (Final phase)	7,131	40%
	LM Glasfiber (DK) (Final phase)	9,849	30%
	Midtjylland Machinery (DK) (Final phase)	9,987	60%
	Linak (DK) (First phase)	11,969	32%
	Danfoss Group (DK) (First phase)	7,065	25%
ES	Comunidad Valenciana Natural Stone (ES) (Final phase)	2,260	28%
	Aragón retail (ES) (Final phase)	3,990	37%
	Valencia textiles (ES) (Final phase)	5,506	42%
	Cataluña (ES) (First phase)	1,911	33%
	Valencia (ES) (First phase)	2,933	53%
	Galicia (ES) (First phase)	3,053	48%

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

MS	Case Name (evaluation phase)	EGF Expenditure per person	Re-employment Rate
	Castilla La Mancha (ES) (First phase)	4,123	43%
	Cataluña (ES) (Mid-term)	907	5%
	Castilla y Leon and Aragon (ES) (Mid-term)	3,607	41%
	Delphi (ES) (Mid-term)	6,494	11%
FR	Peugeot (FR) (Final phase)	5,720	54%
	Renault (FR) (First phase)	6,644	24%
	PSA suppliers (FR) (Mid-term)	8,815	57%
IE	Architectural and engineering activities (IE) (Final phase)	2,402	45%
	Specialised construction activities (IE) (Final phase)	6,631	44%
	Construction of buildings (IE) (Final phase)	2,769	48%
	Dell (IE) (First phase)	3,376	40%
	Waterford Crystal (IE) (First phase)	3,740	32%
	SR Technics (IE) (First phase)	3,807	44%
IT	Trentino Alto Adige (IT) (Final phase)	9,149	21%
	Tuscany (IT) (Mid-term)	594	66%
	Piedmont (IT) (Mid-term)	963	41%
	Lombardy (IT) (Mid-term)	3,398	40%
	Sardinia (IT) (Mid-term)	25,194	6%
LT	AB Snaige (LT) (First phase)	562	35%
	Furniture (LT) (First phase)	916	65%
	Construction (LT) (First phase)	961	74%
	Wearing Apparel (LT) (First phase)	966	62%
	Alytaus Tekstile (LT) (Mid-term)	479	53%
NL	Heijmans (NL) (First phase)	365	86%
	Noord Holland and Zuid Holland (NL) (First phase)	624	78%

Ex-post evaluation of the European Globalisation Adjustment Fund - Final Report

MS	Case Name (evaluation phase)	EGF Expenditure per person	Re-employment Rate
	Drenthe (NL) (First phase)	731	69%
	Noord Holland en Flevoland (NL) (Final phase)	1,036	66%
	Overijssel (NL) (Final phase)	1,087	70%
	Zuit Holand and Utrecht (NL) (Final phase)	1,122	66%
	Gelderland and Overijssel (NL) (First phase)	1,149	73%
	Noord Brabant (NL) (Final phase)	1,168	73%
	Limburg (NL) (First phase)	1,259	72%
	Noord Holland - ICT (NL) (Final phase)	1,489	48%
	Noord Brabant and Zuid Holland (NL) (First phase)	1,583	62%
	Noord Holland and Utrecht (NL) (First phase)	2,024	70%
	NXP Semiconductors (NL) (First phase)	2,586	47%
PL	Podkarpacie (PL) (Final phase)	694	78%
	H.Cegielski-Poznan (PL) (First phase)	761	76%
	Wielkopolskie (PL) (First phase)	469	64%
PT	Norte - Centro Automotive Industry (PT) (Final phase)	4,279	35%
	Rohde (PT) (Final phase)	2,245	49%
	Qimonda (PT) (First phase)	3,799	47%
	Norte-Centro Automotive (PT) (Mid-term)	342	4%
	Lisbon-Alentejo (PT) (Mid-term)	821	16%

Sources: previous EGF evaluations.

3.4.6 Comparisons with costs of other similar non-EGF redeployment projects

The full comparisons between the EGF cases and similar cases where dismissed workers were also assisted to find employment (but not funded by EGF) are provided in section 4.4. Here, such comparisons are made with a view to analysing the cost effectiveness of the EGF cases and their comparator cases. The comparison of outcomes and costs of EGF cases and other similar non-EGF funded redeployment projects does not show a clear linear pattern across the EGF cases (where such information was available from the total of 73 cases, see Table 22 below).

In 11 EGF cases, the EGF re-employment rates are higher but costs lower than in comparator cases. This indicates that these EGF cases were more cost effective in contrast to their comparators (BE Oost-West Vlaanderen, BE Limburg, NL NXP Semiconductors, NL Drenthe, NL Gelderland and Overijssel, NL Heijmans, NL Limburg, NL Noord Brabant and Zuid Holland, NL Noord Holland and Utrecht, NL Noord Holland and Zuid Holland). A certain degree of cost-effectiveness can also be detected in further three cases where the costs were higher but the re-employment rates were also higher (ES Galicia textiles, LT Wearing Apparel, LT Construction and LT Furniture).

In contrast, in the other seven EGF cases, there are indications that they were less cost-effective compared to their comparators. In FR Renault and SE Volvo cases, the re-employment rates were lower but the costs higher compared to their comparator cases. Furthermore, the EGF assistance costs were higher but re-employment rates similar to their comparators in IE Dell, IE SR Technics, and IE Waterford cases. The costs were lower but the re-employment rates similar in the AT Nieder- und Oberösterreich Transport and PL Wielkopolskie cases.

Finally, three cases have similar levels of cost-effectiveness as their order of costs and results are similar to their comparators (AT AT&S, PL Podkarpackie, PL H.Ciegielski-Poznan cases).

Table 16. Comparisons of costs of EGF cases with similar non-EGF re-employment projects

EGF case	Nature of comparator ³⁴	Re-employment rates		Costs	
		EGF case	Comparators	EGF case (€ per beneficiary)	Comparators
AT Nieder- und Oberösterreich Transport	Employment results of Labour Foundations in Austria	45%	44% (in 2011)	6,565	Average cost of Labour Foundation participant: €26,000 (2010-2012) ³⁵
AT AT&S		42%		26,133	
AT Steiermark-Niederösterreich		65%		28,008	
AT Steiermark		24%		26,171	
BE Oost-West Vlaanderen	Outplacement measures	66%	50-60% (2010 data)	792	Average cost of outplacement measures: EUR 2,570 (includes outplacement)
BE Limburg		72%		833	

³⁴ See section 4.4 for a full description of the relevant comparators.

³⁵ BMASK (2013): *Aktive Arbeitsmarktpolitik in Österreich 1994 – 2013* [Active Labour Market Policy in Austria 1994 -2013], Vienna.

EGF case	Nature of comparator ³⁴	Re-employment rates		Costs	
		EGF case	Comparators	EGF case (€ per beneficiary)	Comparators
					assistance, administrative costs, training) (2011)
ES Galicia	Another re-deployment project	48%	37%	4,697	€485 average cost per participant in ModaPlus project
IE Dell	FAS Training for Employment programme	40%	44% (2011)	5,194	Average cost of FAS Training for Employment programme participant: €3,900 (2011)
IE SR Technics		44%		5,857	
IE Waterford Crystal		32%		5,754	
FR Renault	National restructuring framework measure	24%	45% (2009)	10,222	Redeployment units: cost per beneficiary € 1,600 (2009 - 2010)
LT Wearing Apparel	National ALMPs	62%	30-50% (2011)	1,487	Average cost of ALMP measures in Lithuania: €580 per participant (2011)
LT Construction		74%		1,478	
LT Furniture		65%		1,409	
AB Snaige		35%		864	
PL Podkarpackie	Another re-deployment project	78%	73%	1,069	€1,629
PL H.Ciegielski-Poznan	Another re-deployment project	76%	60%	1,171	€1,286 (cost per beneficiary of Europracownik project)
PL Wielkopolskie		64%		722	
NL NXP Semiconductors	National restructuring framework measure	47%	66% (2011)	3,979	Work to Work Measure: the maximum amount made available per participant €5,000 (2009-2011)
NL Drenthe		69%		1,125	
NL Gelderland and Overijssel		73%		1,768	
NL Heijmans		86%		561	
NL Limburg		69%		1,937	
NL Noord Brabant and Zuid Holland		62%		2,435	
NL Noord Holland and Utrecht		70%		3,114	
NL Noord Holland	78%	960			

EGF case	Nature of comparator ³⁴	Re-employment rates		Costs	
		EGF case	Comparators	EGF case (€ per beneficiary)	Comparators
and Zuid Holland					
SE Volvo	National restructuring framework measure	67%	79% (2010-2012)	4,919	The average cost of support measures in Job Security Councils: around €1,400 (2010-2012)

However, it must be stressed that given the proviso's related to comparator analysis and the limited number of cases where cost information is available for these cases, these results must be considered with a great deal of caution.

3.5 Comparison with other assistance outcomes

Understanding the framework which guides labour market interventions is an important element in identifying and testing causal links which provide evaluators with an understanding of how and why change happens. However, assessment of the impact of interventions through comparison with a credible control or comparison through a counterfactual impact evaluation (CIE) group is an important element in understanding the impact and added value of labour market interventions. This is important to understand how much of the observed changes can be attributed to the intervention being evaluated.

There is a growing concentration on counterfactual impact evaluation of European funded programmes. CIEs are being used increasingly as a mechanism to determine the net effect of an intervention and seek to provide more accurate estimates of the magnitude of impact; this can be helpful in assessing the effectiveness and efficiency of specific measures. The European Commission's Guidance Document on Evaluation Plans for the Programming Period 2014-20 notes that effective CIE requires:

1. A credible control or comparison group,
2. A large enough number of participants and entities and controls for statistical significance, and
3. Good data on supported and non-supported participants and entities to compare results.

It is understood from the guidance that it is far easier to meet all of these conditions with appropriate planning from the outset, hence the importance of effective evaluation planning. It is within the spirit of this guidance that this evaluation has attempted to obtain and analyse comparator data. This section presents the results of these efforts.

3.5.1 Selection criteria

Because of the unique nature of EGF (the fund is used to provide ALMP following largely unforeseen closures), there are challenges associated in identifying suitable 'matching pairs' which would allow robust CIE. This evaluation used an approach to identify relevant comparator cases on the basis of a number of key criteria:

- Temporal congruence (taking into account the very specific situation facing countries and localities as a result of the crisis);

- Geographical congruence, bearing in mind the very specific economic and labour market factors affecting different localities and regions, thus avoiding comparisons between more and less economically developed regions which would render the comparisons less useful;
- Sectoral congruence, comparing as far as possible similar or closely related sectors and avoiding comparisons between very different sectors (e.g. telecommunications and textiles) which would render the comparisons less useful;
- Beneficiary congruence, ensuring a comparable profile in relation to gender, age and skill levels.
- Congruence in the mix of measures being offered to ensure that like for like measures are compared as much as possible.

. It is worth noting that in the majority of cases stakeholders were reluctant or distinguished significant challenges in identifying suitable comparators for the EGF cases. The background research carried out by the core team and the case researchers, together with inputs from the stakeholders consulted, led to a mix of potential comparators being identified. For the majority of cases, the most suitable comparators were considered to be previous EGF cases or the results of similar national or regional redeployment measures designed to support workers affected by large scale redundancies.

3.5.2 “Short-listing” comparators for further analysis

In order to provide useful comparison between the EGF cases and relevant comparators, it was agreed with the Steering Group that analysis should concentrate on those cases where good comparators could be established and reliable data could be obtained. The focus has therefore been on “good fit” comparators which meet three or more of the criteria outlined above. The table below provides an overview of the ‘good fit’ comparators (those comparators that meet two of the established criteria outlined above).

Table 17. Comparison of EGF cases with comparator cases

Case	Type of comparator	Comparator employment rate	EGF case employment rate	
Mid-term evaluation				
DE BenQ	Transfer company	60%	78%	▲
FR PSA suppliers	Similar case	56%	55%	▼
DE Nokia	Transfer company	60%	41%	▼
Ex-post (first phase)				
ES Galicia	Similar case	37%	48%	▲
ES Valencia	Similar case	54%	53%	▼
PL H.Ciegielski-Poznan	Similar case	76%	63%	▼
DE Karmann	Transfer company	54%	37%	▼
DK Linak	Similar case	50%	32%	▼
IE SR Technics	Non-beneficiaries	65%	44%	▼
DK Danfoss Group	Similar case	50%	25%	▼
ES Cataluña	Similar case	70%	33%	▼
Ex-post (final phase)				

Case	Type of comparator	Comparator employment rate	EGF case employment rate	
SI Mura	Mainstream PES provision	19%	62%	▲
DK Midtjylland Machinery	Previous EGF case	32%	60%	▲
PT Rohde	Previous EGF cases	16%	49%	▲
PL Podkarpackie	Mainstream PES provision	73%	78%	▲
IE Architectural and engineering activities	Non-beneficiaries	41%	45%	▲
AT Nieder- und Oberösterreich Transport	Employment results of Labour Foundations	44%	45%	▲
IE Construction 41	Non-beneficiaries	50%	48%	▼
DK LM Glasfiber	Previous EGF case	32%	30%	▼
IE Construction 43	Non-beneficiaries	47%	44%	▼
DK Odense Steel Shipyard	Previous EGF cases	50%	40%	▼
PT Automotive Norte-Centro	Previous EGF case	41%	35%	▼
DK Nordjylland	Previous EGF case	32%	15%	▼

The following section presents analysis of the reasons for differences in the success rates of the EGF cases in relation to the comparators. There are multiple reasons relating to the range and complex interplay of success factors (variables of supply, demand and policy mix).

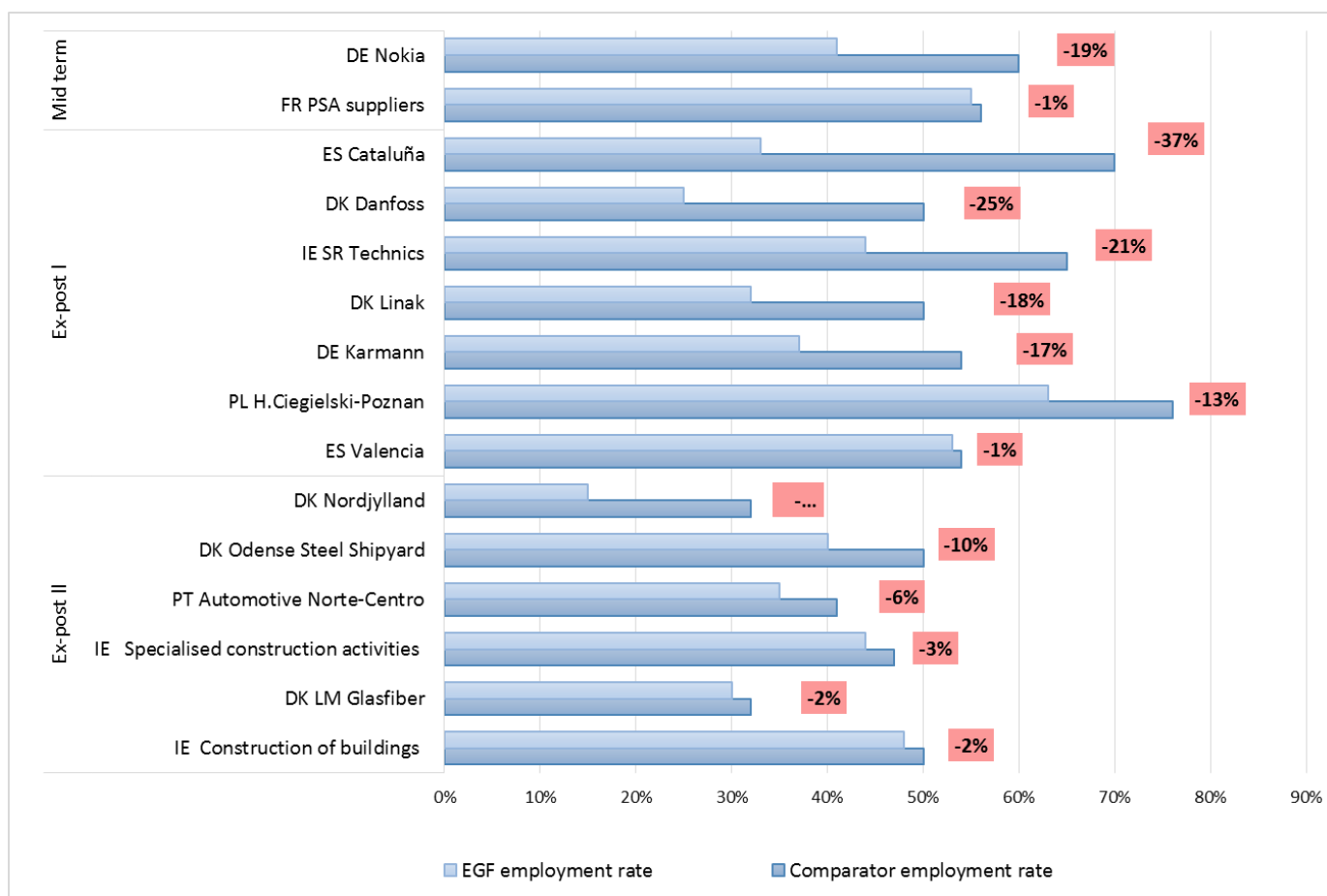
3.5.3 Analysis of comparators where EGF employment outcomes are lower

Figure 12 below presents data for the EGF cases which have reemployment rates that are lower than their comparators. The main issues for relating to the reasons for reemployment rates differing between EGF cases are categorised under the following themes:

- the profile of dismissed workers;
- regional economic and labour market conditions;
- coordination of delivery; and,
- the package of measures provided to dismissed workers

Issues relating to these factors are discussed below.

Figure 12 Comparison of reemployment rates for EGF cases with lower reemployment rates than their comparators



3.5.3.1 Beneficiary Profile

One of the most significant reasons why EGF reemployment rates may have been lower than comparators is that in many of the EGF cases the profile of dismissed workers required significant assistance to enable them to take up new employment.

This issue was noted by stakeholders in the FR PSA Suppliers case. Indeed in this case the case coordinator and labour market expert consulted consider that the reemployment rate achieved is a satisfactory result when taking into account the average low level of qualification of beneficiaries, as well as the limited employment opportunities available in the area. In this case the reemployment rate was also relatively high in comparison with results achieved in other EGF cases.

A similar issue is identified as the main reason why the EGF reemployment rate is lower in the DE Nokia case compared to the comparator case. In this case it is noted that the reemployment rate was comparable with those in other transfer cases, despite an arguably more 'difficult to help' make-up of beneficiaries.

In the ES Cataluña case a useful comparator is provided by the Barcelona Activa case which was not EGF funded but used mainstream resource to use the experience and methodology of EGF funded measures. The comparator had more favourable results. However, in this case, stakeholders primarily attributed this to higher skill levels among the target group of beneficiaries (technicians) in comparison with the EGF target group. Similarly, in the ES Valencia case, measures provided closely mirrored those of the support plan for the sector implemented in the region, similar outcomes were achieved by both EGF case and the sectoral support plan. The high proportion of

low-skilled workers was seen as a challenge in the ES Valencia case which explains a slightly lower reemployment rate than the comparator.

