



24th meeting of the Contact Persons of the European Globalisation Adjustment Fund (EGF)

Brussels

28 November 2019



European
Commission

Tervetuloa

Siate u ben
vinutu

Välkommen

Merhba

Esiet sveicinati

Tere tulemast

Sveiki

Hos geldiniz

Mišto avilan

Bienvenidos

Ongi etorriak

Witajcie

Esiet sveicinati

Fáilte

Bun venit

Benvenuto

Bienvenue

Добре дошли

Willkommen

Welkom

Benvinguts

Croeso

Dobrodošla

Bem-vindo

Vítejte

Velkommen

Üdvözöljük

Wëllkomm

Benvidos

Welcome

Vitajte

Fáilte



1. Introduction and adoption of the agenda

Ms Fabienne Levy
Head of Unit,

DG EMPL - EGF and Shared Management

2. Update on EGF since the last Contact Persons Meeting

- 1) Final reports
- 2) Recoveries
- 3) Closures
- 4) Application received
- 5) Application planned (tour de table)

2. Update on EGF since the last CPM

2.1 Final reports

➤ 5 final reports received: 2016 & 2017 cases

No	Case Number	MS	Case Title	Final Report deadline	EGF Contribution Granted
1.	EGF/2016/004	ES	Comunidad Valenciana Automotive	20/03/2019	856.800
2.	EGF/2016/008	FI	Nokia Network Systems	22/05/2019	2.641.800
3.	EGF/2017/001	ES	Castilla y León mining of coal	15/08/2019	1.002.264
4.	EGF/2017/002	FI	Microsoft 2	1/08/2019	3.520.080
5.	EGF/2017/004	IT	Almaviva	9/11/2019	3.347.370
Total EGF amount paid					11.368.314

2. Update on EGF since the last CPM

2.2 Recoveries

- 7 debit notes sent – 2014, 2016 and 2017 cases

No	Case number	MS	Case title	ESF granted	Recovered	Recovery rate %
1.	EGF/2014/004	ES	VALENCIANA METAL	1.019.184,00	31.890,83	3,13%
2.	EGF/2014/014	DE	ALEO SLAR	1.094.760,00	22.661,39	2,07%
3.	EGF/2014/015	GR	ATTICA PUBLISHING	3.746.700,00	21.739,99	0,58%
4.	EGF/2016/003	EE	PETROLEUM AND CHEMICALS	1.131.358,00	309.834,16	27,39%
5.	EGF/2016/004	ES	COMUNIDAD VALENCIANA AUTOMOTIVE	856.800,00	683.638,51	79,79%
6.	EGF/2016/005	NL	DRENTHE OVERIJSEL RETAIL	1.818.750,00	964.878,60	53,05%
7.	EGF/2017/002	FI	MICROSOFT 2	3.520.080,00	582.919,31	16,56%
	TOTAL			13.187.632,00	2.617.562,79	19,85%

2. Update on EGF since the last CPM

2.3 Closures

- 6 cases wound up – 2014, 2015 and 2016 cases

No	Case number	MS	Case title
1.	EGF/2014/007	IE	Andersen Ireland
2.	EGF/2014/014	DE	Aleo Solar
3.	EGF/2014/015	EL	Attica Publishing Services
4.	EGF/2014/017	FR	Mory-Ducros
5.	EGF/2015/002	DE	Adam Opel
6.	EGF/2016/008	FI	Nokia Network Systems

2. Update on EGF since the last CPM

2.4 Applications received

- EGF/2019/001 BE/Carrefour – received on 26/06/2019



EGF/2019/001 BE/Carrefour

COM proposal – 4 October – COM (2019) 442 final

EGF WG - 9 October – COM presenting its proposal, Q and A

EMPL COM – 5 November – vote on the opinion/letter

BUDG COM – 6 November - Rapporteur : Fernandes José Manuel (PPE)

COMBUD (Council) – 14 October – COM presents, Q and A

COMBUD – second meeting – 29 October – goes to COREPER for mandate

COREPER – 6 November – mandate given for trilogue

Trilogue – 7 November - no agreement reached

EP Plenary – 14 November – vote – 558/63/43

COMBUD – 28 November

2. Update on EGF since the last CPM

2.5 Applications planned

Tour de table:

Dear participants, it is your turn.

Please indicate which applications are in preparation or in consideration by you.

Thomas Cook – Commission comments



3. SFC2014 developments and Member States feedbacks

- Employment Status Report (to be sent 12 months after submission of final report)
 - Copies data on employment status of beneficiaries from the latest Final Report with status "Sent" in SFC2014
 - Data from Final Report appears in the first 2 columns of the Employment status report
 - Cannot be modified during the drafting of the Employment status report.
 - If a revised Final Report is submitted, then:
 - - the Employment Status Report created before such revision should be deleted
 - - a new Employment Status Report needs to be created.