The IE SR Technics case is considered to have comparable integration rates with mainstream PES measures. Integration rates of non-beneficiaries proved to be higher, but this is attributed to the fact that those most able to secure new employment had done so prior to the mobilisation of EGF assistance, and had decided that they did not require assistance or had found assistance through other means.

In the PT Automotive Norte-Centro case, the age of dismissed workers was deemed to be a key reason for lower reemployment rates than the comparator case. In this case stakeholders noted that EGF beneficiaries were older than in the comparator case. Finding appropriate employment for older workers in a competitive job market with few vacancies is more difficult than for younger workers who may, typically, be more open to careers changes and to relocation. The location of dismissed workers was also noted in the PT automotive case to be an issue impacting on the reemployment rate.

Age was also found to be a significant factor explaining comparatively lower reemployment rates in two cases in Ireland (IE Construction 41 and the IE Construction 43). In these cases it is noted that the employment prospects of non-beneficiaries may have been stronger than that of beneficiaries. The younger age profile in the comparator case may have meant that they were more open to the possibility of retraining and/or relocation. In addition in these cases the educational profile of non-beneficiaries was higher than beneficiaries. They did therefore not require as much assistance. It is further noted that many non-beneficiaries were able to emigrate or retire, reflecting the fact that they had less compulsion to secure a new income.

3.5.3.2 Regional economic conditions

Among the EGF cases performing below that of their comparators, the Danish cases (DK Danfoss Group & DK Linak) are the most striking because they fall among the cases where all criteria for selection are met. However, reemployment rates achieved in the EGF cases are fall below those achieved by the mainstream active labour market policy measures (50% compared to 24% and 35% respectively in the DK Danfoss Group and DK Linak cases).

Some of the difficulties in achieving reemployment are attributed by stakeholders and independent experts to the specificities of the region, with dispersed populations and limited labour market opportunities noted as a significant challenge in achieving reemployment for dismissed workers.

3.5.3.3 Coordination of delivery

In the DK Danfoss Group & DK Linak cases stakeholders noted that there were some difficulties were associated with the fact that this was the first time EGF had been used in Denmark. Further cases have been more effectively co-ordinated between partners with a clearer understanding of how to design and deliver appropriate measures.

In a number of cases the stakeholders considered that reemployment rates were lower than hoped for because delivery started later than planned. As a result, the period of delivering measures to dismissed workers was shorter than would have been ideal. In these cases, issues associated with the application process, the timing of the approval of the application compressed the 24 month implementation period envisaged for EGF cases. The limited time for implementation of measures was explicitly mentioned as a key challenge in the, DK Linak, DK Danfoss Group , ES Galicia, ES Cataluña, PL Ciegelski-Poznan cases.

3.5.3.4 Measures provided

The specific nature of measures provided to beneficiaries is understood to have been an important factor in explaining why some EGF cases achieved lower reemployment rates than their comparators. The most prevalent issues are outlined below.

The most significant difference between the DK Nordjylland case and its comparator appears to be the fact that participation in measures was greater in the comparator case. This may be due to the fact that the training in the comparator case led to certified qualifications which were necessary for reemployment. As a result, there was also greater demand for measures in the comparator case than the DK Nordjylland case. Delivery of training leading to certification which is in high demand among employers. Design measures based on a comprehensive analysis of future labour market needs.

In the DK Odense Steel Shipyard case, more effective targeting of measures which were more appropriate to demand in the local labour market was highlighted as a success factor in the comparator case. This may provide some explanation as to why the reemployment rate was higher in the comparator case than in the DK Odense Steel Shipyard case. In this case, it is possible that the comparator case achieved a higher reemployment rate through exploiting labour market opportunities. In the comparator case, stakeholders noted that delivery of training measures were explicitly targeted at growth sectors identified in the regional Growth Plan.

3.5.4 Analysis of comparators where EGF employment outcomes are higher

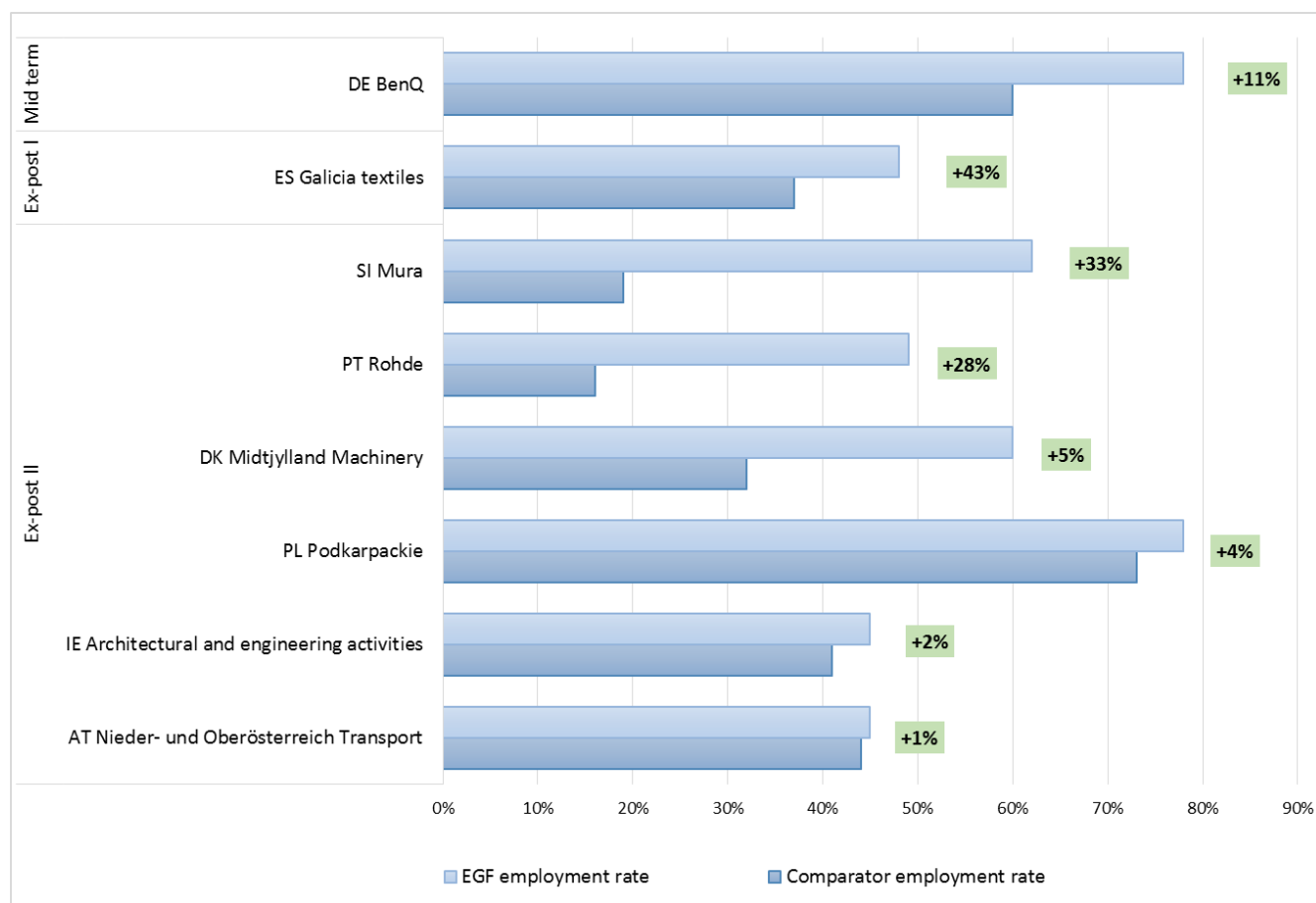
Figure 13 overleaf presents data for cases which have reemployment rates that are higher than their comparators. The main issues for this are discussed below.

In common with the analysis presented above, the main issues for relating to the reasons for reemployment rates differing between EGF cases are categorised under the following themes:

- the profile of dismissed workers;
- regional economic and labour market conditions;
- coordination of delivery; and,
- the package of measures provided to dismissed workers

Issues relating to these factors are discussed below.

Figure 13 Comparison of reemployment rates for EGF cases with lower reemployment rates than their comparators



3.5.4.1 Beneficiary Profile

In the IE Architectural and engineering activities case, the EGF beneficiary profile had a comparatively lower educational attainment level than the comparator group. In this context it is likely that the dismissed workers depended more on the support provided by EGF. This often afforded the possibility for more significant retraining and therefore their labour market position was improved to a greater extent than non-beneficiaries.

The ES Galicia case is of interest since this case also demonstrates the added value of EGF funding to provide a longer-term, more intensive support than the comparator measure of ModaPlus. The latter was implemented for workers in a similar sector, affected by the same redundancy at the same time (but not eligible for EGF funding). Despite provision for fewer workers (with similar measures), the ModaPlus project resulted in lower integration rates as lower levels of finance were available, leading to shorter and less intensive support for beneficiaries. However, a significant issue in delivering support in this EGF case and its comparator was the high proportion of low-skilled workers. Despite this, the EGF case was able to achieve a slightly higher reemployment rate.

3.5.4.2 Coordination of delivery

In the PT Rohde case, it is notable that partner involvement was very effective in securing significant take up of EGF measures. This may have been a contributing factor to the fact that the case had a higher reemployment rate than the comparator case. It should be noted that in this case the EGF beneficiary profile also had a comparatively lower educational attainment level than the comparator group.

In the DK Midtjylland Machinery case, a 'Qualification hotline' was established which allowed beneficiaries, partners and stakeholders to ask questions and resolve any issues quickly. This enabled more resource and partner time to be concentrated on the delivery of measures. A more comprehensive approach to coordination was taken in the Irish EGF cases. In these cases, the use of an EGF Coordination Unit has been a very successful element of the Irish approach to delivering EGF measures. This has enabled beneficiaries to access a single point of contact to discuss their training needs and access available measures.

3.5.4.3 Regional economic conditions

Local economic conditions were noted as an important aspect in explaining higher reemployment rates in the PL Podkarpackie case when compared with the comparator. It was noted that the ability of local employers to take on EGF assisted workers was a crucial factor which influenced the EGF reemployment rate being higher than the comparator case.

3.5.4.4 Measures provided

The outcomes achieved in the DE BenQ cases (with EGF funding) was more positive in terms of integration into employment achieved than the average of reported outcomes achieved by transfer companies in the same region during similar reference periods.

In the case of DE BenQ it is argued that the combination of Transfer Company funding, ESF and EGF funding contributed to achieving a more positive integration outcome for dismissed workers in the DE BenQ case. The EGF is understood to have added value to the existing framework by offering the opportunity to extend the period of support, providing additional benefit for those experiencing the most significant barriers to reemployment.

In the SI Mura case delivery partners noted the significance of the design of EGF funded measures in securing positive reemployment outcomes. In the SI Mura case, the EGF supported motivational workshops which were not part of the regular offer of the PES to unemployed workers.

EGF also supported the introduction of innovative measures in the IE Architectural and Engineering Activities case. In this case the inclusion of a career guidance module measure is highlighted as a useful innovation by stakeholders. This was positive for beneficiaries as it enabled them to undertake accredited learning while updating their job search skills.

In the DK LM Glasfiber and the DK Midtjylland Machinery cases, stakeholders noted that use of targeted training measures were provided to enable beneficiaries to take explore the possibility of employment in sectors with high local labour market demand (e.g. health care, food sectors). In this case there was a collaborative effort among delivery organisations to design measures with a link between EGF support and local economic development plan. A further reason for the reemployment rate achieved in this case is that design of measures took account of the specific seasonal labour market requirements of the sector when tailoring training provision and the timing of its delivery. Similarly, it is noted that seasonality of sectoral employment was taken account of in the AT Nieder- und Oberösterreich Transport case.

4 Added Value of EGF

4.1 Introduction

European added value is a measure of the difference made by using the EGF resources compared to the Member State funding and programming. This evaluation uses the categorisation of Community Added Value proposed by the European Commission's Discussion note of ESF Community Added Value. This note proposes the following analytical classification (adapted for the EGF) for added value effects:

- **Volume Effects:** the extent to which the EGF supported actions add to existing actions, either by supporting national actions in general ('mirroring') or specific areas of national policy ('boosting').
- **Scope Effects:** the extent to which the EGF broadens existing action by supporting groups or policy areas that would not otherwise receive support.
- **Role Effects:** the extent to which the EGF supports local/regional innovations that are taken up at national level or national innovative actions that are then 'mainstreamed'.
- **Process Effects:** the extent to which the EGF action influences the Member State administrations and organisations involved in the programmes.

Understanding the extent of Added Value evident in each EGF case is important for the following reasons; 1) because it involves consideration of information from individual cases which may justify or challenge EU-led action in this policy area and 2) it provides further qualitative analysis that contributes to explaining the outcomes and impacts achieved through the EGF. A key implication of this approach to defining added value is that the extent of the evidence of added value will vary from one case to another. The following sub-sections consider the evidence from case studies using the four dimensions of added value as outlined above.

4.2 Volume effects

Volume effects relate to the extent to which EGF action 'adds' to existing action through either "mirroring" specific national actions or "boosting" specific areas of national policy.

4.2.1 Supporting national actions in general ('mirroring')

All cases included in the evaluations of EGF illustrate that it has provided support which is additional to that which would have been available to dismissed workers in the absence of the fund. As such volume effects are the most significant element of added value evident when considering the overall added value of EGF.

For most Member States EGF funded measures were provided to dismissed workers during a period when there were pressures to reduce public spending. During the period of most significant job losses resulting from global economic contraction there was also increased demand for Government social security and wider cross-Government competition for spending. This resulted in dual pressure on public employment services with increased demand for services coupled with a requirement for them to reduce costs wherever possible. Set within this context the additional volume of resource provided to Member States for specific, unforeseen, closures was significant in enabling them to provide measures for dismissed workers.

The EGF was targeted to support specific areas of existing PES provision in all cases. Without EGF the volume of activity would have been significantly reduced in the absence of the EGF. In some cases stakeholders stressed that without this volume of assistance the outcomes would have been far less beneficial for workers

The table below illustrates a number of examples from case research where there were strong consensus regarding the extent of volume effects.

Table 18. *Added Value of EGF – Volume through mirroring*

Case	Identified Effects
BE Oost-West Vlaanderen & BE Limburg	The EGF increased the intensity of the general offer of active labour market measures available to dismissed workers as well contributing to the costs of these measures.
DE Karmann	The EGF made it possible to expand the volume of support available by providing additional resource in order to expand the period of transfer support available to dismissed workers. It was also possible to provided additional training and support at a lower beneficiary to counsellor ratio than would otherwise have been the case.
DE Arnsberg and Dusseldorf	The EGF supported actions available in the national policy framework for large scale restructuring without replacing existing resources. It is notable that German EGF implementation attempts to integrate different funding streams in order to ensure that EGF funds do not substitute other financial resources, such as the companies own input to the transfer agency or the ESF funds.
DK Danfoss Group; and, DK Linak	The EGF measures provided additional support for existing national actions which were planned to assist workers ('warning pools' [varslingspuljer]).
ES Castilla La Mancha; ES Cataluña; ES Galicia, ES Valencia	The EGF assistance in these cases provided resource to implement established national policy measures to support re-integration of unemployed people into the labour market. Without EGF assistance, the volume of assistance to dismissed workers would have been reduced.
ES Comunidad Valenciana Natural Stone	Without the EGF assistance, the volume of assistance to dismissed workers would have been limited or non-existent since the implementation period coincided with a period of deep cuts in the national/regional budget.
FR Renault	The EGF increased the volume of resource available to support national actions planned for dismissed workers through increasing the intensity and length of assistance available.
IE Dell, IE Waterford Crystal and IE SR Technics	The EGF supported the PES and key partners to deliver services to dismissed workers. Fundamentally the EGF provided resource which enabled a more sustained response to the job losses.
IE Construction 41, IE Construction 43, IE Construction 71	Public service provision in Ireland was significantly stretched given the scale of job losses throughout the country and the significant level of public spending cuts. The EGF assistance provided resources which facilitated a comprehensive response to the job losses in the construction industry.
LT AB Snaige; LT Construction of Buildings; LT Furniture; LT Wearing Apparel	Funding available through the national Employment Fund was assessed as being insufficient and the EGF assistance was brought in to deliver support measures to the large number of dismissed workers facing the local PES.
NL Heijmans; NL NXP Semiconductors; NL Gelderland and Overijssel; NL Noord Brabant and Zuid Holland; NL Noord Zuid Holland; NL Limburg; NL Noord Holland and Utrecht;	The EGF has mainly enhanced and strengthened the general offer of active labour market measures in the affected areas. Due to the fact that EGF provided additional resources more dismissed workers could be assisted than would otherwise have been the case.

Case	Identified Effects
and, NL Drenthe	

Evidence gathered during the case study consultations illustrated ways in which the EGF measures were designed with a view to complementing the existing provision of services by 'boosting' specific areas of national policy. While a diverse range of policy measures were supported by EGF funding, two in particular cut across a number of cases, namely, offering an individualised approach and promoting re-employment in different 'growth' sectors. A third – more diverse - category of measures boosted by the EGF are those which specifically address national priority (which varies across countries).

Offering an individualised approach is a key principle for the design of the EGF measures ensuring that they should be tailored to the specific needs of individual beneficiaries. In this respect, all measures supported this specific area of national policy by placing greater importance on 'boosting' the provision of an individualised, tailor-made approach to beneficiaries.

Through working with beneficiaries to establish individual employment plans based on the profile of the worker, expectations and the identified opportunities in the labour market, EGF provide the opportunity for delivery partners to establish individualised and services to redundant workers. When placed alongside the mainstream offer, EGF appears to have greatest added value where it boosts available provision to dismissed workers.

EGF also provided a boost to national policy initiatives which provide employment support and business support which seeks to promote growth in new sectors where there may be a shortage of skilled workers. This was made possible because of a personalised approach to service delivery which helped inform beneficiaries about job opportunities and possibilities to retrain in another field. The typically longer duration (when compared with mainstream provision) of the EGF measures helped some beneficiaries to acquire the core skills for this professional conversion. Examples of boosting effects of EGF are provided in the table below.

Table 19. Added Value of EGF – Volume through boosting

Case	Identified Effects
AT Nieder- und Oberösterreich Transport	Individual transport sector workers would have received 'standard' PES support. The EGF provided additional resources at a time of tight public budgets. The EGF funding created more opportunities for active labour market measures and provided beneficiaries with a 'comprehensive package' of measures.
BE General Motors Belgium	Dismissed workers could find sustainable employment through the training measure IBO (individual training) in another sector or in another profession / function than was previously exercised
DK Odense Steel Shipyard	The national Growth Plan identified four existing and future growth areas (energy technology, welfare technology, robot and automation technology, and construction), which provided the focus for the EGF measures, most notably for (further) education and (re)training measures.
ES Aragón retail	A significant share of redundant workers of the retail sector were provided with retraining assisting them to obtain employment in the health sector and the administrative sector
IE Construction 41, IE Construction 43, IE Construction 71	The EGF funding provided resource to support national actions aimed at diversifying the economy and growing key sectors through promoting related training possibilities to dismissed workers.

Case	Identified Effects
	Additionally EGF supported business start-ups through providing additional resources which enabled more intensive mentoring of beneficiaries.
IT Trentino Alto Adige	Due to a lack of local funding, without the EGF support, it would not have been possible to implement such a range of active support measures (including information sessions, counselling, skills appraisal, team coaching, personalised coaching, training, internships, support to job-search, unemployment and participation allowance) to beneficiaries.
NL Zuit Holand and Utrecht, NL Noord Holland en Flevoland	The EGF enhanced the general offer of active labour market measures and allowed for more intensive assistance in the graphimedia sector, as well as contributing to the costs of these measures.
NL Zuit Holand and Utrecht, NL Noord Holland en Flevoland, NL Overijssel, NL Noord Brabant cases	A Work-to-Work Guidance measure consisting of four parts (initial meeting, career orientation, labour market orientation, and short-term counselling at the new work place) provided a highly personalised service to redundant workers
PT Rohde, PT Norte - Centro Automotive	EGF funding supported the national government's flagship initiative "New Opportunities" through two important measures that were originally designed as central elements of this initiative, namely, the "Skills Recognition, Validation and Certification" (SRVC) and the "Vocational Training" for active workers
PT Norte-Centro Automotive Industry, ES Aragón retail, ES Valencia textiles, and ES Comunidad Valenciana Natural Stone	The flexibility of EGF allows the design of measures tailor-made to the needs of the individual and the group (e.g. type of training delivered, content, duration each course

4.3 Scope effects

Scope effects relate to the extent to which the EGF action 'broadens' existing support for groups and in policy areas that would not otherwise have received support.

4.3.1 Supporting actions for groups that would not otherwise receive support

EGF-funded measures broadened the scope of provision and provided support to groups that may not have otherwise been supported. EGF provided assistance to those facing the most significant or complex barriers to re-employment, and added scope by providing for longer-term/more intensive support to groups that would not otherwise have benefitted from this, distinct groups are identified below:

- **Prime age workers:** all EGF cases provided support to prime age workers which are typically not priority target groups (young and senior job-seekers are the usual targets of innovative ALMPs since they face the biggest obstacles in (re)entering the labour market). In the absence of EGF the majority of dismissed workers are likely to have had only standard measures offered by the local public employment services and partners
- **Persons still in employment:** Another interesting target group which would otherwise not have received support is that of persons still in employment. A key feature of the four Dutch EGF cases included in the ex-post final phase

evaluation (NL Zuit Holland and Utrecht, NL Noord Holland en Flevoland, NL Overijssel, NL Noord Brabant), is the Work-to-Work Guidance (provided by a job coach) that was offered to beneficiaries while they were still in employment (i.e. 6 months before being made redundant). This approach maximised participation of the dismissed workers. The UWV (i.e. Institute for Employee Benefit Schemes) typically supports persons who are *already* unemployed; accordingly, without EGF funds this group of persons would not have received tailor-made guidance while still in employment.

- **Persons with a migrant background:** The two German EGF cases (DE Heidelberger Druckmaschinen, DE Arnstberg and Dusseldorf) which were included in the ex-post final phase evaluation included provision to a large share of beneficiaries from a migrant background. The EGF allowed for the support of such beneficiaries in a more tailored manner. As stated in the case report, "While the recognition of international diplomas is rather a "standard" PES measure, transfer agency providers [an agency established in the case of large scale restructuring to accompany the redundant workers] did not seem to have experience with this process. This was a measure "newly" discovered in this particular case due to the high participation of beneficiaries with a migrant background. It can be assumed this experience will broaden future assistance provided by transfer agency providers in other cases."³⁶

For many EGF cases effects were low, with stakeholders stating that the EGF did not support additional action for groups that would not otherwise have received support. The added value associated with EGF is mainly to be found in the volume (mirroring and boosting effects).

4.3.2 Supporting policy areas that would not otherwise receive support

The scope of provision was extended through EGF funding in some cases. The most relevant examples of this type of added value are:

- **Coordinated sectoral responses:** In a few cases, a coordinated sectoral response was made possible thanks to the EGF funding. For instance, in the case of AT Nieder- und Oberösterreich Transport, transport workers from several hundred SMEs received the EGF support; in this case, the EGF provided support to workers made redundant in a specific sector (transport) who would not otherwise have received targeted support at the national level. Similarly, in the 3 Irish construction cases (IE Construction 41, IE Construction 43, IE Construction 71), a coordinated response to redundancies in the construction industry was made possible thanks to the EGF. Without such support it would have been difficult for the government to introduce a package of assistance aimed at a particular sector.
- **Innovative forms of PES service delivery:** Individualised coaching and motivational workshops were also a prevalent feature of several EGF cases. This included innovative measures included peer groups and workshops intended to provide collective support to specific categories of job seekers in the area, for instance, for presentation/image or job-search methods.

In most cases, however, the EGF did not support policy areas that would not otherwise have received support, rather it served to increase their intensity and volume.

4.4 Role effects

Role effects relate to the extent to which an EGF case has supported local/regional innovations that are adopted at national level and/or national innovative actions that are then 'mainstreamed'

³⁶ Source: DE Heidelberger Druckmaschinen report

4.4.1 Improvements in terms of general capacity building subsequently adopted at the local/regional level

A range of role effects (and transfer of good practice from EGF cases) have been identified through interviews with key informants. These effects range from learning which has informed mainstream provision to learning which has been implemented in the design of new EGF applications and ESF programmes. A range of examples are outlined in the table below.

Table 19. Examples of role effects

Case	Identified Effects
AT Steiermark-Niederösterreich, AT AT&S and AT Steiermark cases	Austrian authorities and partners gained substantial learning effects in regard to EGF processes, which was used for further development of the instrument of Labour Foundations, which were implemented in subsequent EGF cases (EGF/2011/010 - Austria Tabak, EGF/2011/011 - Styria - mobile social work activities).
BE Limburg and BE Oost-West Vlaanderen	Efforts were made by the partners to disseminate good practices within sector networks and to explain the functioning of EGF cases.
DE Karmann	A successfully delivered measure: vacancy acquisition (i.e. contacting employers in the area to establish the availability of vacancies and the potential fit with the skills profile of the EGF beneficiaries) was mainstreamed to other EGF cases
DK Odense Steel Shipyard	Phase 3 measures (whereby beneficiaries were offered 10 weeks of individual coaching as well as a 4-week work placement) were particularly beneficial to dismissed workers; accordingly, Jobcentre Odense has launched a similar process for other groups of unemployed
ES Cataluña	The regional PES of Cataluña is using experience from the EGF Cataluña automotive case to prepare guidelines for handling restructuring in public-owned companies. One of the delivery partners used the experience acquired as part of this EGF case to design a similar programme (non-EGF funded).
IT Trentino-Alto Adige	EGF funds made possible the implementation of innovative measures, underdeveloped at the regional level. For instance, counselling was a new type of support. In supporting beneficiaries' reintegration into the labour market, personal counsellors supported individuals in designing their personal development plans and selecting measures to match their needs; they also acted as personal coaches to motivate and support beneficiaries. Counselling and coaching sessions have subsequently been introduced in other measures (in the provinces of Bolzano and Trento, that make up the Trentino region), with the support of provincial, national and/or EU funds (including the ESF).
LT Alytaus tekstile	Organisational learning on the management of large-scale redundancies and the use of EGF was used immediately in the local PES office for another EGF application in connection with a big redundancy. Learning is also transmitted to other PES offices and national level through participation in the subsequent EGF case working groups in Lithuania.
MT Textiles	Embedding the learning in the ETC (Malta's Public Employment Service) has been a key impact of the EGF case in Malta. As a result of the experience of delivering this provision, the 2007-13 ESF Programme contains an umbrella programme which is flexible enough to react to the type of job losses which took place in the Textiles (MT) case, and in even smaller companies. Through a process of information sharing regarding the lessons learnt from delivering the EGF case, ETC can better respond to job losses, regardless of the size of the restructuring event.

4.4.2 Innovative practices which have been rolled-out nationally

There are some issues which do act to limit the observed impact of role effects. For example, stakeholder consultations carried out during the three evaluations of EGF indicates that implementation of EGF cases generally brings substantial learning effects at the local/organisation level. However opportunities to roll-out good practice from the EGF cases towards 'mainstream' provision are often limited by budget constraints.

Examples of this are: In the BE Limburg Oost-West Vlaanderen cases, some of the more effective measures such as application training and looking for placement in other sectors will be continued, but on a smaller scale. However, some of the incentives used within this EGF case can be considered precursors to a regional measure called 'career cheques', put in place from July 2013 (giving the right to each Flemish employee with at least one year of work experience to benefit from two packages of four hours of career guidance every six years).

Additionally, in the three Irish construction sector cases which were part of the ex-post final phase evaluation (IE Construction 41, IE Construction 43, IE Construction 71) Vocational Educational Colleges were able to pilot a Career Guidance Module prior to other EGF measures, the experience of delivering EGF support proved that the module worked well for interacting with demotivated individuals. Due to increased conditionality in the benefit system in Ireland there is greater demand for such practical short courses. Delivering this course in the context of the EGF support led to an increased understanding of its value; it has since been rolled out nationally

In the four Dutch EGF cases (NL Zuit Holland and Utrecht, NL Noord Holland en Flevoland, NL Overijssel, NL Noord Brabant), the set-up of a sectoral mobility centre serving redundant workers in the graphic media sector (nationally) was made possible as a result of previous EGF funding. Following its initial success, the mobility centre continued its activities well beyond the EGF funding period and is now fully funded by the A&O Graphic Media Sector Funds. The established mobility centre serves as an example for other national mobility centres and its services are being taken up in other sectors (most notably, the creative sector).

Lessons and experiences from the 4 Danish EGF cases (DK LM Glasfiber, DK Odense Steel Shipyard, DK Midtjylland Machinery, DK Nordjylland) have influenced the measures provided as part of the national 'warning pool' (almindelige/ supplerende varslingspulje) for major redundancies with a view to establishing better conditions for collaboration and cooperation between the job centres/municipalities as well as their other partners, such as educational institutions.

The Danish EGF cases have also served to strengthen a national debate on work-first or train-first. As noted in the DK Midtjylland Machinery report, "the general Danish unemployment support system there has been a significant focus on quick re-employment of workers, why little time has been spent on further training and education of job seekers to ensure upgrading of skills and possibility for employment in other sectors. Following the implementation of EGF, the general unemployment system has begun to increase the focus on upgrading of skills to enable job seekers to apply for jobs in sectors with more stable employment prospects"

In summary role effects linked to the EGF are more difficult to assess than Volume and Scope effects. Two factors can be identified which contribute to this fact: firstly, in a wide range of cases (for example ES Galicia, PL H.Cegielski Poznan, PL Wielkopolskie Automotive, SE Volvo and various cases in Lithuania), as EGF funding was used to support existing measures, the implementation structure that was put in place did not fundamentally differ from a typical structure to manage a case of restructuring. This has an effect of limiting role effects because many of the partnerships and measures implemented are well established and expected impacts are well known. Secondly, in

the FR Renault case and CZ Unilever cases, where the EGF-funded measures were partly financed by the employer and implemented at the company-level, no specific innovative measures were identified and the transfer of good practice to other contexts was limited.

4.5 Process effects

Process effects related to EGF include evidence of the broad policy goals of EGF having an influence on the national policy choices of Member States, it also relates to what extent EGF has influenced Member State administrations of other funding operations, including ESF.

In all the cases, no explicit evidence has been identified of a significant or direct influence of the EGF on policy choices at the national/federal level, ESF or other funding operations. However, as the EGF broad policy goals and national/regional policy goals are already well aligned in aiming to provide early, targeted and personalised assistance to dismissed workers reflecting the needs of the workers and labour market this finding is not therefore not unexpected.

Available evidence on considerable EGF process effects at the case level is summarised in the table below.

Table 20. Process Effects: Operational Processes

EGF case	Process effect: operational processes associated with the ESF and other national/regional funding
AT Steiermark, AT Steiermark-Niederösterreich, AT AT&S electronic	Lesson learnt in regard to EGF processes were used for further development of the instrument of Labour Foundations.
DK Danfoss Group, DK Linak	EGF operational processes may have been of some influence on ESF and other funding operations such as the Danish Business Authority which monitored the case.
ES Galicia	Delivery of EGF influenced debates within the region regarding the need to develop capacity to deal with unforeseen restructuring crises, especially in the midst of austerity measures and spending cuts.
IE SR Technics	The experience of collaboration and the difficulties in coordinating local delivery of public-funded vocational training courses and other private offers of short vocational training courses contributed to the wider agenda of structural reform to simplify the vocational education and training system.

Table 21. Process Effects: Impacts on Mainstream Provision

EGF case	Process effect: impact on mainstream provision
DE Arnsberg and Dusseldorf	<p>The implementation structure of the EGF in Germany is strongly linked to the national restructuring framework. Transfer agencies act as outplacement agencies and provide individualised assistance to clients to find new employment rapidly. The partnership between PES and transfer agency providers has worked well.</p> <p>One factor that led to a successful implementation in this case was the fact that several companies had chosen the same transfer agency provider and that this provider already had experience with the EGF; different transfer agencies would have further increased the number of partners thus imposing higher coordination and</p>

EGF case	Process effect: impact on mainstream provision
	<p>technical costs. Another benefit for this case was that this particular provider has already assisted in the implementation of the EGF (BenQ and Nokia). Despite these advantages the national case coordinator, the Federal Ministry of Labour, considered that for a sector case the number of involved parties was still too high</p> <p>Similarly, it should be noted that because the same personnel coordinate the implementation of the EGF cases, an efficient and coherent case management has been set up over the years. Their experience has significantly grown during the implementation of several EGF cases which has served to significantly reduce and shorten administrative procedures.</p>
ES Comunidad Valenciana Natural Stone	<p>Delivery of the EGF influenced debates within the region regarding the fact that in the case of large-scale re-structuring, normal provision of ALMPs cannot effectively cope with the increase in demand and the individualised support required. It was recognised that there was a capacity issue in dealing with unforeseen restructuring crises in Spain. This is becoming even more pressing in the midst of austerity measures and spending cuts. In addition, a key success of this EGF case was the individualised support, personalised pathways, and bringing the support to the locality; all these aspects require time and resources that are difficult to assume without the EGF support.</p>
IE SR Technics	<p>The experience of collaboration and the difficulties in coordinating local delivery of public-funded vocational training courses and other private offers of short vocational training courses contributed to the wider agenda of structural reform to simplify the vocational education and training system.</p>
LT Wearing Apparel, LT Furniture, LT Construction of Buildings, LT AB Snaige	<p>The EGF cases helped to maintain the political commitment to assist dismissed workers in times of crisis and allowed the dimension of solidarity with dismissed workers to remain in the public eye. The experience of implementing EGF cases also contributed to the development of a well-defined national legal framework pertaining to the EGF implementation.</p>

A significant effect on the way of delivering assistance to dismissed workers is observed in the Dutch printing cases (see Box 8). This illustrates the way in which EGF learning has been mainstreamed but also influenced the underlying processes and methods used to try and achieve better outcomes for dismissed workers.

Box 8 Good practice: changing the process for assisting dismissed workers

A collective agreement for the graphics sector was adopted on 1 April 2012 partly as a consequence of the labour market outcomes achieved for dismissed workers in this case³⁷. The mobility centre "C3" that was established is now a permanent facility. The collective agreement specifies that the mobility centre C3 should be used by a company that is going through restructuring and the obligation to implement the 'From work to work' measure³⁸. In the case of bankruptcy of a company, the mobility centre could previously be used without financial contribution from the closing firm. In other cases, employers are obliged to pay a contribution for the guidance and training provided within the assistance measure 'from work to work'.

Work to work transition periods and outplacement was not used systematically in this sector before the crisis and the collective agreement that was applicable at the time had not included this aspect as obligatory before.

³⁷ <http://www.grafimediacao.nl/PaginaPanel.aspx?artikelstructuur&soort=1&id=612>

³⁸ <http://www.grafimediacao.nl/PaginaPanel.aspx?artikelstructuur&soort=1&id=613>

One of the lessons learned was that it is better from an economic perspective to keep workers in the work to work transition assistance because they maintain an income, which they spend on local goods and services. This reduces some of the economic impact on the regional economy. The newly concluded collective agreement for the graphics sector makes it obligatory that when a company has to restructure or goes bankrupt it must contribute to payments of the outplacement procedures. These outplacement procedures will be carried out by the sectors' outplacement assistance mobility centre C3 which has already been implementing the measures under the EGF.

Because of the high level of success achieved, a number of companies and social partners from other sectors have asked for information on the grafimedia sector's working method. For example, the creative sector made use of the experience and method implemented by the EGF grafimedia cases.

5 Conclusions

5.1 Introduction

The EGF is a key element of the EU's response to deal with the impact of major structural labour market changes resulting from the globalisation. The EGF aims to show solidarity with workers dismissed in mass redundancy situations resulting from the globalisation-related changes in the world trade patterns and temporarily provided additional support in situations of large scale lay-offs due to the global financial and economic crisis in the years between May 2009 and December 2011. EGF and ESF are complementary policy measures in dealing with the consequences of globalisation, with ESF providing a long-term strategic response and adjustments required, whereas EGF is expected to act as one-off time-limited and specific response to a single restructuring 'emergency'.

The ex-post evaluation assessed the impact of the EGF on assisted workers (and their families and communities) and the European added value of the EGF. In assessing the impact of the EGF, the evaluation also analysed the key factors which help and hinder the successful implementation of EGF funded assistance packages.

The EGF Regulation requires a mid-term evaluation of the effectiveness and sustainability of the results obtained by the EGF (Article 17(a)) and an ex-post evaluation to measure the impact of the EGF and its added value (Article 17(b)). This report provides overall conclusions concerning the EGF at the instrument level, based on the results of all three evaluations of the EGF conducted to date (mid-term and both ex-post phases, covering 73 EGF cases). The cases delivered under the new EGF Regulation (No 1309/2013) will be evaluated in the future.

Outlined below are conclusions related to each of the key evaluation questions.

5.2 Impact of the EGF

Evaluation Question (i) *How and to what extent has the EGF support had an impact on individual participants? With specific regard to employment impacts, to the extent possible, the analysis should take into account the labour market status of the assisted workers at the end of the implementation period and, if data are available, at a later stage.*

The impact of the EGF support on the individual participants was measured in the first instance by the proportion of the participants re-entering the labour market. The re-employment rate at the end of EGF assistance varied considerably from 4% in the case of PT North-Centre) to 86% (the case of NL Heijmans). The average re-employment rate achieved at the end of EGF assistance across the 73 cases was 49%. Given the prevailing economic conditions and the fact that workers with certain characteristics (e.g. low skill levels, long employment histories with previous firms) which can militate against successful rapid reintegration predominated among EGF beneficiaries, this can be considered to be a positive outcome overall.

The level of self-employment amongst the EGF participants also significantly varied across the cases, from 44% in FR Peugeot to 0% in PT North-Centre, although the average rate for all cases with data available was 5%. The relative importance of self-employment outcomes was dependent on the level of emphasis placed on measures to support entrepreneurial activities in the overall EGF assistance package developed at case level.