European Commission

SHARED FUND MANAGEMENT COMMON SYSTEM

Period 2014-2020 (SFC2014)



European Commission » SFC » SFC2014-FO » Employment status (EGF)

Strategic planning Application (EGF) Programming Monitoring Commission decision Execution Final report (EGF) Audit **Employment status (EGF)** Evaluation Closure Anti-fraud Utilities

Search - 1.0 x

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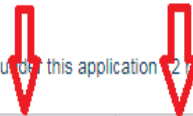
- Filter
- General
 - Version information
 - Officials in charge
 - History
 - Documents
 - Observations
- Employment status
 - 2 Beneficiaries of actions
 - 2.1 Employment status of workers**
 - 2.2 Other information (workers)

EMPLOYMENT STATUS

2 Beneficiaries of actions implemented

2.1 Employment status of workers who actually benefited from assistance under this application 12 months after the submission of the Final Report

Data from latest Final Report with status "SENT" in SFC2014.



		NUMBER OF WORKERS ASSISTED (AT THE END OF IMPLEMENTATION PERIOD)	NUMBER OF WOMEN WORKERS ASSISTED (AT THE END OF IMPLEMENTATION PERIOD)	NUMBER OF WORKERS (12 MONTHS AFTER THE SUBMISSION OF THE FINAL REPORT)	% OF TOTAL	NUMBER OF WOMEN WORKERS (12 MONTHS AFTER THE SUBMISSION OF THE FINAL REPORT)	% WOMEN
Employment status 12 months after the submission of the Final Report	Employed				%		%
	Of which employees				%		%
	Of which self-employed				%		%
	Unemployed				%		
	Inactive				%		
	Of which inactive				%		
	Of which in education or training				%		
	Other (unknown/special circumstances)				%		%

Total of assisted workers at the end of implementation

Total of assisted workers 12 months after the submission of the Final Report



SFC2014 developments and Member States feedbacks

- "future SFC" – in preparation

4. Ex-post evaluation

- Art. 20(1) b) of EGF Regulation
- Started in 2019
 - *Call for tender – deadline 15 October 2019*
 - *Award & sign the contract – by end December*
- Kick-off meeting – mid-January
- Preparation of the public consultation - mid-March

- Contractor study – by end 2020
- Commission staff working document – by 31/12/2021



Simplified cost options (SCOs)

Basic concepts and experiences from the ESF

**Discussion on how/if to apply SCOs
within the (future) EGF**

Presentation by Michael Grosse EC, DG EMPL/F1.



Simplified Cost Options – concepts and experiences from the ESF

Michael Grosse

DG EMPL, Unit F1 – ESF and FEAD Policy and Legislation

Brussels 28 Nov. 2019

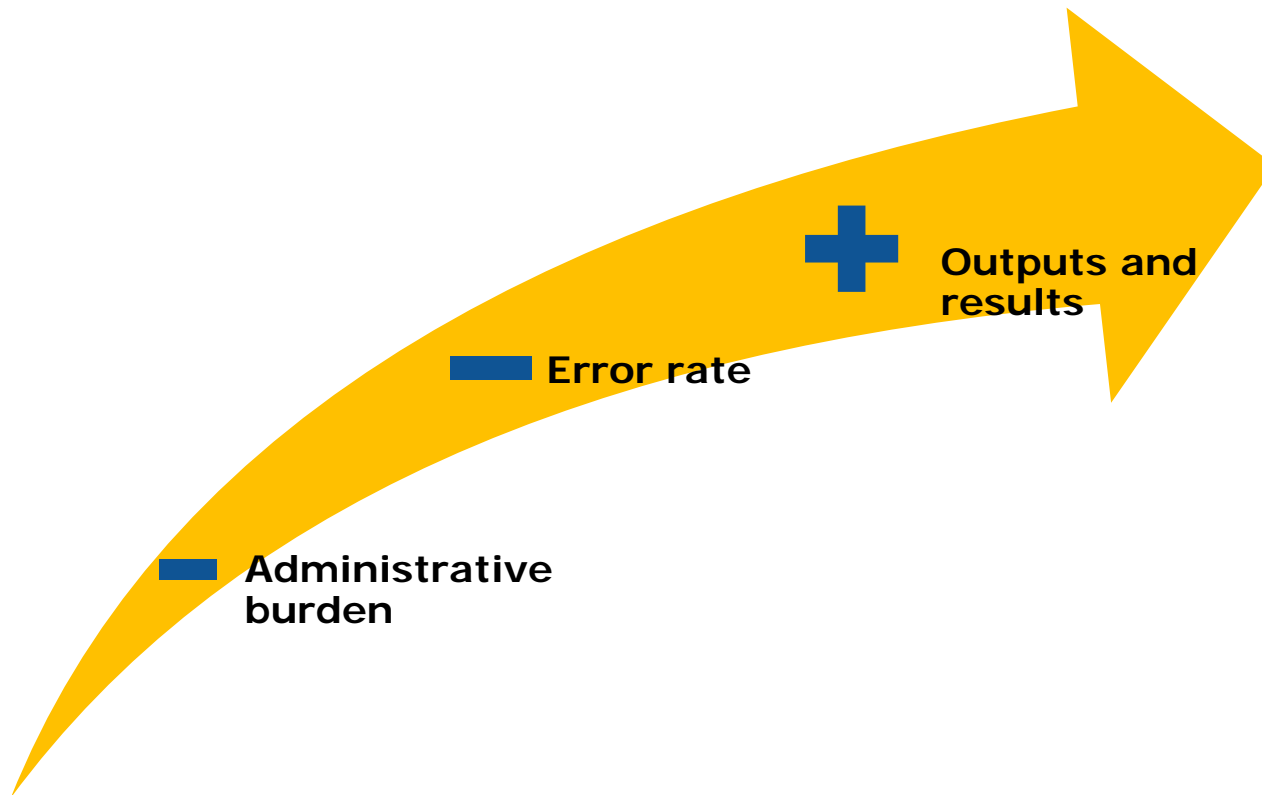
Simplified cost options are...