In 51 EGF cases information regarding the sustainability of these re-employment rates was available. The majority experienced increases in the re-employment rates achieved in the short and medium term, indicating a high level of sustainability in outcomes (or at least an enhanced employability of beneficiaries). Further, this indicates the longer term focus of the EGF support (for example, in regard to training

and retraining). Across the 51 cases, 33 experienced an increase in the re-employment rate achieved, seven remained stable and 11 experienced a decline in the re-employment rate. However, evidence from the survey conducted as part of the final phase ex-post evaluation shows that of 66%³⁹ of beneficiaries indicating they had found employment since the completion of the EGF measures, only 52%⁴⁰ were currently still in employment.

Interviews with the case delivery partners suggested a mix of trends in terms of the sectoral movement of workers. In most cases, stakeholder views suggest that workers found re-employment in the same or similar sector. This could be explained by the fact that much of the training offered was of short duration and targeted at enhancing or updating existing competences to ensure rapid labour market re-entry.

In terms of the quality of new employment, while evidence from case study interviews throughout the three evaluations indicated that a significant number of workers re-entered the labour market through temporary contracts (particularly, but not only in countries where this form of employment is widespread among labour market entrants and re-entrants), the beneficiary survey conducted in the final evaluation phase paints a more positive picture with 81% of respondents to this question indicating that they entered the labour market on permanent contracts, the vast majority of which was on a full-time basis. The survey also showed that 41% of beneficiaries felt the quality of their new employment was overall worse or far worse than that previously held. 24% felt it was the same and 35% felt it was better or far better. The most dramatic differences appeared to be in regards to matching skills and role as well as training and support provided which was considered by many to have deteriorated. Despite this, 59% of respondents indicated that their overall satisfaction with their new job was the same (24%), better (24%) or far better (11%) than in their previous job.

A range of soft outcomes for the EGF participants were also identified in the evaluation. Most frequently identified by stakeholders in the majority of cases were psychological benefits for assisted workers. This included a greater feeling of empowerment, improved self-esteem and better ability to navigate labour market opportunities. In most cases, the psychological impact on dismissed workers of losing a job was a significant challenge for delivery partners, particularly where individuals had worked for the same employer for a long time. As a result, delivery partners frequently faced de-motivated workers who were sceptical about their chances of re-employment given the lack of vacancies (for their specific skills) in the job market or reluctant to participate in active measures such as training.

Participation in the EGF activities allowed beneficiaries to remain active while developing their skills, and on-going support allowed them to develop greater self-belief and improve their capacity for re-employment. As a consequence of assistance from the EGF in some cases, the dismissed workers were re-engaged with mainstream public services as many of them had become cut-off from the labour market and their communities.

Employability impacts of the EGF measures are more evident for some beneficiary groups than others across all the EGF cases evaluated. Younger and skilled workers were generally better prepared to take advantage of the learning opportunities to up-skill/retrain compared to migrants and mid-career workers, mostly because they could more easily adapt to a new sector and position. Conversely, reduced adaptability to new sectors and roles were more noticeable among older workers than among migrant workers in general.

Evaluation Question (ii) *How and to what extent have the EGF cases generated*

³⁹ 477 of sample of 724 beneficiaries

⁴⁰ 376 of sample of 724 beneficiaries

broader impacts in the areas in which they took place? These impacts can relate to household members and work and personal acquaintances of individual beneficiaries; civil society organisations and regional and local institutions.

EGF assistance made a positive contribution in most cases to addressing significant social and labour market problems in the locality after large-scale redundancies, increasing social cohesion, and assisting the hardest-to-help people. Assistance provided to the EGF beneficiaries enabled them to re-enter employment and thus contribute to family earnings or remain active in the job search and thus avoid negative unemployment traps. In addition, each re-employed EGF beneficiary no longer had an incentive to move away (with or without the family) from the local community which can be considered to be beneficial in terms of preventing labour drain.

In the absence of such co-financed measures there would have been many more people and families unemployed (for longer periods of time), drawing social security benefits and accessing other forms of support with the associated impact on incomes and social inclusion and cost to the state or locality.

The psychological effect of solidarity amongst the beneficiaries and the local population was an important outcome of the EGF assistance (although this is difficult to measure). In the words of one interviewee, it was important *"to feel not being 'abandoned' in the aftermath of the crisis and ensuing mass lay-offs and that something for our professional development could still be done, despite the crisis"*.

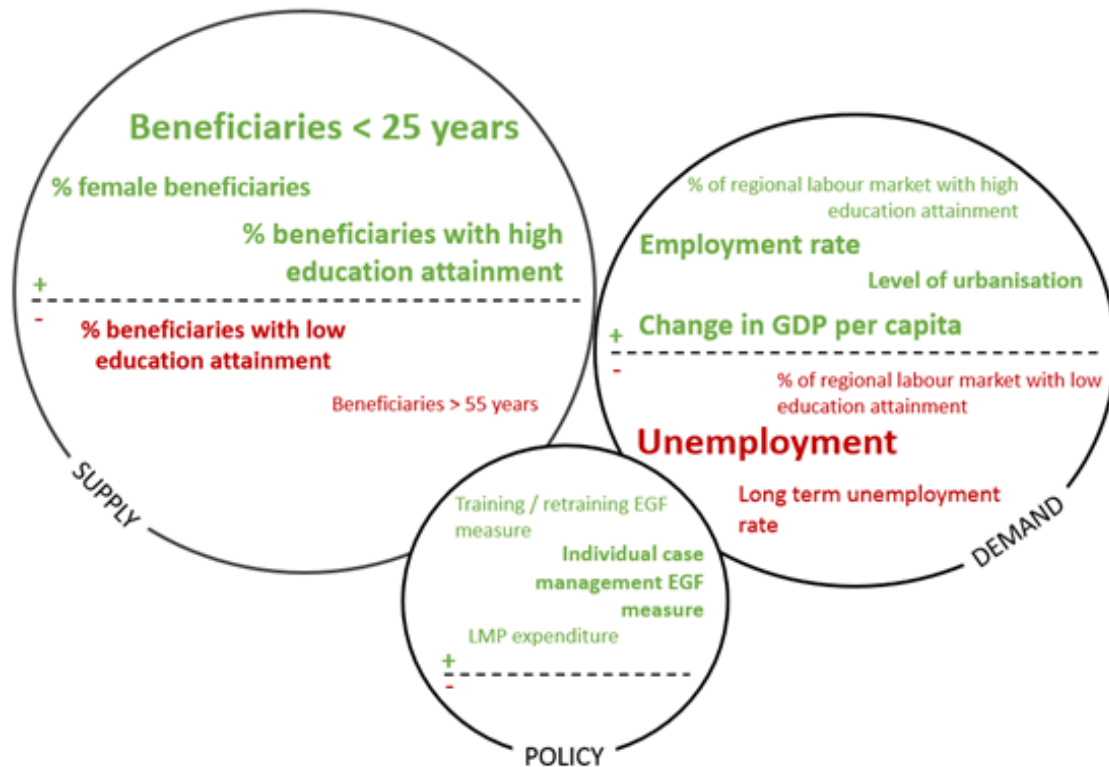
Findings from the beneficiary survey of beneficiaries in cases included in the ex-post final phase evaluation were somewhat less conclusive on this issue than stakeholder or beneficiary interview, with 44% of respondents finding few (22%) or no (22%) benefits for the local community. However, the difficult in assessing how such a questions is interpreted in a survey is highlighted by the fact that 29% of respondents considered this question to be 'not applicable'.

Furthermore, the EGF also contributed to capacity building among local organisations, thus making them better able to access support funding and co-ordinate efforts among labour market actors and community groups in cases of future redundancies. This is demonstrated in countries with several EGF cases where project partners commented on more effective delivery and continued positive working relationships beyond the lifetime of EGF funding.

Evaluation Question (iii) *What are the factors that help or hinder the impacts that have been observed?*

The figure below summarises the statistical findings on the elements which help or hinder positive employment impacts from being achieved in EGF cases in terms of:

- The relative significance of demand, supply and policy mix factors (depicted by the size of each circle);
- The significance of a variable in explaining the EGF re-employment rates achieved; the larger the size and emphasis of the text, the more significant the effect of that variable is, and;
- The direction of the relationship (i.e. positive or negative relationship with re-employment rates).



These findings are drawn from the statistical analysis undertaken for all 73 cases. The statistical inquiry found that the following variables had the greatest influence on the re-employment rates:

- On the **supply side** the following factors were found to have a positive impact on re-employment:
 - The proportion of beneficiaries less than 25 years: in contrast to labour market trends regarding overall youth unemployment, these younger workers were associated with higher rates of re-employment. This may be because these workers already had experience on the labour market and were more open to geographical and/ or occupational mobility as well as training/ retraining opportunities.
 - The proportion of workers with high educational attainment: in line with expectations, EGF cases with larger proportion of workers with high education attainment were associated with higher re-employment rates. Beneficiaries with higher skills were more likely to possess transferable skills and give them access to a wider range of labour market opportunities.
 - The proportion of female beneficiaries also was positively associated with re-employment rates. The impact of gender is difficult to assess anecdotally and the overall effect is ambiguous.

In contrast, having a negative impact on the supply side were the following factors:

- The proportion of workers with lower education attainment: in contrast to those with higher education attainment, workers with lower education attainment face greater barriers in terms of re-integration and employment opportunities.
- The proportion of workers over 55 years: older workers face particular challenges on the labour market, with age discrimination and less willingness to retrain or be geographically/ sectorally mobile.

- On the **demand side** the following factors were demonstrated to have a positive impact on the re-employment rate:
 - Change in regional GDP: in line with expectations, regional growth (capturing business sentiment and overall prosperity in the region) was significant in explaining re-employment opportunities.
 - Level of urbanisation (i.e. regions which were more densely populated were associated with higher re-employment rates): this was positive and significant in the final model, in line with expectations that more employment opportunities would be found in urban centres (rather than rurally).
 - The regional employment rate: a good indicator of the overall employment in a region was positively associated with re-employment rates.
- The following factors were shown to have a negative association with re-employment rates :
- The regional unemployment rate: was found to be the most explanatory demand side variable, with a negative relationship to the re-employment rates. This variable is a good indication of the overall employment situation in a region and a proxy for other job seekers competing for the same jobs.
 - The long term unemployment rate was also found to have a negative impact, although not statistically significant.
- In terms of **policy**, the results were limited by a lack of data availability at the regional level (for example, calculation of expenditure on education can only be undertaken at national level for most Member States) . The most explanatory variable appeared to be the share of workers provided with individual case management by EGF.

Evaluation Question (iv) *How do the impacts achieved compare with those achieved by (a) individuals who did not receive the EGF support (comparators/control group); (b) similar redeployment projects at national/regional level?*

In order to identify relevant comparators which would enable robust comparisons, this evaluation used an approach seeking to identify relevant comparator cases on the basis of a number of important criteria⁴¹:

- Temporal congruence (taking into account the very specific situation facing countries and localities as a result of the crisis);
- Geographical congruence, bearing in mind the very specific economic and labour market factors affecting different localities and regions, thus avoiding comparisons between more and less economically developed regions which would render the comparisons less useful;
- Sectoral congruence, comparing as far as possible similar or closely related sectors and avoiding comparisons between very different sectors (e.g. telecommunications and textiles) which would render the comparisons less useful;
- Beneficiary congruence, ensuring a comparable profile in relation to gender, age and skill levels.

⁴¹ These criteria were used as the basis for identifying comparators in the ex-post evaluation of EGF (first phase).

- Congruence in the mix of measures being offered to ensure that like for like measures are compared as much as possible.

Following application of these criteria to identify and obtain data which enabled comparison with EGF cases, a “short-list” of comparators was developed which enabled a comparison of the reemployment rates and the reasons which contributed to these results. The main conclusions were as follows.

a) Comparison with *Individuals who did not receive the EGF support*

This analysis was possible for three EGF cases in Ireland (IE Construction of buildings; IE Specialised construction activities; and, IE Architectural and engineering activities). In one of these cases (IE Architectural and engineering activities) the reemployment rate of EGF beneficiaries was greater than that of non-beneficiaries. In the other two cases (IE Construction of buildings; and, IE Specialised construction activities) the reemployment rates of EGF beneficiaries were lower than that of non-beneficiaries. Each of these EGF cases benefitted from the work undertaken by the EGF Coordination unit in Ireland, which was very effective in providing a point of contact for dismissed workers so that they can discuss options available to them and decide on the most appropriate measures available to suit their needs. In the IE Construction of buildings and the IE Specialised construction activities cases it appears that EGF provision assisted those who were “hardest to help” as they were not in employment by the time measures were available to them.

In the case of the IE Architectural and engineering activities case, the wide range of measures available demonstrates the additionality that EGF can have where it assists beneficiaries by providing a wider set of options than were available through mainstream PES measures.

b) Cases with other types of comparators

For two cases it was possible to obtain reemployment data for individuals affected by significant redundancies registered with the same PES office during the same delivery period (the PL Podkarpackie and the SI Mura cases). In both of these cases, the reemployment rates achieved for EGF beneficiaries were higher than those of mainstream PES provision. In these two cases the two main reasons for these high reemployment rates that were identified were the positive local labour market conditions and the nature of the particular measures provided which were well suited to the beneficiaries and the nature of local labour market opportunities. In four cases transfer company and labour foundation reemployment data was used. In two of these EGF cases higher beneficiary reemployment rates than comparators were achieved (DE BenQ and AT Nieder- und Oberösterreich Transport) and two achieved lower reemployment rates (DE Nokia and DE Karmann). In these cases it appears that EGF had most positive impacts for beneficiaries when measures were designed to integrate with the existing framework by extending the period of available support, providing additional benefit for those experiencing the most significant barriers to reemployment.

Cases with previous EGF cases used as comparators

Thirteen other cases previous EGF cases, or other cases of large scale redundancies, were used as comparators. Of these cases, ten cases achieved a lower reemployment rate than their comparator and three achieved a higher reemployment rate than their comparator. In the cases where reemployment rates were lower than comparators the main issues impacting were:

- Beneficiary profile: A lower skill level and/or those requiring more advice, guidance and training among EGF beneficiaries than comparators; and, a high proportion of older workers among EGF beneficiaries than comparator cases.
- Regional economic conditions: the key issue in this respect was that there were relatively fewer vacancies in the local labour market which were appropriate for EGF beneficiaries.

- Coordination of delivery; in some cases it seems that coordination of measures in comparator cases were better designed with better coordinated delivery, often involving employee representatives.
- Measures provided: in some cases the training opportunities offered were not as popular with the more recent EGF beneficiaries as they were in the older comparator cases.

In the cases where reemployment rates were higher than comparators the main issues that had a positive impact on EGF reemployment rates were:

- Beneficiary profile
- Regional economic conditions: where EGF has been used to support training tailored to the needs of growth sectors in the local labour market and training linked to sectors with high local labour market demand it appears to have been most selective.
- Coordination of delivery: in some cases where EGF cases achieved higher reemployment rates than comparator cases there were innovative forms of delivery such as dedicated points of contact for EGF beneficiaries, enabling good information sharing and effective initial profiling. In addition the benefit of a strong role for appropriate partners with good connections to the workforce in the design and delivery of measures is evident.
- Measures provided: EGF appears to work well when there is evidence of targeted training measures being provided to enable beneficiaries to explore the possibility of employment in sectors with high local labour market demand. In addition the design of measures which are specifically tailored to the beneficiary profile is a characteristic of some cases that achieved higher reemployment rates than comparator cases.

Evaluation Question (v) *How and to what extent have the EGF cases been cost-effective?*

Cost effectiveness of Active Labour Market Policy Interventions is challenging to evaluate. Generally, the cost of a measure or measures is assessed in relation to the (quantitative) outcomes achieved – in this case employment. When doing so, it must be noted that for individuals facing significant obstacles to labour market re-entry (relatively) rapid re-integration is not always feasible. Standard assessments of cost effectiveness do not take account of these softer outcomes.

In order to make a clear statement on cost effectiveness, it is necessary to be able to make reliable comparisons between similar (or indeed different) measures in a situation where outcomes assessed are not influenced by confounding factors (or these additional variables can be understood and taken account of). Given the difficulties in finding such similar situations in relation to EGF cases, this is challenging. Furthermore, it should ideally also be possible to assess costs which might be incurred in absence of measures being provided (such as the cost of unemployment and other benefits and other societal costs arising from joblessness) to ascertain whether the cost of a measure are lower or higher than cost that might otherwise be incurred. As such data was not available to this evaluation, the latter comparison was not feasible. Thus in a weak data environment, the following approaches were used to assess cost effectiveness: stakeholder views; an assessment of the financial costs of cases in relation to their associated benefits; a comparison of the cost effectiveness of different types of measures provided by EGF cases in relation to the outcomes achieved; comparisons of the financial costs of cases and association between funding and outcomes with previous EGF cases and with comparable non-EGF redeployment projects.

The prevailing view of the stakeholders in most cases was that the EGF assistance was cost-effective as it led to financial savings due to lower unemployment benefit and other social benefit payments for dismissed workers assisted by the EGF to find a new

job. In addition, the newly employed workers were paying taxes and social security contributions, hence, they were paying back the resources spent on re-integrating them into employment. According to the stakeholders, the EGF was an appropriate order of resources deployed effectively given the challenges faced to assist in finding new jobs, sometimes in very challenging local and regional economic conditions. The stakeholders also highlighted the fact that most of the EGF case expenditure was spent on the measures directly assisting the beneficiaries (as opposed to the management and implementing costs) as highly effective. Indeed, on average across the 73 cases evaluated, the cost of the implementation⁴² was 6%.

No linear relationship was identified between the size of the expenditure per beneficiary and the re-employment rates achieved across the 73 cases. Higher levels of expenditure alone do not lead to higher re-employment rates and vice versa (the exception that a medium level of spending occurred mostly in the cases with medium re-employment rates). This supports the key overall evaluation finding that it is a range of supply, demand and policy mix factors behind the re-employment rates achieved in the 73 EGF cases.

Amongst the countries with multiple EGF cases, a clear trend in the relationship between the level of expenditure and the re-employment rates is identified in several countries (including Belgium, Ireland, Lithuania, Netherlands, Poland, Portugal and Spain). In contrast, in Austria, Denmark Germany and Italy there was no clear relationship between the level of expenditure and the re-employment rates amongst the multiple EGF cases. This shows that although cost-effectiveness comparisons between the countries show no clear patterns, within the countries with multiple EGF cases there are strong similarities between the costs and results achieved. However, the relationship in the same country between the level of expenditure and outcomes is not linear. This means that the higher expenditure in a country does not always lead to higher re-employment rates (and lower reemployment rates are not always accompanied by lower expenditure).

The rates of the expenditure per beneficiary and the re-employment rates in the 73 EGF cases evaluated were compared with the previous EGF cases implemented in the same Member State. Such analysis of the trend in the level of spending in isolation needs to be treated with caution (as a range of factors influences the EGF case re-employment rates). There were no clear trends identified within the 12 countries with several waves of the EGF cases.

Finally, the analysis of the cost of different types of measures and their associated re-employment rates undertaken in nine EGF cases (where information was available) also revealed that there are no strong patterns in the relationship between the cost of individual types of measures and their observed re-employment rates, although in some cases individualised assistance was considered to have shown the greatest benefits compared to measures with more modest expenditure (such as group sessions). This reflects the importance of an appropriate mix of measures and also some evidence that EGF beneficiaries accessing multiple measures achieved better re-employment rates. Such an appropriate mix is arguably best achieved through individual profiling and the preparation of individualised intervention plans.

The comparisons of the cost-effectiveness of the EGF cases with similar cases of redeployment measures in cases of large scale redundancies which did not benefit from the EGF support does not show a clear pattern. Cases where such comparisons are possible are almost equally split between those EGF cases which appear to be more cost-effective (in terms of outcomes achieved in relation to level of expenditure) than their comparators and the EGF cases which appear to be less cost-effective than

⁴² Activities/costs associated with implementing the EGF co-funded package of measures, such as preparatory, management, information and publicity, and control activities.

their comparators. Arguably the data available was not sufficiently granulated to provide meaningful assessment outcomes in any case. This highlights that fact that evaluation design needs to bear in mind data availability when seeking answers to questions such as cost effectiveness.

5.3 Conclusions relating to the Added Value of EGF

This evaluation uses the following categorisation of Community Added Value:⁴³

- **Volume Effects:** the extent to which the EGF supported actions add to existing actions, either by supporting national actions in general ('mirroring') or specific areas of national policy ('boosting').
- **Scope Effects:** the extent to which the EGF broadens existing action by supporting groups or policy areas that would not otherwise receive support.
- **Role Effects:** the extent to which the EGF supports local/regional innovations that are taken up at national level or national innovative actions that are then 'mainstreamed'.
- **Process Effects:** the extent to which the EGF action influences the Member State administrations and organisations involved in the programmes.

Evaluation Question (i) *How and to what extent has the EGF generated community added value?*

Volume Effects

EGF has substantial volume effects. In all cases, the EGF funding provided support to specific measures of mainstream PES provision. In the absence of the EGF, the volume of activity would have been significantly lower. In a number of cases, stakeholders highlighted that this increased volume of activity was an important factor supporting beneficiaries back into employment.

EGF cases had two types of mirroring effects. A first type occurred in cases where EGF funding supported national action by reinforcing the intensity of the package of measures provided to redundant workers. In many cases, a wide repertoire of measures was offered to beneficiaries, allowing them to devise a personalised action plan best suited to their needs, capacities, and aspirations. In such cases, the EGF did not introduce new measures (i.e. scope effect) but rather provided a number of different types of existing support measures to a specified group during a limited period of time, and hence, increasing the intensity of support. A second type of mirroring effect of EGF cases was to support existing national actions by prolonging the period of certain measures.

Evidence gathered during case study consultations illustrated ways in which the EGF measures were designed with a view to complementing the existing provision of services by 'boosting' specific areas of national policy. While a diverse range of policy measures were supported by EGF funding, two in particular cut across a number of projects, namely, offering an individualised approach and promoting re-employment in different 'growth' sectors. A third – more diverse – category of measures boosted by the EGF are those considered of national priority (which vary across countries).

Scope Effects

Consultations with EGF case stakeholders indicated that, in some cases, the EGF-funded measures broadened the scope of mainstream provision by providing support to groups that may not otherwise have been supported.

⁴³ European Commission (2008).

In a number of cases, the scope of provision was extended through the EGF funding and a number of activities and measures, which are typically not part of the regular offer of the PES, were supported by the EGF. In a few cases a coordinated sectoral response was made possible thanks to the EGF funding. A number of cases have offered a preparatory programme to beneficiaries to inform and guide them in designing a personal action plan. Individualised coaching and motivational workshops were also a prevalent feature of several EGF cases.

Finally, the EGF provided support for employability measures, which were not typically provided by PES. In the case of the two German EGF cases (DE Heidelberger Druckmaschinen, DE Arnsberg and Dusseldorf), such innovative measures included peer groups and workshops intended to provide collective support to specific categories of job seekers in the area, for instance, for presentation/image or job-search methods. In most cases, however, the EGF did not support policy areas that would not otherwise have received support, rather it served to increase their intensity and volume.

Role Effects

Role effects relate to the extent to which an EGF case has supported local/regional innovations that are adopted at national level and/or national innovative actions that are then 'mainstreamed'. A number of interesting examples have been identified which show interesting role effects of EGF, for example:

- A notable innovation introduced in a number of EGF cases and later adopted at the local/regional level was the introduction of individualized counselling and coaching sessions.
- EGF lessons and innovation in the area of self-employment promotion have also been subsequently adopted at the regional level.
- EGF cases have also supported innovation at the local/regional level in the area of employer engagement, including carrying out a survey of local companies providing dedicated services (job scout) to employers.

Process Effects

Process effects relate to the extent to which the EGF action influences the Member State administrations and organisations involved in the programmes, as well as the extent to which the EGF has influenced Member State administrations of other funding operations, including the ESF.

Three broad types of process effects were of notable importance in this second phase of the EGF. The delivery of the EGF has (1) influenced the operational processes associated with the ESF and other national/regional funding; (2) had a bearing on the national restructuring framework, and (3) strengthened communication and cooperation across municipal boundaries and across sectors.

A fourth (4) process effect common to many EGF cases is the positive learning curve and feed-back loop that occurs between national EGF cases. Lessons learnt in delivery of previous EGF cases have facilitated improved operational processes and design of measures. Similarly, learning across EGF cases implemented during Phase 2 also occurred.

Evaluation Question (ii) To what extent did the EGF expenditure replace expenditure that the Member State was obliged to incur in any case?

EGF funding provided support to specific measures of mainstream PES and other partner provision. In the absence of the EGF, the volume of activity would have been significantly lower. In a number of cases, stakeholders highlighted that this increased volume of activity was an important factor supporting beneficiaries back into employment. In some cases mirroring of national provision was the most significant

element of added value, EGF provided Member States with the capacity to do more to help those who needed assistance. In a number of cases this also meant that Member States were also able to increase the scope of provision available.

Evaluation Question (iii) *Can good practices be identified? If so, how do they relate to the dimensions of added value?*

A number of interesting and innovative ways in which EGF has been used in Member States have been highlighted in this report. Good Practices identified which relate specifically to added value are detailed below.

Good practice: changing the process of guidance for dismissed workers (scope and volume effects)

A collective agreement for the graphics sector was adopted on 1 April 2012, partly as a consequence of the results obtained for the EGF cases in the sector. The mobility centre "C3", which was established as part of the first round of EGF cases in the Netherlands, is now a permanent facility. The collective agreement specifies that the mobility centre, C3, should be used by a company that is going through restructuring and the obligation to implement the 'From work-to-work' measure. The collective agreement for the graphics sector makes it obligatory that when a company has to restructure or goes bankrupt it must contribute to payments of the outplacement procedures. These outplacement procedures will be carried out by the sectors' outplacement assistance mobility centre, C3.

Building on the first round of EGF cases, the two Dutch cases funded as part of this second round capitalised on initial successes and focused on strengthening guidance to beneficiaries.

The mobility centre, C3, is unique in that it covers the whole of the Netherlands and, therefore, all activities are centrally coordinated whilst making use of local infrastructure to ensure that local economic characteristics are taken into account. A particularly successful aspect of the mobility centre, C3, concerns the use of the job coaches/mobility advisors who have good knowledge of the local labour market and thus could easily identify vacancies and make use of an extensive network of employers. Most importantly, job coaches/mobility advisors had face-to-face contact with the participants which enhanced the latter's motivation and chances of finding new jobs.

Similarly, the C3 website offered an efficient platform of communication. It was set up in such a way that the job seeker could orientate him/herself according to key questions, such as 'In which direction do I want to go?', and receive information about a corresponding occupation as well as the number of vacancies for that occupation in the local area. This ensured that the content of the C3 website was in close alignment with the current offer on the labour market.

Furthermore, the approach of C3 differs substantially from the more traditional outplacement approach which focuses more on the emotional side and allows a job-seeker a 'grief period' after dismissal. By contrast, C3 focused on moving forward whilst keeping a human aspect via the face-to-face approach.

Good practice: developing delivery partnerships (process effect)

An inclusive partnership approach was fundamental to the successful design and

implementation of many of the EGF cases, as job seekers (especially, hard-to-place beneficiaries) face complex issues and multiple barriers to employment that a single organisation is unable to tackle alone.

In the **DK Odense case**, project partners identified the broad partnership between the municipalities, the Region of Southern Denmark and the labour market partner as a particularly valuable aspect of the project, not least in terms of future employment activities. Accordingly, project partners continued to work together in the second EGF case (the gradual closure of the Odense Steel Shipyard was split into two applications). Another success factor was the joint secretariat which provided a hub for the jobcentres and other partners and thus made interactions between project partners more efficient and effective.

In the case **ES Comunidad Valenciana – Piedra natural**, the implementation structure put in place to implement the EGF assistance had its origin in the Territorial Cooperation Pact; therefore, while it was not new, the intense cooperation that took place during the project helped to deepen the cooperation between key actors responsible for the economic development of localities.

The **DK LM Glasfiber** case allowed project partners (three municipalities and their respective local job centres and educational institutions) to work towards a common objective (the re-employment of 401 redundant workers of LM Glasfiber), rather than being driven by their respective organisations' objectives. Indeed, outside the project partner organisations, they all have slightly different objectives which may have hindered the realisation of collective outcomes in the absence of the EGF. For example, the overarching objective of the jobcentres is to get people into work as soon as possible which may not be compatible with the objective of upskilling and/or reskilling workers. In fact, participation in education and training courses may actually prolong the period of unemployment, albeit temporarily. The cooperation between, and direct involvement of, the three local jobcentres in the project was identified by various project partners as being crucial in terms of identifying and reaching affected unemployed workers.

Innovative practices which have been rolled out nationally (role effect)

- In the 3 Irish construction cases (IE Specialised construction activities, IE Construction of buildings, IE Architectural and engineering activities) Vocational Educational Colleges were able to pilot a Career Guidance Module prior to other EGF measures, the experience of delivering EGF support proved that the module worked well for interacting with demotivated individuals. Due to increased conditionality in the benefit system in Ireland there is greater demand for such practical short courses. Delivering this course in the context of the EGF support led to an increased understanding of its value; it has since been rolled out nationally
- In the four Dutch EGF cases (NL Zuid Holland en Utrecht, NL Noord Holland en Flevoland, NL Overijssel, NL Noord Brabant), the set-up of a sectoral mobility centre serving redundant workers in the graphic media sector (nationally) was made possible as a result of previous EGF funding. Following its initial success, the mobility centre continued its activities well beyond the EGF funding period and is now fully funded by the A&O Graphic Media Sector Funds. The established mobility centre serves as an example for other national mobility centres and its services are being taken up in other sectors (most notably, the creative sector).
- Lessons and experiences from the 4 Danish EGF projects (DK LM Glasfiber, DK Odense, DK Midtjylland Machinery, DK Nordjylland) have influenced the

measures provided as part of the national 'warning pool' (almindelige/supplerende varslingspulje) for major redundancies with a view to establishing better conditions for collaboration and cooperation between the job centres/municipalities as well as their other partners, such as educational institutions.

6 Recommendations

This report provides overall recommendations concerning the EGF, based on the results of all three evaluations (Mid-term and both phases of the Ex-post evaluation).

Recommendations are formulated in relation to the evaluation findings in the key evaluation questions.

6.1 Evaluation Question (i) *How and to what extent has the EGF support had an impact on individual participants?* Evaluation Question (ii) *How and to what extent have the EGF cases generated broader impacts in the areas in which they took place?*

Recommendation 1: Maintain the EGF (addressed to the European Commission)

EGF is an important intervention in delivering the assistance to dismissed workers and has achieved a range of hard and soft outcomes. On average across the cases evaluated, around a half of participants found a new job. A range of soft outcomes in terms of increased employability, labour market readiness, as well as psychological benefits to participants and their wider communities and solidarity were identified. EGF cases also delivered a number of learning effects for the organisations assisting the dismissed workers (some of which are influencing the mainstream provision). Hence, the instrument should be maintained and the EU should continue to provide the EGF resource to the Member States and their partners to support redundant workers. It is appropriate for the European Commission to maintain such an instrument outside of the European Structural and Investment Funds to provide solidarity with dismissed workers and support the PES across Europe. EGF is especially important in the contexts where other funding mechanisms are not available. EGF provides greater flexibility than ESF as it is not pre-programmed and can fund interventions which ESF cannot supply.

Recommendation 2: Improve the monitoring and evaluation of the impacts of EGF support on individual participants (addressed to the European Commission and the national authorities)

The information available to assess the impacts on individual EGF participants, especially in the medium to longer term, was not available in all 73 cases evaluated. However, this information is crucial in measuring the success and sustainability of the impacts. Therefore, arrangements for monitoring and evaluation of EGF should be improved:

- a) A budget for monitoring and evaluation should be introduced in order to be able to assess the longer term impact on EGF beneficiaries. This is particularly important as immediately after the end of funding a number of participants are still completing (or have recently completed) training and are not yet in a position to have sought work, thus potentially skewing labour market outcome information. Where possible this should include financial allocations in order to conduct a counterfactual impact evaluation and a beneficiary follow-up surveys.
- b) The EGF application form and the template for the Final Report on the execution of a contribution from the EGF should clearly recall the obligation for the EGF coordinator and the Member State to provide data on employment outcomes of beneficiaries twelve months after the

implementation of the measures. The template for the Final Report on the execution of a contribution from the EGF should give an indication of the level of detail required for each section, in particular for the section on 'Main outcomes'.

- c) It would also be beneficial for evaluation purposes for more detailed information on the measures accessed by individual participants to be recorded and clearly communicated to allow, for instance for a clearer cost-benefit assessment of different measures.
- d) The approval of final case reports and the final case closure should be coupled with the provision of complete beneficiary outcome information (at an aggregate level).

6.2 Evaluation Question (iii) *What are the factors that help or hinder the impacts that have been observed?*

Recommendation 3: Reflect the range of factors affecting the impacts in the planning and delivery of the EGF assistance (addressed to the European Commission and the national authorities)

The evaluation found that a range of supply, demand and policy mix factors influenced the impacts observed in the EGF cases. A number of these (e.g. stimulating the local labour market demand) are outside the control of the organisations delivering the EGF assistance. However, the case planning and delivery stage should reflect any particularities in the target group and tailor the measures accordingly. For example, the presence of lower-qualified and older workers was found to have a negative effect on the re-employment rates. In cases where such beneficiaries form a high proportion of the dismissed workers, the case application and delivery should consider the inclusion of measures targeted to such specific groups of workers.

It is, therefore, recommended that Member States undertake effective consultation with dismissed workers and/or appropriate representatives. The role of the European Commission would be to encourage the national authorities to consider such aspects.

Recommendation 4: Further streamline the application process (addressed to the European Commission)

Across the cases evaluated, interviews with EGF case stakeholders revealed some criticism on what they perceived to be delays in the application approval affecting the implementation and success of the EGF case. The impact of this was analysed by looking at the relationship between the approval period and the budget implementation rate and the beneficiary reach rate. This showed that there is no clear trend in terms of reaching beneficiaries or implementing the measures (although significant variation does exist) across the 73 cases although anecdotal evidence suggests there is some impact. Hence, the application process could be further streamlined (addressed to both the European Commission and the national authorities):

- a) New measures in the approval process in the 2014-2020 period should help to further expedite the approval process. At the national level, however, the process of assistance to dismissed workers should be further encouraged to start without waiting for the approval. This means that, where possible, the national, regional and local authorities should be encouraged by the European Commission provide up-front funds to the case delivery partners to start the assistance. This could take various forms, for instance, pre-financing payment (similar to the ESF architecture), guarantees to cover the start-up costs or in-kind staff support.

- b) In cases where the implementation of the assistance cannot begin without the final approval decision, an alternative would be to consider counting the EGF intervention period from the date an application is approved. This would enable cases to exploit the full funding period of 24 months. However, this would have to be considered with caution as the aim should not be to delay unnecessarily the start of the delivery of assistance.
- c) Article 2B cases dealing with dismissals from a large number of SMEs face particular challenges in the delivery of the assistance. This is due to the beneficiaries being geographically dispersed and coming from many companies. The additional challenges need to be acknowledged already in the planning and application stage and additional resources planned for the management and delivery of such multiple company cases.

Recommendation 5: Provide greater flexibility during the delivery period (addressed to the European Commission)

The flexibility of the delivery of the EGF was welcomed in general by the stakeholders and was found to play a significant role in ensuring the EGF assistance is able to respond to rapidly changing local economic contexts. This flexibility could be further enhanced through:

- a) The European Commission should provide greater flexibility for Member States to provide additional measures as new opportunities / demand arises during the delivery period beyond the measures described in the application form.
- b) The reference period required to count redundancies for the EGF application is perceived as a straightjacket affecting the aim of the solidarity and the success of EGF assistance. This could be reviewed to allow flexibility in form of an addendum to the application form where it can be demonstrated that the redundancies are due to the same reasons and are linked to the redundancies presented in the application. This would have the effect of increasing the number of eligible persons but not the overall level of EGF resource available.

Recommendation 6: Improve communication on cases at national and sub-national level (addressed to National Contact Persons and regional delivery partners)

The evaluation found that the interaction between the National Contact Person and regional or local case delivery partners is critical to the successful implementation of the EGF assistance, especially in the cases covering more than one region. This interaction should be strengthened and communication and support arrangements and information flows (internal divisions, tasks and responsibilities) made explicit and agreed on by all partners concerned (for example, admin support, establishment of a hotline, taskforce membership). The European Commission should consider ways to involve local and regional delivery partners to participate in the exchanges of experiences at the European level.

6.3 Evaluation Question (iv) *How do the impacts achieved compare with those achieved by (a) individuals who did not receive the EGF support (comparators/control group); (b) similar redeployment projects at national/regional level?*

A number of good practices were identified in relation to EGF cases which achieved higher reemployment rates than comparators. As part of the process of peer reviews (see Recommendation 8) these could be discussed. Additionally the implementation of more comprehensive evaluation plans (Recommendation 2) would provide more reliable data upon which to base such judgements.

6.4 Evaluation Question (v) *How and to what extent have the EGF cases been cost-effective?*

A number of good practices were identified in relation to maximising the use of EGF resources. These good practices should be shared on a more systematic basis through peer reviews (see Recommendation 8).

6.5 Evaluation Question (i) *How and to what extent has the EGF generated community added value?*

A number of good practices were identified in relation to the added value of the EGF, especially in terms of using the additional resources provided by EGF, developing new ways of assisting the dismissed workers and building organisational capacity and learning on how to deal with large-scale dismissal situations. These good practices should be shared on a more systematic basis through peer reviews (see Recommendation 8).

6.6 Evaluation Question (ii) *To what extent did the EGF expenditure replace expenditure that the Member State was obliged to incur in any case?*

Recommendation 7: Member States should highlight the additionality of EGF cases and links to other funds more clearly

Activities eligible for funding through EGF provide the breadth of activity necessary to address issues being faced by redundant workers. The freedom for Member States to design measures which are appropriate to dismissed workers and their local labour markets is an important principle. In some cases by far the most significant aspect of added value of EGF has been that it provides additional resource to Member States to deliver existing mainstream measures to dismissed workers that would not otherwise have been available. However, where EGF is demonstrably found to have been most value is in cases where measures have been provided which are personalised to the target dismissed workers and they are complementary to mainstream provision.