- *...an innovative way of reimbursing grants and repayable assistance under the ESI Funds*
- *Instead of reimbursing 'real costs', they allow reimbursing expenditure according to predefined methods based on process, outputs or results*
- *Flat rate financing, standard scales of unit costs, and lump sums*

When to use SCOs

- *If you want to focus on results and outputs*
 - *Real costs are difficult to demonstrate or verify*
 - *Reliable data on financial and quantitative implementation is available*
 - *Risk that documents are not properly kept*
 - *Standardised operations*
 - *SCO methodology already exist*
- And if the operation is not fully procured*

Why should you use SCOs?





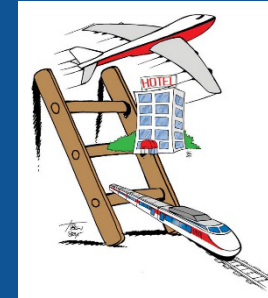


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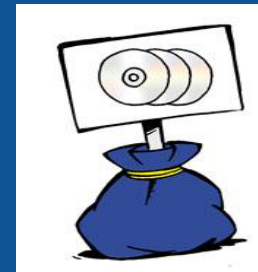
Simplified Cost Options

**Standard scales of
unit costs**

Art.67 (b) CPR



Lump sums
Art.67(c) CPR



Flat rate financing
Art. 67(d) CPR



**Financing not linked
to costs**

to be defined in a DA

Art. 67(e) CPR



Advantages of Flat Rates

- *Reduce admin burden*
- *Reduce error rate*

But..

- *Need to keep records for certain categories of costs*
- *Need to strictly define your direct and indirect costs*
- *No focus on outputs or results*

Advantages of Lump Sums

- *Can cover all the costs of an operation*
- *Minimum of records to be kept (methodology and proof of output)*
- *Error rate reduced*
- *Focus on outputs/results*
- *Suited to operation with irregular or single output*

But..

- *You have to design the methodology*

Advantages of Unit Costs

- *Can cover all the costs of an operation*
- *Minimum of records to be kept (methodology and proof of output)*
- *Error rate reduced*
- *Focus on outputs/results*
- *Suited to operation with repetitive and regular outputs*

But..

- *You have to design the methodology*

Types of Standard Scale of Unit Costs

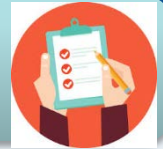
- ❑ **Process = participant training hour**
 - ❑ Participant record
 - ❑ Timesheets
 - ❑ Risk for inflation of training hours
 - ❑ Less dynamic for participant
- ❑ **Output = training module or diploma**
 - ❑ Participant record
 - ❑ Proof of obtaining module/diploma
- ❑ **Result = Gaining a job after completion of training**
 - ❑ Proof of employment (and completion of training)

Calculation methods



Ex-ante evaluation

Fair, Equitable and Verifiable method



Use of existing EU schemes

(for similar type of operation and beneficiary)



Use of existing own national schemes

(for similar type of operation and beneficiary)



Use of specific rates and methods from the CPR and Fund specific regulations



On the basis of a Draft budget
<100.000 EUR of public support





Ex ante evaluation

Fair, Equitable and Verifiable method

- **Statistical data, other objective information or an expert judgement**
- **The verified historical data of individual beneficiaries**
- **The application of the usual cost accounting practices of individual beneficiaries**

Categories of costs

Direct costs:

Costs which are directly related to an individual activity of the entity, where the link with this individual activity can be demonstrated

➤ ***direct staff costs***

Costs deriving from an agreement between employer and employee or service contract for external staff

➤ ***other direct costs***

Indirect costs

Costs which are not or cannot be connected directly to an individual activity of the entity.

Typical administrative/staff expenditure like:

- *management costs*
- *recruitment expenses*
- *costs for the accountant, cleaner...*
- *telephone, water or electricity expenses...*

Audit & control

- *Audit approach should be aligned with simplification objectives*
- **Management verifications when SCOs are used:** The managing authority has to verify that conditions for reimbursement of expenditure are met (no need to verify expenditure) – Art. 125(4)(a) CPR)
- **No audit of actual costs or underlying financial documents!**

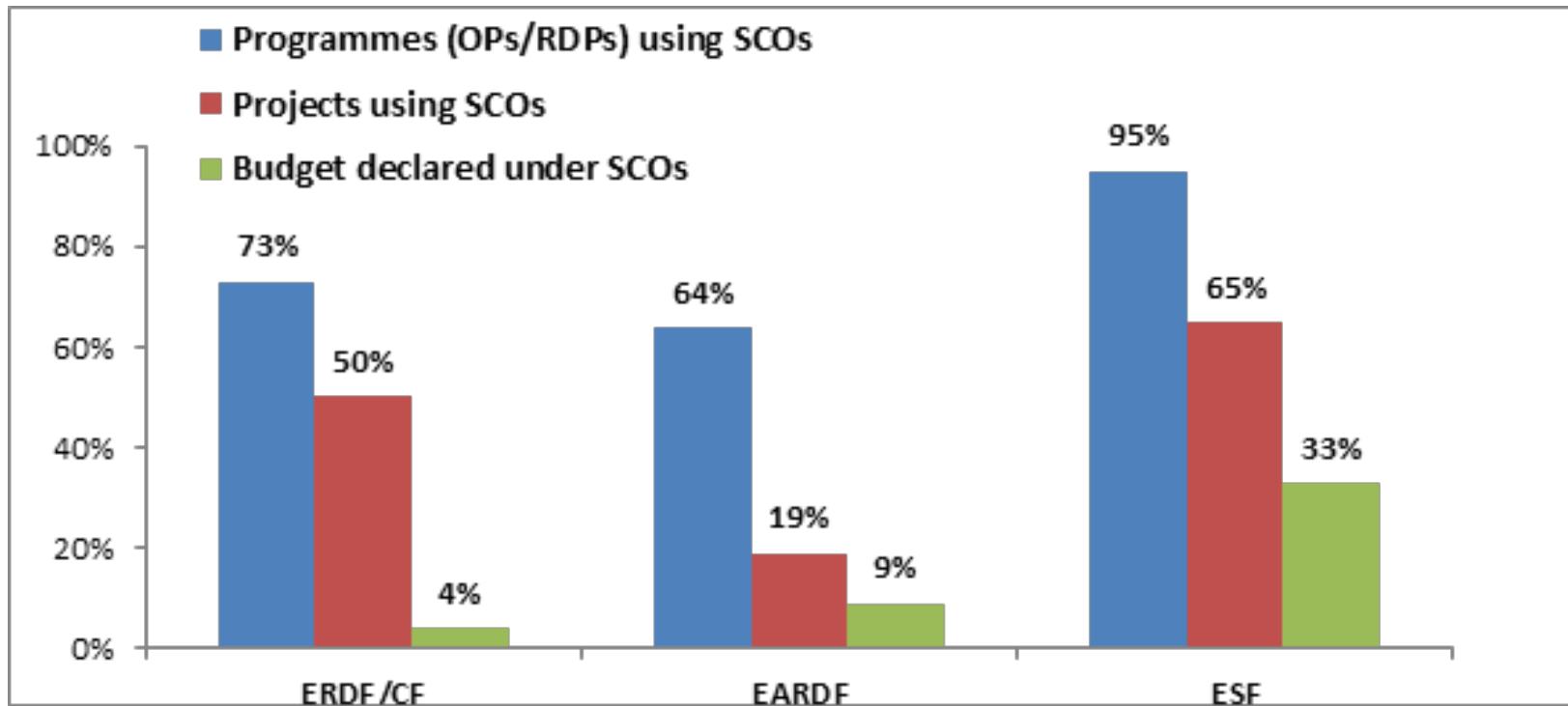
Audit trail

Methodology: MA/IB to maintain full records on the methodology and the basis for setting SCOs

Operations: beneficiary to maintain an adequate audit trail and supporting documents:

- **Direct costs:** if flat rate for indirect costs are applied
- **Outputs/results (payment trigger):** if lump sums or standard scales of unit costs are applied
- **Participants:** eligibility