Member States must therefore continue to develop appropriate engagement with workers and their representatives to consult them on the design and implementation of new measures. Additionally, working with providers of mainstream provision they should consider the most appropriate ways for EGF to add value and avoid displacement effects.

In addition, the aspect of supporting self-employment could be further strengthened. In particular, a key issue for start-ups is their access to finance, which many EGF beneficiaries cannot take-up during the relatively short implementation period. In this respect, links to other available public and private start-up funds should be made to facilitate entry to self-employment post-EGF.

6.7 Evaluation Question (iii) *Can good practices be identified? If so, how do they relate to the dimensions of added value?*

Recommendation 8: Organise the exchanges of good practices and implementation experiences (addressed to the European Commission and Member States)

A number of good practices have been identified across the cases evaluated, pointing to a large body of experience in the delivery of EGF assistance to the dismissed workers. Therefore, **more regular 'peer reviews' or cross-national exchanges could take place to exchange the good practices and experiences of implementation of EGF (including partnering new**

EGF cases with previous EGF case). As part of the regular National Contact Persons meetings, regular review of EGF and other similar interventions in Member States should be undertaken in order that Member States may “peer review” the design and delivery of cases in other Member States. This does not need to happen upon the completion of provision, but rather could also take place prior to, and during, delivery. Such peer reviews could also be widened to include on a systematic basis a wider community of stakeholders involved in assisting the re-employment processes. The learning from previous EGF cases should also be captured in a more formal way, for example, through toolkits or publications.

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**Ex-post evaluation of the
European Globalisation Adjustment Fund
(EGF)
Final Report**

**Annex 1
Methodology of statistical analysis**

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Table of Contents

A1.	Econometric analysis - technical annex	4
A1.1.	Objectives	4
A1.2.	The explanatory variables and data sources	4
A1.3.	Methodology	8
A1.4.	Findings	10

Econometric analysis - technical annex

This technical annex outlines the method around the quantitative analysis of the supply, demand and policy data underpinning each of the EGF cases. It outlines the methodological approach, potential caveats and emerging findings.

A1.1. Objectives

The objective of the regression analysis is to indicate the relative importance of the factors, and understand the impact of these on the re-employment rates observed across the 25 EGF cases (which ranges from 24% to 83%). The regression analysis allows us to observe how re-employment varies with changes in each factor, controlling for other determinants that may obscure the analysis.

A1.2. The explanatory variables and data sources

This section describes the explanatory variables, data sources and the anticipated relationship to the re-employment rate (positive or negative). Data issues affecting the analysis are also discussed.

A1.2.1. Supply Factors

The supply factors are the attributes of the EGF beneficiaries who form the labour supply. The following factors will be captured to explore the various attributes of the redundant workers aided by the EGF funding:

Table A1.1: Supply Variables

Variable	Description	Data Source	Expected Relationship
Workforce < 25 years	The proportion of the EGF beneficiaries less than 25 years of age	EGF Final Reports	-
Workforce > 55 years	The proportion of the EGF beneficiaries over 55 years of age	EGF Final Reports	-
Low Education	The proportion of the EGF beneficiaries with education of ISCED 2 and below	EGF Final Reports	-
High Education	The proportion of the EGF beneficiaries with tertiary education (ISCED 5 and above)	EGF Final Reports	+
Gender	The proportion of the EGF beneficiaries who are female	EGF Final Reports	Ambiguous

NOTE: There are 37 'NUTS 2 cases' in total. This exceeds the 25 EGF cases due to consideration of each NUTS 2 region separately. For nine of the 25 cases, more than one NUTS 2 region applied.

Such worker characteristics have been analysed in previous evaluations and are also consistent with similar studies. For example, the European Foundation for the Improvement of Living and Working Conditions' (Eurofound) study in 2012, which used European Restructuring Monitor (ERM) data to analyse the consequences of restructuring for individual employees. Specifically, this study looked at the displacement rates by various individual and job characteristics in the EU, including sex, age, highest level of education attained and professional status. The study also looked at additional characteristics such as tenure with last/ current employer, foreign background, minority status, health conditions and family factors (such as if children

are in their household or if they are a lone parent). Assessment of such factors for this analysis was not possible due to data limitations around information collection at a case level.

Another important factor to note is around the age brackets captured. 25 – 55 years is a large age category and ideally these could be broken down further into smaller age classes to allow better insight (as has been done in Eurofound’s study). However, this is not possible as such a breakdown was not collected at a case level and thus is not available for this analysis.

A1.2.2. Demand Factors

There are various demand factors that account for regional differences in the growth and structure of the labour markets where the 25 cases were implemented. These are outlined in the table below:

Table A1.2: Demand variables

Variable	Description	Data Source	Expected Relationship
GDP Growth	Gross Domestic Product (GDP) at current market prices, by NUTS 2 regions (measured by change in € per inhabitant), (%)	Eurostat	+
Employment Rate	Employment rates (total, working age population, NUTS 2), (%)	Eurostat	+
Unemployment Rate	Unemployment rate (total, working age population, NUTS 2), (%)	Eurostat	-
Long-term Unemployment	Long-term unemployment by NUTS 2 region (% of unemployment), Long-term unemployment is defined as unemployment lasting longer than 1 year ¹ .	Eurostat	-
Level of urbanisation	Proportion of households in densely populated area	Eurostat	+

It would be expected that **GDP growth** is associated with higher re-employment rates. A general economic hypothesis is that low output growth is associated with weak labour demand. Some studies have used this relationship as an empirical explanation of the persistently poor unemployment performance of several European countries and regions². However, some studies suggest ambiguity in this relationship, particularly in light of the interplay of various labour market institutions³. A 2011 study by Mohl and Hagen⁴ assessed the impact of Structural Funds on regional employment rates, and found that "... the increase in private and public capital

¹

<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsdsc330>

² Solow, R. 2000. 'Unemployment in the United States and in Europe: a contrast and reasons'. *The European Unemployment Problem*. 46: 1-12.

³ Lee, J. 2000. 'The robustness of Okun's law: evidence from OECD countries'. *Journal of Macroeconomics*. 22: 331-356.

⁴ Mohl, P. & Hagen, T. 2011. 'Do EU Structural Funds Promote Regional Employment? Evidence from Dynamic Panel Data Models'. *European Central Bank Working Paper Series: No 1403/December 2011*.

endowments via the funding injection raises the marginal product of labour, output level and thus, *ceteris paribus*, labour demand”.

There is noted correlation and substitutability between GDP growth and employment growth. Because of the potential for multicollinearity⁵ between these two variables, employment growth has not been included in this analysis. The explanatory power of these two variables was tested as part of the first phase evaluation and the results from this indicate GDP growth is a better estimator.

Other variants measuring the structural stability of the labour market (i.e. employment and unemployment statistics) would be expected to be significant in explaining differences in the re-employment rates. It would be expected that **unemployment** and **long-term unemployment** would have a negative relationship with the EGF re-employment rates. Unemployment is a good measure of labour demand, however long term unemployment would be expected to be a good measure of structural mismatches between supply and demand in a region. As such, both will be tested separately (similarly being aware of the likely multicollinearity between the two variables).

Conversely, the **employment rate** should have a positive relationship. Similar to above, some multicollinearity between these will be expected and therefore the variants will be tested and included separately to ensure no such issues exist. Ideally, it would be best to match individuals and their skills to the appropriate job vacancies to calculate the vacancy-to-unemployment ratio⁶. This would be more meaningful in explaining variations in the re-employment rates, depending on how tight the labour market is in that sector. Unfortunately, it was not possible to calculate such a ratio, due to sporadic Eurostat, job vacancy data. This omission should be recognised as a caveat.

Level of urbanisation is considered to be a good proxy for the number of job opportunities available to redundant workers. For example, if the region is rural, it would be expected that there would be fewer jobs available and thus lower the likelihood of re-employment.

Sectoral employment growth was considered as a variable of interest, and was used in the previous analysis undertaken for the ex-post evaluation – first phase. However, the importance of sector employment growth depends on whether workers continue to seek employment in the same sector. The insights provided in this interim report show that sectoral movement of redundant workers is high and there exists a possible tendency to move away from their sector of previous employment. As a result of this anecdotal evidence and results from the previous analysis showing this was not a significant variable, this has been omitted from this analysis.

A1.2.3. Policy variables

Below are the policy variables estimates used as part of this analysis:

⁵ Multicollinearity is a statistical term to describe where two variables move in almost perfect unison (either positively or negatively). This can result in numerically unstable estimates in regression coefficients, and should therefore be avoided in a statistical analysis.

⁶ Petrongolo, B. 2001. 'Re-employment Probabilities and Returns to Matching'. *Journal of Labour Economics*. 19(3): 716-741.

Table A1.3. Policy variables

Variable	Description	Data Source	Expected Relationship
LMP Expenditure	Public expenditure on labour market policies, by type of action (categories 1-9, % of GDP).	Eurostat	+
Expenditure on Education	Expenditure on education (national data only, % of GDP)	Eurostat	+
EGF Training	The proportion of the EGF budget spent on training or re-training (ALMP Category 2).	EGF Final Reports	+

NOTE: It is important to note that the first two indicators are at a national – no regional labour market policy statistics are available.

These policy variables attempt to capture the strength and influence on the re-employment rate of the labour market framework and institutions, as well as the EGF policy-mix (by looking at the measures implemented).

During the first-phase evaluation, alternative policy measures were tested for; including trade union density, collective bargaining and an OECD measure of employment protection. However when tested, none of these variables provided additional explanatory power. As such, they have been left out of the analysis as part of the final phase evaluation.

A1.2.4. Potential Data Omissions

The role of **migration** and **employment across regions** is a consideration that has not been captured due to data availability. Some regions, located close to one another, may have stronger spatial dependence than regions at a greater distance to one another⁷. Mohl and Hagen's (2011)⁸ study used spatial econometric techniques using a weight matrix containing information about the connectivity between regions⁹. Other methods of controlling for use migration statistics. However, a study by Eliason et al (2003)¹⁰ showed that commuting, rather than migration, is generally the mobility mode in response to job openings in surrounding regions. Some studies have in fact found that the regional distribution of unemployment rates is more dependent on spatial elements and geographical location than on national factors, including labour market institutions¹¹.

Case analysis undertaken in this evaluation shows that measures to support mobility (intra-country and abroad) have been one of the least popular measures of EGF assistance and attracted the fewest beneficiaries. Therefore, although recognised as a caveat, the impact of this omission is not expected to be significant.

⁷ Mohl, P. & Hagen, T. 2011. 'Do EU Structural Funds Promote Regional Employment? Evidence from Dynamic Panel Data Models'. *European Central Bank Working Paper Series: No 1403/December 2011*.

⁸ Mohl, P. & Hagen, T. 2011. 'Do EU Structural Funds Promote Regional Employment? Evidence from Dynamic Panel Data Models'. *European Central Bank Working Paper Series: No 1403/December 2011*.

⁹ The weight matrix (W) consisted of the k-nearest neighbours computed from the distance between the centroids of the NUTS region.

¹⁰ Eliasson, K., Lindgren, U. and Westerlund, O. 2003. 'Geographical Labour Mobility: Migration or Commuting?'. *Regional Studies*. 37(8): 827-837.

¹¹ Marelli, E., Patuelli, R. and Signorelli, M. 2012. 'Regional Unemployment in the EU before and after the global crisis'. *Post-Communist Economies*. 24(2): 155-175.

In addition to this, the advantages of being located in an urban area is important when finding re-employment. Therefore, to attempt to capture this, dummy variables will be employed using urban-rural typology available on Eurostat to test for this.

Another omission is around the effectiveness of the implementation and spread of activities in each EGF case. Attempts to capture this have been made using:

- EGF spending per person (deflated by PPS); and
- Measuring the proportion of expenditure on training.

However, the limitations of this approach should be recognised. Implicit to this is the assumption that besides these factors accounted for (spending, training and individual case management), all other areas of implementation are identical. Therefore, this should be recognised as a caveat.

A final omission is the **other characteristics of the beneficiary profile** that could create variation in the re-employment rates (for example, the proportion of those with impairments or special needs). Or, more importantly things like motivation/readiness to work, and level of worker confidence. As such, implicit to this omission is the assumption that beyond those characteristics captured by the analysis, the ability for activities to assist with re-employment is identical across beneficiaries. The inability to capture these factors should be noted as a potential caveat.

A1.3. Methodology

Initial descriptive statistics were run for all explanatory variables, along with an assessment of the correlation coefficients and a visual representation of correlation.

The next step involved running the regression and deciding on what was the most representative (or 'preferred') model. One of the methodologies to implement when having a number of variables is general-to-specific. This methodology aims to simplify an initially general model that adequately characterises the empirical evidence within the theoretical framework¹². This is done via eliminating variables and retesting the model. These variables may turn out to have no impact, or for others, there may be technical problems such as the variables being related¹³ to such an extent that including both in a model gives misleading results.

The result of this process of adding and removing variables is a small number of models which are judged to give answers that are the closest to the true values.

The model was assessed using 2-year average data (referring to the relevant EGF implementation period). The same methodology was adopted for the 2-year average data including the cases from the mid-term evaluation and for the 5-year average data to ensure robustness.

A1.3.1. Data Issues

There are a number of caveats that should be recognised that are a function of the data available:

- Sample size: there are 37 NUTS 2 regions and associated EGF data. This is a very small sample size for a regression analysis, subjecting the coefficients to potential bias. However, the second stage of this statistical analysis (discussed below) will provide a robustness test of the rest.
- Time frame: Selecting the most appropriate time period for the demand variables is paramount. The analysis will initially be conducted using 24-month

¹² Campos, J., Ericson, N.R. & Hendry, D.F. 2005. 'General-to-specific modelling: an overview and selected bibliography'. *Federal Reserve*.

¹³ For example, that they are collinear.

average data to cover the EGF implementation years relevant to each case. However for robustness, the analysis will also test the model using five-year average data to test for the impact of time lags, and assess any potential problems to the stability of the model.

In addition to this, further analysis will be conducted incorporating the case outcomes and labour market analysis from the mid-term and ex-post (first phase) evaluations (totalling to 73 cases across 100 NUTS 2 regions). For this, analysis will be conducted stratifying the cases by time period.

When conducting this second-stage holistic analysis, there are a few potential integration problems:

- The time periods for application and implementation range across all the cases (anywhere from 2007 to 2013). Over this 7-year period a number of significant economic changes occurred (most notably, the onset of the Global Financial Crisis). As such, accounting for this structural change will be important. To determine the most appropriate time period for analysis, a number of different averages will be used and tested. These will include: a 7-year-average from 2007-2013, and 5-year and 2-year averages (specific to each case).
- Changes to the implementation period in June 2009 (increasing to 24 months instead of 12 months) also present an additional structural change to the analysis. The impacts of this will similarly need to be tested and accounted for, potentially through the use of a dummy variable.
- The lack of uniformity of information across all 73 cases is a potential concern, particularly regarding the indicator ‘% of Budget Spent on Training / Re-Training’. Attempts will be made to ensure consistency amongst expenditure allocation, particularly to training / re-training.
- Cross-sectional data (whereby the data attempts to capture one point in time) tends to invoke more bias than, for example, panel data which uses various time points. It is not possible to use panel data for this analysis¹⁴, so the potential for cross-sectional bias should be recognised.

A1.3.2. Assumptions

The following assumptions underpin the analysis:

1. No migration - all re-employment is found within the same NUTS 2 region. This assumption is due to data limitations as EGF cases do not report the location of new employment found by beneficiaries.
2. In an attempt to capture the implementation efficiency and EGF spending per person, the proportion of the budget spent on training and retraining was employed. This results in an implicit assumption that besides from these variables, implementation is identical across the cases.
3. Similarly, as stated in A1.2.5, the elements of the beneficiary profile captured are the factors explaining variances in re-employment. Elements omitted (such as impairment or special needs) are therefore assumed to have no explanatory power in explaining variances.

In instances where a case impacted on more than one NUTS 2 region it has also been implicitly assumed that the impact was equally distributed between the regions.

¹⁴ Although for some cases re-employment rates are available for two points in time (after EGF completion and 12 months later), this is not consistent across all of the 76 cases. Therefore, it cannot be used without determining the sample size.

A1.4. Findings

This section will provide an overview of the emerging findings. The final findings of the regression analysis will be presented in the final report.

Table A1.4 and Table A1.5 below provides the descriptive statistics of the main indicators for the data set relevant to this evaluation (25 EGF cases and 37 NUTS 2 regions) and for the holistic analysis (73 EGF cases and 98 NUTS 2 regions).

Table A1.4. Descriptive statistics – 25 EGF cases

Variable	No. of observations	Mean	St. dev.	Min	Max
Re-employ	37	0.51	0.15	0.15	0.78
GDP growth	37	0.02	0.02	-0.02	0.08
Unemployment rate	37	0.09	0.05	.003	0.23
Long term unemployment	37	0.38	0.12	0.21	0.54
Employment rate	37	0.67	0.07	0.56	0.78
Urbanisation	37	0.42	0.26	0.05	0.91
Region education low	37	0.32	0.16	0.11	0.71
Region education high	37	0.28	0.09	0.12	0.42
% Female	37	0.27	0.24	0.04	0.87
% < 25 years	37	0.05	0.10	0	0.41
% > 55 years	37	0.18	0.13	0	0.44
Low education of beneficiaries	37	0.35	0.31	0	0.90
High education of beneficiaries	37	0.14	0.20	0	0.78
LMP expenditure	37	0.03	0.01	0.01	0.04
% of outputs on training/ retraining	37	0.29	0.15	0.05	0.80
% of outputs on individual case management	37	0.20	0.22	0	0.63

Source: ICF Analysis

Table A1.5. Descriptive statistics – 73 EGF cases

Variable	No. of observations	Mean	St. dev.	Min	Max
Re-employ	98	0.49	0.20	0.01	0.78
GDP growth	98	0.03	0.03	-0.02	0.14
Unemployment rate	98	0.09	0.06	0.03	0.28
Long term unemployment	98	0.38	0.10	0.19	0.54
Employment rate	98	0.66	0.07	0.50	0.78
Urbanisation	98	0.46	0.25	0.06	0.91
Region education low	98	0.31	0.17	0.07	0.71
Region education high	98	0.26	0.08	0.12	0.42
% Female	98	0.40	0.25	0.01	0.87
% < 25 years	98	0.05	0.08	0	0.41
% > 55 years	98	0.15	0.15	0	0.72
Low education of beneficiaries	98	0.34	0.31	0	0.97
High education of beneficiaries	98	0.11	0.15	0	0.78
LMP expenditure	98	0.03	0.01	0	0.04
% of outputs on training/ retraining	98	0.34	0.38	0	1.09
% of outputs on individual case management	98	0.39	0.59	0	0.73

Source: ICF Analysis

Please note, high correlation is expected between the unemployment and employment rate and the potential for multicollinearity in the regression results will be tested for.

A1.4.1. Correlation analysis

A visual assessment of the correlation between the variables of interest (i.e. supply, demand and policy factors) to the re-employment rates are displayed in the figures below.