Estimated use of SCOs - ESI Funds



Source: Study by t33 & SWECO, 2018

SCOs in the ESF

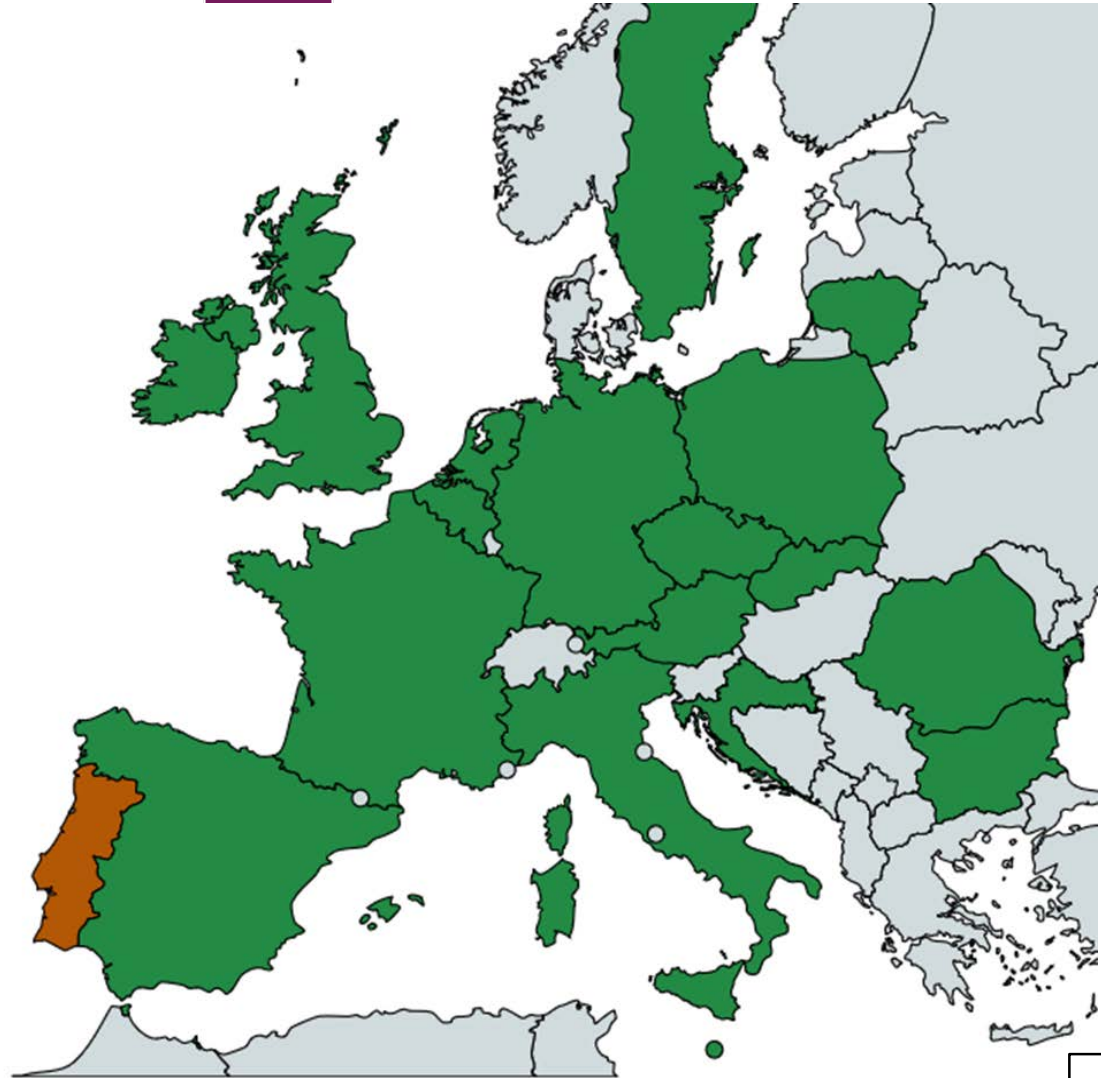
Empowerment under Article 14(1) ESF:

The Commission may define unit costs and lump sums in a delegated act.

- *Proposed by an individual Member State based on its own data*
- *Proposed by the Commission for several Member States, based on Eurostat data etc.*
 - **EU-level SCOs**

Article 14.1 ESF

- *Delegated Regulation 2015/2195*
- *amended 8x*
- *20 Member States*
- *EU-level SCOs - 4 areas*
- *11 bn. EUR*





EU-level SCO (I)

Education

- *Unit costs covering price/participant/year for different levels of education*
- *Based on Eurostat data (2015)*
- *Payment linked to proving enrolment at 2-3 stages during the year*
- *Payment made for student who later drops out remains eligible*
- *MS free to reimburse beneficiaries in another way*

EU-level SCO (II)

A. Training for unemployed people

B. Counselling services

C. Training for employed people

- *Regional index*
- *No cherry-picking*
- *Comprehensive study by PPMi consultants*

For more information on SCOs

- Guidance Note on Simplified Cost Options – EGESIF_14-0017 (revision ongoing)

ESF page: <http://www.ec.europa.eu/esf/sco>

Contact: EMPL-SCO-JAP@ec.europa.eu

11:00 – 11:30





Shifts in the employment structure, 2002-2017, at the regional level in nine EU Member States

Presentation by John Hurley, EUROFUND

European Jobs Monitor

Regional shifts in the employment structure

John Hurley (Eurofound)

DG EMP EGF 28/11/19

Presentation

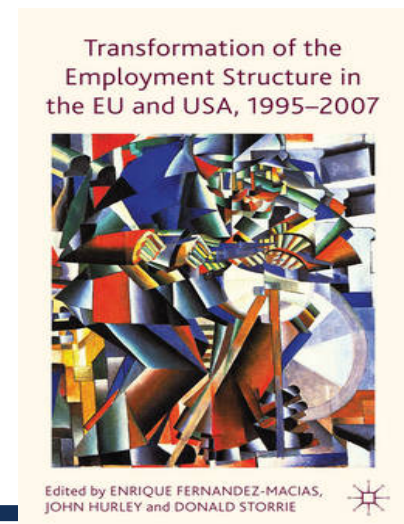
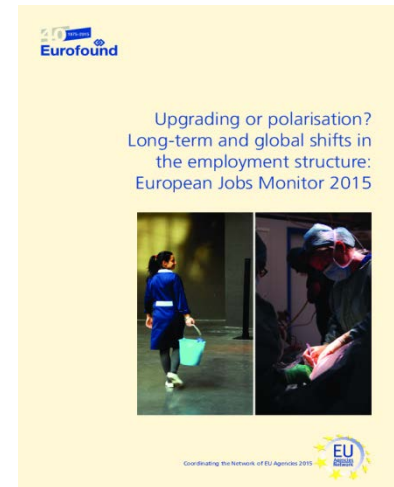
- Background: introduction to European Jobs Monitor
 - Methodology, the ‘jobs approach’
 - Summary findings to date
- Applying jobs approach at regional level (joint Eurofound-Commission JRC collaboration)
 - Motivation
 - Data issues
 - Detailed findings by region for the nine countries covered
- Concluding remarks



European Jobs Monitor

Published work to date

- **Annual reports**
 - ▶ 2008: First comparative Europe-wide application of the jobs approach
 - ▶ 2011-ongoing: European Jobs Monitor thematic reports. Most recent: regional shifts in the employment structure (October 2019)
- **Research papers**, eg: Fernández-Macías, E., & Hurley, J. (2016). Routine-biased technical change and job polarization in Europe. *Socio-Economic Review*, 15(3), 563-585.
- **Chapter contributions** to European Commission flagship reports, eg. Employment and Social Developments in Europe 2011
- **Academic publication:** Fernandez-Macias, E., Hurley, J. and Storrie, D., eds. (2012). *Transformation of the Employment Structure in the EU and USA, 1995-2007* (London: Palgrave Macmillan)



Jobs monitor methodology

Rank jobs

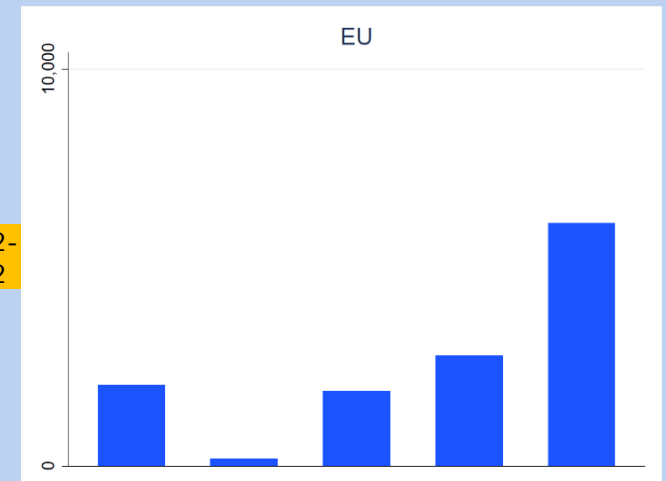
Rank	Occupation	Sector
1	Corporate managers	Financial services
2	Other professionals	Legal/accounting
3	Life science/health professionals	Human health
...		
345	Sales/services elementary occups	Construction
346	Plant/machine operators	Manufacture: auto
347	Sales/services elementary occups	Wholesale retail
...		
823	Personal care workers	Residential care
824	Craft workers	Manufacture: food
825	Sales/services elementary occups	Accommodation