Figure A1.1 illustrates the supply side factors. As it can be seen, in terms of raw correlation with re-employment rates:

- A general trend can be seen with re-employment and the age profile of beneficiaries (panel b and c). Cases with a higher proportion of beneficiaries less than 25 years has a slight positive correlation with re-employment whereas cases with a higher proportion of workers aged over 55 years has a negative correlation (a clear trend can be seen here);
- A clear trend can be seen with the educational profile of workers (panel d and e), particularly with cases with beneficiaries with a lower educational profile (i.e. a higher proportion of workers with ISCED and below). In this case a strong negative correlation can be found. In comparison a positive correlation can be seen with higher education attainment although this is not as clear and is subject to some outliers;
- The relationship between the proportion of female beneficiaries and re-employment (panel a) has an unclear correlation, although a general upward trend can be seen.

Figure A1.1. Supply factors

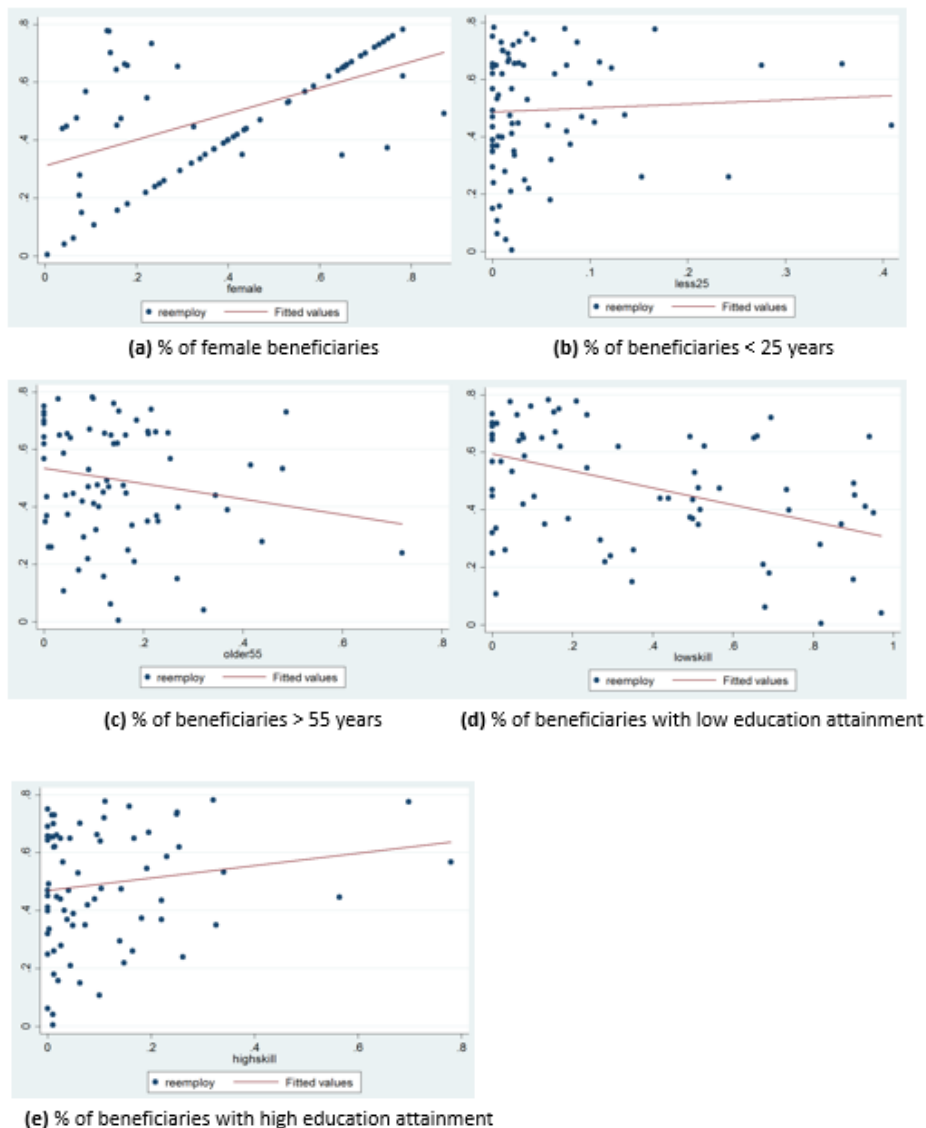
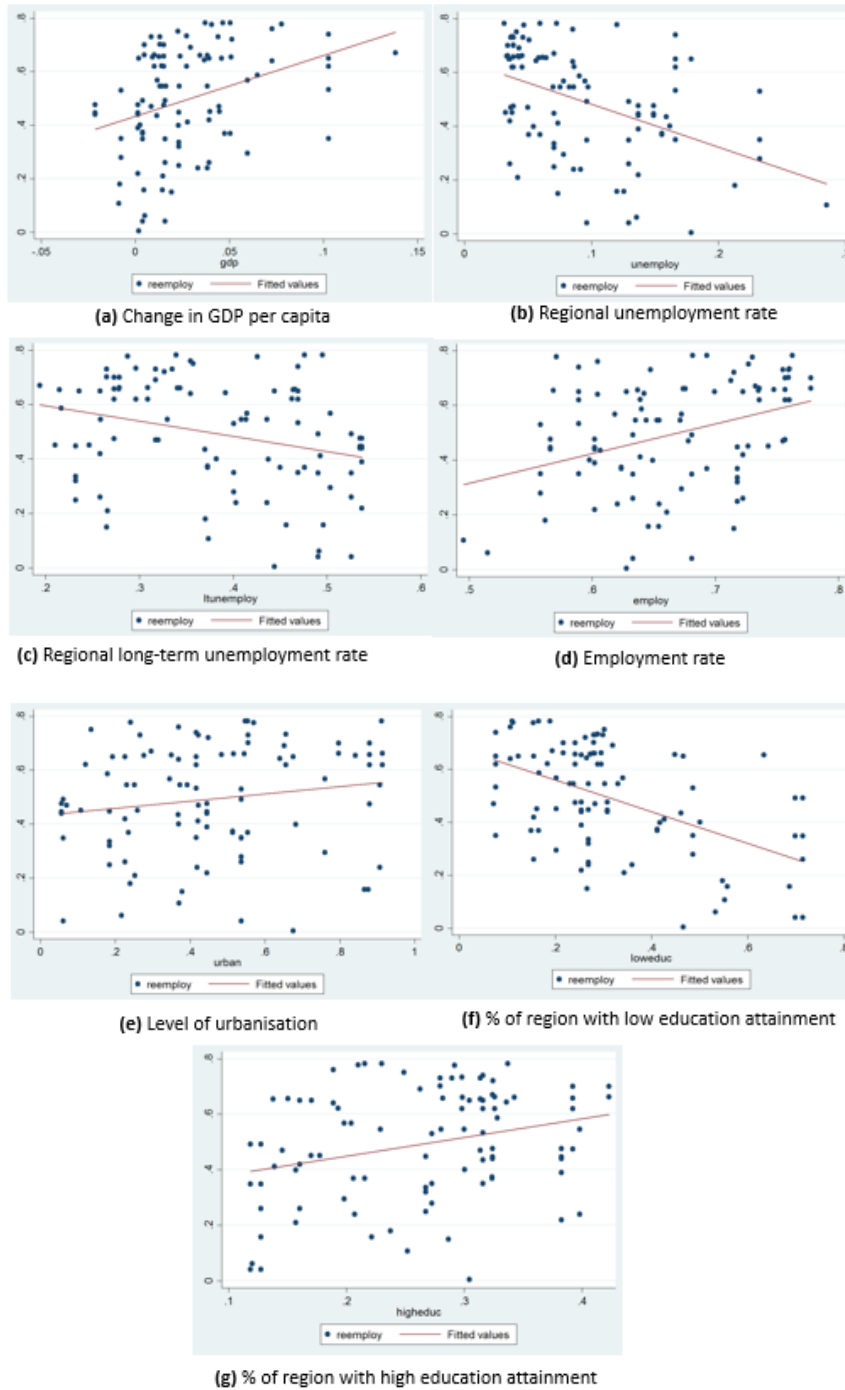


Figure A1.2 illustrates correlation of re-employment rates and the various demand factors. As it can be seen:

- A positive and strong correlation can be seen between re-employment and change in GDP per capita (panel a), in line with expectations;
- A negative and strong correlation can be seen between re-employment and the regional unemployment rate (negative, panel b) as well as with the employment rate (positive, panel d);
- Similarly, a negative correlation can be seen with long-term unemployment (panel c) and a positive correlation although this is less clear;
- No strong correlations can be seen between re-employment and level of urbanisation (panel e), although a slight upward trend is picked up by the line of best fit;
- The educational profile of the region shows an upward correlation for high education attainment in the region and a downward correlation for low education attainment (panel f and g).

Figure A1.2. Demand factors

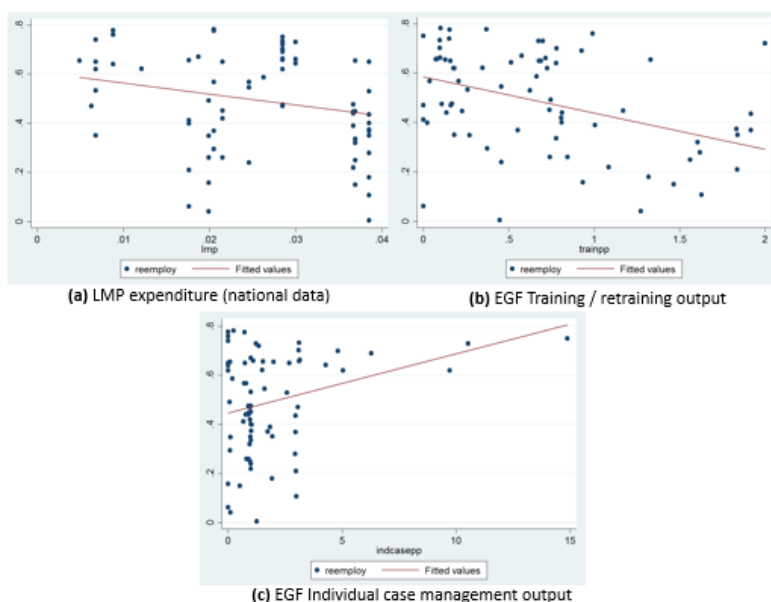


Finally, Figure A1.3 below illustrates the correlation with the policy variables under examination. As it can be seen:

- LMP expenditure appears to have a slight negative correlation, contrary to expectations. However this is most likely subject to bias because of the data being sourced at a national level (due to lack of regional data). This can be seen in the chart (see panel a);

- Little correlation can be seen amongst either panel b or c, capturing different aspects of the EGF measures.

Figure A1.3. Policy factors



A1.4.2. The estimated regression results

This section will now provide an overview of the regression results. Table A1.5 presents the results of the regression analysis for the two models run (for the 25 cases relating to the final phase ex-post evaluation and the holistic model incorporating all 73 cases covered by the final phase, first phase and mid-term evaluations).

It should be reiterated that the purpose of this analysis is an exploratory analysis of the variables to establish the relative importance and direction of association which can then be used to better inform the qualitative assessment. It is also important to restate that these cannot be interpreted as a cause-effect relationship. They are an analysis of the association between the EGF re-employment rates and various supply, demand and policy factors for the cases relevant to the evaluation.

The impact of the small sample bias should also be considered whilst interpreting these results. The sample size affects the power of a study, and its ability to deliver estimates and results that are robust. Therefore, some element of inconclusively will exist and the reported magnitudes should be interpreted with caution.

Firstly, considering the supply side factors (i.e. the beneficiary profile):

- **The educational profile of workers:** These variables were found to be very important in explaining the variation in re-employment rates, in line with expectations and anecdotal evidence.

The proportion of beneficiaries with low education attainment was found to have a negative coefficient in both models, however was found to be significant at the 10% level in the final phase evaluation model. The suggested magnitude suggests the impact is minimal, with a 10% increase in this proportion being associated with a re-employment rate 1.7% lower.

The proportion of beneficiaries with high education attainment was found to have a positive coefficient in both models and to be significant at the 5% level in the holistic model. The magnitude suggests a marginally larger impact than that for the low education (with a 10% increase in the proportion of highly qualified workers being associated with a re-employment rate 2.4% higher).

- **The age profile of workers:** the proportion of workers less than 25 years was found to be one of the most significant factors in explaining the re-employment rates. This is in line with findings of the previous study (ex-post evaluation – first phase). This variable was significant at the 5% level with a magnitude of 2.5%-3.8% i.e. a 10% increase in the proportion of younger workers is associated with a change in re-employment rate of the scale 2.5% to 3.8%). This implies that a younger beneficiary profile (aged 25 years or less) is associated with higher re-employment rates, even in light of the youth unemployment issue seen across Europe. This is most likely explained by the mobility of younger workers – across geography, occupations and sectors. They would be more open to re-training and therefore increase their chances of re-employment.

The impact of older workers (aged 55 years or over) was found to have a negative relationship with re-employment rates although was not found to have little explanatory power in either model. A negative relationship is very much in line with qualitative findings, whereby the share of older workers was highlighted as a particular challenge in some EGF cases. This was found anecdotally in NL Noord Holland en Flevoland where the average of the target group was 50 years or older which meant tailoring the EGF activities for this type of group. Additionally, it was found in DE Arnsberg and Düsseldorf Automotive that the older workers required much more intensive support to find work. It is much more difficult for older workers to find re-employment due to challenges they face such as age discrimination and lack of motivation to retrain in a different sector or occupation.

- **The proportion of female beneficiaries:** this variable has a positive coefficient, and thus positive relationship with re-employment rates and is consistently significant. It was hypothesised this relationship would be ambiguous and not particularly significant. The positive and significant relationship may be as a result of the small sample and some particular cases with outliers (i.e. high proportions of female workers and high re-employment). This does appear to be the case, with the average re-employment rates across all 73 cases being 49% and for those cases with more than 50% female beneficiaries, the average re-employment rate is 64% (almost 15% higher).

Secondly considering the demand side factors:

- **The change in regional GDP per capita:** the change in regional GDP per capita was found to be statistically significant and positive in one model (with a large magnitude). However in the holistic model, it appeared to be unstable (as can be seen by negative coefficient, very much contradicting expectations). This indicates some interplaying factors. It was removed from the final model due to this instability however it is important to note that the overall explanatory power of the model decreased with its exclusion, indicating it is in some way important.

Overall, as a result of this, it is difficult to interpret the magnitude or significance of this variable with any certainty or confidence.

- **The unemployment, long-term unemployment and employment rate:** It is important to note that the unemployment and employment rate had to be tested in isolation of one another due to multicollinearity.

The statistical analysis revealed unemployment had the most significant relationship with the EGF case re-employment rates, with a relatively high magnitude (a 10% increase in unemployment associated with a 7.2% decline in the EGF re-employment rate). This shows unemployment is a very good indicator of the employment prospects of a region.

Long-term unemployment (as a proportion of unemployment) was not found to be particularly explanatory.

The employment rate was substituted for the unemployment rate to test for its significance. In these cases, it was positive and significant at the 10% level however reduced the overall explanatory power of the model. As a result, the unemployment rate was chosen.

- The level of urbanisation: this was found to be statistically significant and positive in the holistic model (with a magnitude of 0.10, that is a 10% increase in urbanisation is associated with a 1% increase in EGF re-employment). This supports anecdotal evidence that urbanisation reflects more job opportunities exist in more urban centres.
- The educational profile of a region was found to offer some explanatory power in both models (with varying magnitudes). This could be a reflection of the skill profile of a region (reflecting the 'employability' of the general population) or could be a proxy for some other policy factors that contribute to the educational make-up of a region (i.e. education expenditure or education facilities).

In terms of the policy variables:

- The policy variables that were captured statistically were not particularly explanatory to the model. The impact of the EGF policy mix (i.e. the proportion of outputs allocated to individual case management and training/ retraining measures) were found to be positive although not particularly explanatory (although notably, individual case management was significant in the holistic model at the 15% level). This is most likely because the support provided by EGF is difficult to quantify and isolate in practice. In reality, the measures are tailored to the need of the workers which cannot be captured by a variable. As such, anecdotal evidence and the survey evidence are best used to inform the evaluation regarding these factors.
- The LMP expenditure variable was a biased indicator, with significant instability noted (very large coefficients with disruptive impacts on the rest of the model). This was most likely because the indicator was sourced from national data (due to regional data being unavailable).

Table A1.5. Results of econometric testing: comparison of 25 cases with all 73 cases

Re-employment:	EGF 25 cases (n=37)		EGF 73 cases (n=98)	
	(1)	(2)	(1)	(2)
Change in regional GDP per capita	4.17**** (1.23)	2.68*** (1.26)	-0.02 (0.66)	-
Regional unemployment rate	-0.86* (0.59)	-0.59 (0.48)	-0.74*** (0.32)	-0.73**** (0.26)
Regional long term unemployment	-	-	-0.12 (0.17)	-
Regional employment rate	Omitted	Omitted	Omitted	Omitted
Regional level of urbanisation	-0.197** (0.104)	-	0.07 (0.06)	0.10** (0.05)
Region education low	Omitted	Omitted	-0.23** (0.14)	-0.34**** (0.09)
Region education high	0.57* (0.36)	0.48* (0.34)	0.22 (0.24)	-
% Female	0.21** (0.11)	0.20** (0.11)	0.39**** (0.06)	0.38**** (0.05)
% < 25 years	0.16 (0.29)	0.25* (0.20)	0.38*** (0.18)	0.38*** (0.16)

Ex-post evaluation of the European Globalisation Adjustment Fund: Final Report
Annex 1: Methodology of statistical analysis

% > 55 years	0.07 (0.176)	-	-0.02 (0.10)	-
Low education of beneficiaries	-0.09 (0.08)	-0.17** (0.08)	-0.05 (0.05)	-
High education of beneficiaries	0.11 (0.12)	-	0.23*** (0.11)	0.24*** (0.09)
LMP expenditure	Omitted	-	Omitted	-
% of outputs on training/ retraining	-0.329 (0.26)	-	-	-
% of outputs on individual case management	0.561 (0.137)***	-	0.01* (0.00)	0.11* (0.03)
Time dummy	-	-	-0.03**** (0.03)	-0.05* (0.05)
Obs	38	38	98	98
R2	0.6806	0.4488	0.6595	0.6476
Adj R2	0.5400	0.3386	0.6068	0.6159
Prob > F	0.0005	0.0042	0.0000	0.0000

****significant at 1% level, ***significant at 5% level, **significant at 10% level *significant at 20% level

Tests were conducted on all models to ensure compliance with Gauss-Markov's assumptions (including Ramsey Reset test, Breusch-Pagan test for heteroskedasticity, White's test for heteroskedasticity and variance inflation factor test)



**Ex-post evaluation of the
European Globalisation Adjustment Fund
(EGF)
Final Report**

**Annex 2
Collection of Good Practice Examples**

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August 2015



Table of Contents

1	Ex-post evaluation (first phase)	1
2	Ex-post evaluation (final phase).....	8

1 Ex-post evaluation (first phase)

Box 1 Lessons learnt: low implementation rates

In the two Belgian cases (BE Oost-West Vlaanderen and BE Limburg) two key reasons were identified for a low budget implementation rate. Firstly, because of the long period between the date of application (May 2009) and the date of approval (September 2009, with first participant entering the project on 10 October 2009) some of the dismissed workers originally targeted could not be reached any more (because they had already found work without support, had moved or had become discouraged as a result of long periods of unemployment and were difficult to motivate to participate). The reason for not starting the project early (from the application date) was the insecurity felt about whether funding would be granted and hence difficulty in precise planning of the assistance, particularly since this was the first time EGF funding was requested in Belgium. The second reason identified by stakeholders was that EGF rules did not allow for the inclusion of additional workers made redundant outside the reference period. Dismissals took place in phases in several companies in the region and those dismissed during the first phase could be part of the EGF funding (since these companies were part of the list submitted for the EGF and within the nine month reference period) whereas those dismissed during subsequent phases and from different companies could not be included. These workers were employed in companies which the partners had no knowledge of at the time of submitting the application.

In three of the Dutch cases (NL Limburg; NL Drenthe; NL Gelderland and Overijssel) the Public Employment Service (PES) had provided initial support for the dismissed workers, prior to the approval of the EGF application. It was planned that EGF resources would primarily be used to fund follow-up actions after this initial mainstream PES assistance. As a result, the resources required were over-estimated in the Dutch cases for two main reasons. Firstly, it was difficult to predict how many affected workers would not get employment (relatively quickly) after outplacement, and secondly, it was difficult to predict which measures would be appropriate for these beneficiaries. In this context it is also worth bearing in mind that this was the first experience of the EGF in the Netherlands.

Box 2 Lessons learnt: low beneficiary reach rates

In the DK Linak and DK Danfoss cases, the number of workers assisted was much smaller than anticipated for two reasons. One related to changes amongst the planned beneficiaries – as some never resigned, others had found a new job before EGF support arrived and others did not participate as they were on sick leave, had withdrawn from the labour market or moved (and could not be contacted). Secondly, the eventual implementation period was only approximately nine months (from the approval of application at the European level). Across the board, stakeholders expressed that the inception phase had some major challenges in that the partners were not used to work closely together and therefore needed to be rather innovative and establish an effective coordination mechanism. This delayed the implementation process resulting in lower reach rates.

In the ES Cataluña case, the exact number of dismissed workers and their likely requirements were not well understood at the time of application. This affected the implementation in that the actual assistance had to be re-planned, resulting in a lower than anticipated number of beneficiaries. Furthermore, when the EGF assistance started the beneficiaries had been looking for a job for 18 months and it was difficult to reach them, so the number of workers supported was modest.

Box 3 Good practice: tailoring support to individual participants

Understanding and fulfilling the requirements of dismissed workers is arguably the most important issue determining the success of the EGF in facilitating re-employment. The importance of this task is reflected in the high concentration of good practices identified in this area, including:

Establishing strong lines of communication with workers in order to determine their priorities and expectations:

- In the PT Qimonda case, a comprehensive strategy for communicating with dismissed workers was put in place, emphasising (and formalising) the involvement of workers' representatives.
- In the SE Volvo case, the focus on communication was demonstrated through the creation of an office at Volvo Cars in order to form ties with the target group.
- In the IE SR Technics case, learning assessment seminars were used to bring together workers who had recently been made unemployed. These events allowed providers to ascertain the capabilities and learning needs of the participants, as well as facilitating the exchange of information between workers themselves.

Implementing measures to meet the personal and professional needs of dismissed workers:

In the FR Renault case, two different types of training were available to dismissed workers, depending on their level of personal and professional experience. There was some flexibility for participants in terms of the duration of the activities and the number of times they chose to attend. The provision of flexible and individualised training activities was also important (tailored to individual needs – including long duration training and the opportunity to attend several training courses).

In the ES Galicia case, many targeted workers lacked basic educational qualifications. As a result, they received training leading to a Level 2 Professional Certificate.

Taking steps to fulfil the workers' additional personal needs:

In both the BE Limburg and the BE Oost-West Vlaanderen cases, specific training was provided to the dismissed workers to increase their self-confidence and to build up skills in order to find a new job.

In the ES Galicia case, support was tailored to the needs of female candidates in order to challenge the obstacles to their re-integration into the labour market. Such barriers included the need to care for children and/or dependents, as well as a lack of encouragement from their relatives. This target group were given financial support whilst training, which allowed them to balance their commitments more easily.

In the DK Danfoss case, individual screening, coaching and personal guidance was offered to the target group.

Box 4 Good practice: designing training around the skills needs of particular companies

- In the DE Danfoss case, apprenticeships and internships were based on the skills demanded in the host businesses.
- In the ES Cataluña case, one of the measures planned as part of the EGF-funded project was the organisation of a training session responding to the specific needs of an enterprise, in exchange for a formal agreement from the employer to hire beneficiaries once they successfully completed their training. Only few beneficiaries could participate (due to the difficulty in identifying employers who would commit to hire workers), but this measure was rated very positively by participants.
- In ES Castilla la Mancha case, positive value was gained from prospective analysis and awareness raising activities with companies: the prospective analysis served two purposes, the identification of potential vacancies and raising awareness amongst the companies. This has facilitated the identification of a number of job opportunities that matched the profile of the assisted workers. It also allowed the provision of professional mediation services to support the individual on the job.

Box 5 Good practice: maximising the cost-effectiveness of EGF resources

Some good practices were identified which supported the maximisation of the cost-effectiveness of the EGF resources.

Having a strong plan early on in the process (at the application stage):

- In the LT Snaige case, the EGF application prepared reflected the previous EGF case implementation experience in the locality (LT Alytaus Tekstile case) which informed careful planning of the type and nature of the measures. Whilst this is a rather unique situation, there is value in carefully selecting and planning the measures at the application stage, which should reflect strongly the needs of the beneficiaries, local and regional labour markets, local knowledge of employers and trade unions and expertise of the PES.

A particularly effective use of human resources:

- In the ES Cataluña case, dismissed workers received mentoring and peer support from previous EGF participants who had successfully re-integrated into the labour market. They were thus able to share experiences and enhance the support provided.

An emphasis on the use of local resources:

- In the ES Castilla La Mancha case, materials and assistance required for the implementation of the EGF measures were sourced in the locality, thus ensuring that the financial resources spent also benefited the local economy.

Good publicity was an additional strength to maximise resource use through ensuring optimum take-up:

- In the ES Valencia case, the EGF training resources were promoted through a variety of regional media channels, including websites, radio and newspapers (such as Periódico Mediterráneo and Las Provincias) to increase their visibility. This was particularly important and effective in targeting beneficiaries who had been unemployed for a while before EGF support arrived.

Box 6 Employment rates by number of measures per participant

Data on employment rates by the number of measures beneficiaries participated in is shown in the table below for LT Snaige case. Only 49 participants were provided with a single measure, whereas the majority of participants were provided with at least two measures, and around half took part in at least three measures. Participation in a higher number of measures (which inevitably entail a higher cost) was associated with an increasing rate of re-employment. So, the higher levels of investment associated with implementing a larger number of measures per participant showed a return in terms of increasing re-employment rates.

Table 1. *LT Snaige - participation of individual measures and employment outcomes*

Table 2. Actions	Table 3. Number of participants	Table 4. Number of employed amongst the participants (end of EGF, July 2011)	Table 5. Employment rate (end of EGF, July 2011)
Single measure only	49	12	24%
Job search assistance + at least 1 measure	429	143	33%
Job search assistance + at least 2 measures	242	115	47%
Job search assistance + at least 3 measures	104	58	55%
Job search assistance + at least 4 measures	25	19	76%
Job search assistance + 5 measures	4	4	100%

Source: EGF beneficiary data file provided by Alytus Labour Exchange.

Box 7 Good practice: disseminating effective delivery

EGF expenditure in the NL Heijmans boosted mainstream measures through allowing measures to be delivered over a longer period and increasing the intensity of assistance provided. Furthermore, stakeholders noted that without the EGF support the following would not have been possible:

- The one-on-one tailored made approach;
- Informing related stakeholders about their approach;
- Support overall from the company would have been much lower;
- The separate approach towards a proportion of the 55+ group.

The case's success resulted in extensive media coverage, and since completion of EGF assistance the mobility centre management team are frequently asked for advice and information on their mobility centre's approach by other companies in the sector which were faced with similar problems; the Heijmans' mobility centre is

often cited as a good example in different networks.

All lessons learned and good practices have been disseminated to the social partners and the way in which this project has been implemented is also seen by the social partners as the way forward.

Box 8 Good practice: developing delivery partnerships

Partnerships are an important element of the EGF measures, as they make it less likely that services will be duplicated and resources will be wasted.

Collaboration with public employment services

The EGF's close ties with the PES were often identified as a good practice:

- In the Lithuanian cases (LT Construction, LT Furniture, LT Wearing Apparel), the EGF helped to develop strong ties between local and national PES. This was achieved through defining clear rules, duties and processes, as well as using quarterly monitoring reports and designated EGF personnel at the national PES office.
- In the CZ Unilever case, there was good cooperation with the labour office in Melnik throughout the period of the delivery of measures.
- In the DE Karmann case, strong information-sharing was established between the PES and the company responsible for transferring job candidates.
- In the PT Qimonda case, the local, regional and national PES collaborated to develop and implement measures for dismissed workers.

Collaboration with industry

Many EGF cases aimed to incorporate labour market priorities/gaps into the measures that they offered. As part of this, good practices in common across the cases were related to the tools used to establish strong lines of communication with industry:

- In the DE Karmann case, financial resources were devoted to high-quality vacancy acquisition, meaning that counsellors and core team members could form close ties with local employers to find out about new vacancies and skill requirements. This approach has been mainstreamed for other EGF cases in the country and in a subsequent case 10% of such employer contacts were found to lead to a positive placement outcome for beneficiaries.
- In the ES Castilla La Mancha case, an analysis was used to highlight new vacancies and make companies more aware of the EGF assistance.
- In BE Oost Oost-West Vlaanderen case, EGF gave an impulse to make new contacts during a disadvantageous economic time and in this specific case links were made with the social enterprises.

In some cases, specific partnership mechanisms were used to bring together employers and employees:

- In all of the Austrian cases, the model of Labour Foundations was employed: typically, these are formed in association with social partners (in the sector or region) in order to respond to mass redundancies and a shortage of certain skills. Jobseekers can participate in order to receive re-orientation support and funded training. The Foundations represent an important mechanism which feeds into the priorities of industry partners and the type of training on offer.
- In the case of ES Valencia, a voluntary agreement was established between

workers' representative bodies (MCA-UGT PV, FECOMA-CC.OO. PV) and employers (ASCER) in order to set out the expectations of both sides with regards to the extent and type of employment, as well as the organisational capacities of potential employers.

Information exchange and strong relationships between different stakeholders

In some cases, good practice was linked to increased general collaboration between employment stakeholders.

- A good practice in the Lithuanian cases related to the degree of information sharing enforced by law. It is a statutory requirement for employers to inform the Lithuanian Labour Exchange (and by extension the PES) about mass lay-offs. These services are in turn obliged to update the national EGF contact about large-scale redundancies. This guarantees that all stakeholders, including the EGF, have the most recent and relevant information about labour market developments. On the basis of such knowledge, it is possible to widen the reach of EGF funding.
- In both the DE Danfoss and DE Linak cases, it was generally considered that EGF measures had benefited from an environment of greater collaboration between employment stakeholders in the municipalities, including a network of employment partners which encompassed Job Centres, unemployment agencies, educational institutions and businesses.
- In SE Volvo case, there was effective organisation and coordination of the project. The project partners met with the coordinating group of a previous EGF project (Nokia) from which they received many useful tips. Although it was a relatively big project, the participants maintained a personal and non-bureaucratic relationship and worked to solve issues together without clear delimitations of responsibilities.

Box 9 Good practice: delivering early intervention

Across the cases, the importance of early intervention when targeting the recipients of EGF measures was ensured as follows:

- In the CZ Unilever case, workers were targeted before they were made redundant as part of the outplacement programme. EGF assistance was generally well received and seen as a relevant measure to assist affected workers before they were dismissed. The assistance provider was highly regarded for the professionalism of the services provided.
- In the PT Qimonda case, the emphasis on early intervention and assessment was reflected in the use of a 'Rapid Personalised Intervention Unit'.
- In IE SR Technics case, it was widely considered to be good practice to reach out to the affected workers at an early stage and dedicate time to explore and assess individual needs and their ability to learn or apply themselves to new roles. The two-day Learning Assessment Seminars supported the development of individual pathways to re-employment at an early stage. This is considered to have led to more relevant and effective support activities being pursued by the individuals concerned. The Seminars, and the information fairs, were also seen as providing a critical step in allowing the dismissed workers to network; interact with one another and make informed decisions about the options for support available to them.
- In SE Volvo case, setting up an office at Volvo Cars in order to get in contact

and meet with the target group was considered very important in reaching out. Having one person in charge of counselling and guiding project participants was also beneficial because it did not dilute the learning effect for the PES.

Box 10 Good practice: changing the process for dealing with dismissed workers

A collective agreement for the graphics sector was adopted on 1 April 2012 partly as a consequence of the labour market outcomes achieved for dismissed workers in this case¹. The mobility centre "C3" that was established is now a permanent facility. The collective agreement specifies that the mobility centre C3 should be used by a company that is going through restructuring and the obligation to implement the 'From work to work' measure². In the case of bankruptcy of a company, the mobility centre could previously be used without financial contribution from the closing firm. In other cases, employers are obliged to pay a contribution for the guidance and training provided within the assistance measure 'from work to work'.

Work to work transition periods and outplacement was not used systematically in this sector before the crisis and the collective agreement that was applicable at the time had not included this aspect as obligatory before.

One of the lessons learned was that it is better from an economic perspective to keep workers in the work to work transition assistance because they maintain an income, which they spend on local goods and services. This reduces some of the economic impact on the regional economy. The newly concluded collective agreement for the graphics sector makes it obligatory that when a company has to restructure or goes bankrupt it must contribute to payments of the outplacement procedures. These outplacement procedures will be carried out by the sectors' outplacement assistance mobility centre C3 which has already been implementing the measures under the EGF.

- Because of the high level of success achieved, a number of companies and social partners from other sectors have asked for information on the grafimedia sector's working method. For example, the creative sector made use of the experience and method implemented by the EGF grafimedia cases.

¹ <http://www.grafimediacao.nl/PaginaPanel.aspx?artikelstructuur&soort=1&id=612>

² <http://www.grafimediacao.nl/PaginaPanel.aspx?artikelstructuur&soort=1&id=613>

2 Ex-post evaluation (final phase)

Good Practices identified which relate to added value are detailed below.

Good practice: changing the process of guidance for dismissed workers (scope and volume effects)

A collective agreement for the graphics sector was adopted on 1 April 2012, partly as a consequence of the results obtained for the EGF cases in the sector. The mobility centre "C3", which was established as part of the first round of EGF cases in the Netherlands, is now a permanent facility. The collective agreement specifies that the mobility centre, C3, should be used by a company that is going through restructuring and the obligation to implement the 'From work-to-work' measure. The collective agreement for the graphics sector makes it obligatory that when a company has to restructure or goes bankrupt it must contribute to payments of the outplacement procedures. These outplacement procedures will be carried out by the sectors' outplacement assistance mobility centre, C3.

Building on the first round of EGF cases, the two Dutch cases funded as part of this second round capitalised on initial successes and focused on strengthening guidance to beneficiaries.

The mobility centre, C3, is unique in that it covers the whole of the Netherlands and, therefore, all activities are centrally coordinated whilst making use of local infrastructure to ensure that local economic characteristics are taken into account. A particularly successful aspect of the mobility centre, C3, concerns the use of the job coaches/mobility advisors who have good knowledge of the local labour market and thus could easily identify vacancies and make use of an extensive network of employers. Most importantly, job coaches/mobility advisors had face-to-face contact with the participants which enhanced the latter's motivation and chances of finding new jobs.

Similarly, the C3 website offered an efficient platform of communication. It was set up in such a way that the job seeker could orientate him/herself according to key questions, such as 'In which direction do I want to go?', and receive information about a corresponding occupation as well as the number of vacancies for that occupation in the local area. This ensured that the content of the C3 website was in close alignment with the current offer on the labour market.

Furthermore, the approach of C3 differs substantially from the more traditional outplacement approach which focuses more on the emotional side and allows a job-seeker a 'grief period' after dismissal. By contrast, C3 focused on moving forward whilst keeping a human aspect via the face-to-face approach.

Good practice: developing delivery partnerships (process effect)

An inclusive partnership approach was fundamental to the successful design and implementation of many of the EGF cases, as job seekers (especially, hard-to-place beneficiaries) face complex issues and multiple barriers to employment that a single organisation is unable to tackle alone.

In the **DK Odense case**, project partners identified the broad partnership between the municipalities, the Region of Southern Denmark and the labour market partner as a particularly valuable aspect of the project, not least in terms of future employment activities. Accordingly, project partners continued to work together in the second EGF case (the gradual closure of the Odense Steel Shipyard was split into two applications). Another success factor was the joint secretariat which provided a hub for the jobcentres and other partners and thus made interactions

between project partners more efficient and effective.

In the case **ES Comunidad Valenciana – Piedra natural**, the implementation structure put in place to implement the EGF assistance had its origin in the Territorial Cooperation Pact; therefore, while it was not new, the intense cooperation that took place during the project helped to deepen the cooperation between key actors responsible for the economic development of localities.

The **DK LM Glasfiber** case allowed project partners (three municipalities and their respective local job centres and educational institutions) to work towards a common objective (the re-employment of 401 redundant workers of LM Glasfiber), rather than being driven by their respective organisations' objectives. Indeed, outside the project partner organisations, they all have slightly different objectives which may have hindered the realisation of collective outcomes in the absence of the EGF. For example, the overarching objective of the jobcentres is to get people into work as soon as possible which may not be compatible with the objective of upskilling and/or reskilling workers. In fact, participation in education and training courses may actually prolong the period of unemployment, albeit temporarily. The cooperation between, and direct involvement of, the three local jobcentres in the project was identified by various project partners as being crucial in terms of identifying and reaching affected unemployed workers.

Innovative practices which have been rolled out nationally (role effect)

- In the 3 Irish construction cases (IE Specialised construction activities, IE Construction of buildings, IE Architectural and engineering activities) Vocational Educational Colleges were able to pilot a Career Guidance Module prior to other EGF measures, the experience of delivering EGF support proved that the module worked well for interacting with demotivated individuals. Due to increased conditionality in the benefit system in Ireland there is greater demand for such practical short courses. Delivering this course in the context of the EGF support led to an increased understanding of its value; it has since been rolled out nationally
- In the four Dutch EGF cases (NL Zuid Holland en Utrecht, NL Noord Holland en Flevoland, NL Overijssel, NL Noord Brabant), the set-up of a sectoral mobility centre serving redundant workers in the graphic media sector (nationally) was made possible as a result of previous EGF funding. Following its initial success, the mobility centre continued its activities well beyond the EGF funding period and is now fully funded by the A&O Graphic Media Sector Funds (see Box 10). The established mobility centre serves as an example for other national mobility centres and its services are being taken up in other sectors (most notably, the creative sector).
- Lessons and experiences from the 4 Danish EGF projects (DK LM Glasfiber, DK Odense, DK Midtjylland Machinery, DK Nordjylland) have influenced the measures provided as part of the national 'warning pool' (almindelige/supplerende varslingspulje) for major redundancies with a view to establishing better conditions for collaboration and cooperation between the job centres/municipalities as well as their other partners, such as educational institutions.