Assign to quintiles

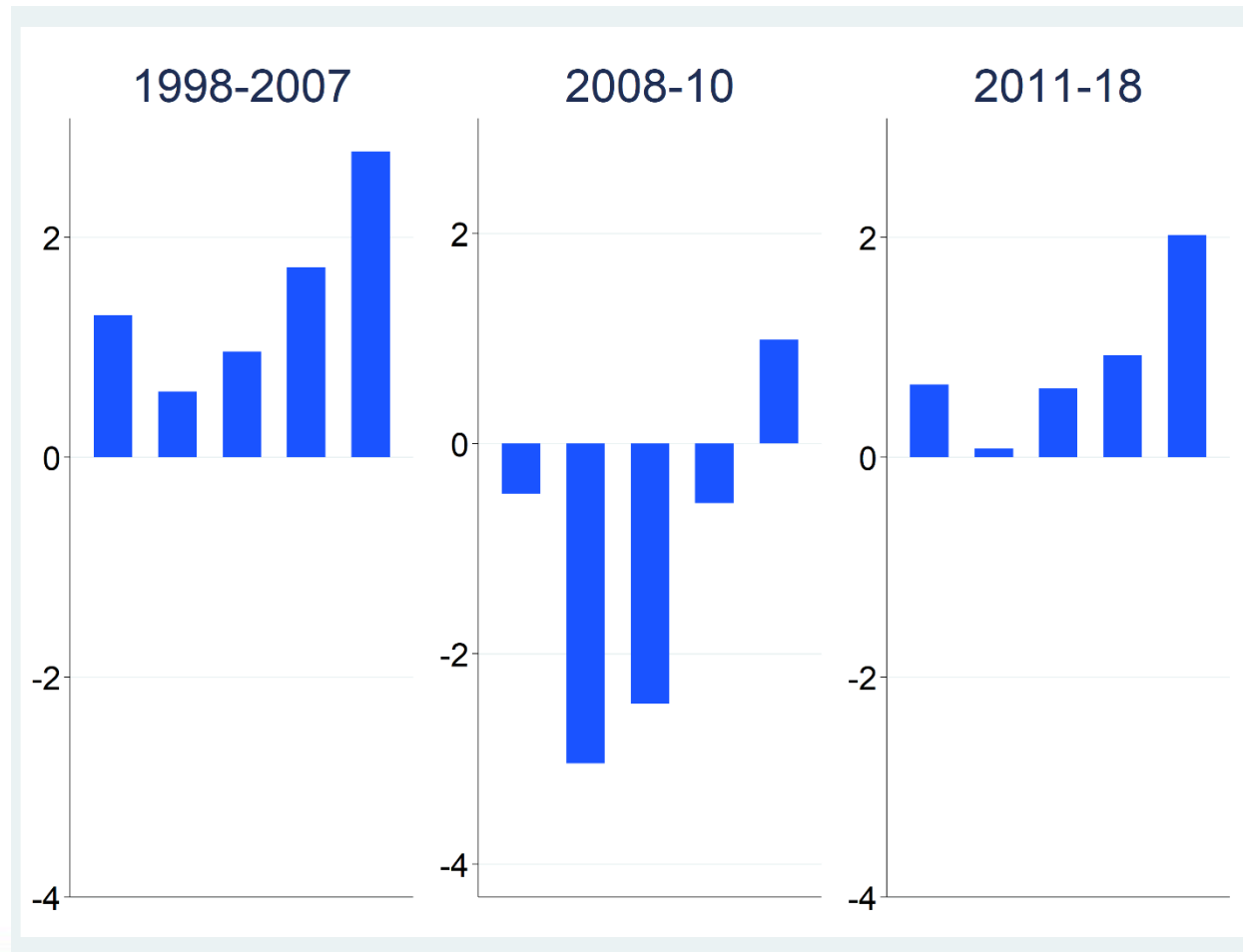
Quintiles
→ High paid
Mid-high
→ Mid-paid
Mid-low
→ Low-paid

Show employment shift for period by quintile

2011q2-
2018q2

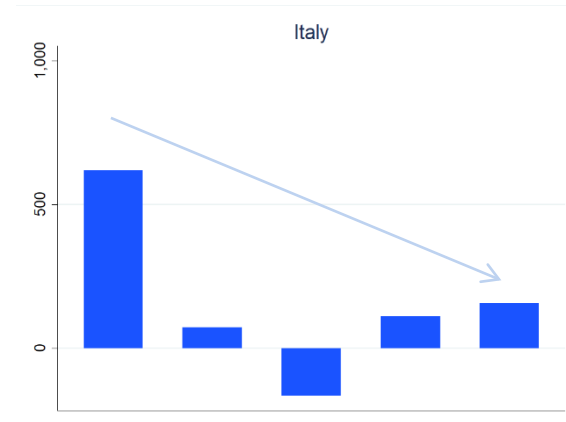


Employment shifts (%pa), EU by job-wage quintile



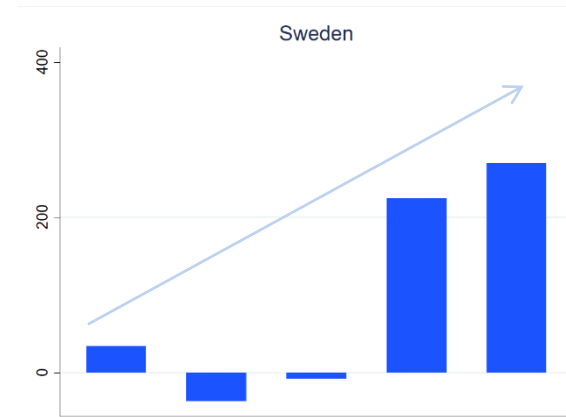
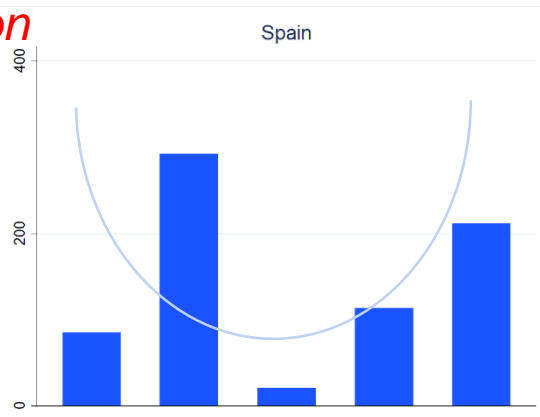
Source: Eurofound (2019)

Variety of employment shift patterns by country 2011-18



Downgrading

Polarisation



Upgrading

Source: Eurofound (2019)

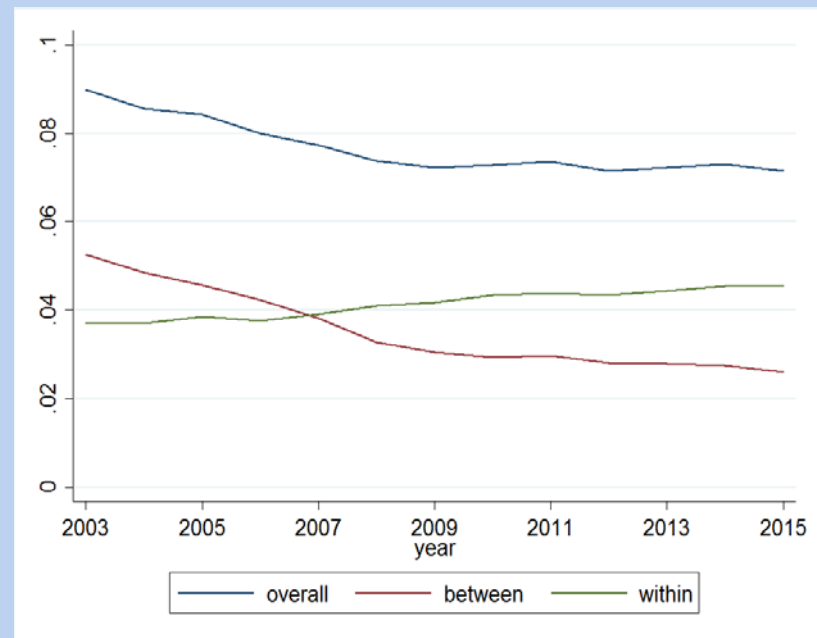
European Jobs Monitor: summary findings

- Persistently highest relative employment growth in top quintile jobs, persistently lowest relative employment growth in mid-quintile jobs .
- Recession sharpened employment polarisation
- No pervasive pattern of employment shift across countries from late 1990s to 2018 – though main patterns have been **upgrading** or **polarising** shifts.

A regional application of the jobs approach: motivations

- Labour markets are more local / regional than national
 - Big variations across regions in sectoral / occupational shares of employment
- Evidence of increasing within-country inequality
- Regions and regional differences always important for EU policymaking ... also assuming a broader socio-economic and political significance.
- Jobs approach analysis not done before in a cross-country and regional comparative perspective

Theil decomposition: GDP pc, 2003-15,
NUTs 2 regions



EJM 2019 regional analysis: data

- Countries selected (9, 130 regions). DE, FR, UK, IT, PL, ES, CZ, BE, SE
- Issues:
 - LFS main source – limitations
 - Regional aggregation (NUTs 1 in UK, DE), NUTs 2 otherwise.
 - Classification breaks ISCO/NACE
 - Periodisation: 2002-17

Employment composition, shifts by region-type, 2002-17

Country	Capital region	ch	Largely urban	ch	Mixed	ch	Largely rural	ch
	%	ppts	%	ppts	%	ppts	%	ppts
BE	9.8	1.4	46.4	-1.3	41.2	-0.3	2.6	0.2
CZ	13.1	0.3	12.8	1.3	62.5	-1.3	11.6	-0.3
DE	4.3	0.3	32.5	0.1	61.4	-0.2	1.8	-0.2
ES	15.4	0.3	61.9	0.6	22.7	-0.9	0.0	0.0
FR	20.7	-0.4	18.5	0.4	27.6	-0.5	33.2	0.5
IT	10.3	1.0	48.0	-1.3	40.4	0.4	1.3	-0.1
PL	15.1	1.1	11.5	0.3	29.5	1.9	43.9	-3.3
SE	24.5	2.2	36.2	-0.3	30.9	-1.4	8.4	-0.5
UK	14.3	1.6	74.4	-1.7	11.3	0.0	0.0	0.0
EU9	12.7	0.7	41.3	-0.3	35.6	-0.1	10.5	-0.2

Sectoral employment shifts by region type

SECTOR	capitals		largely urban		Mixed		largely rural		total eu9	
	share	ch	share	ch	share	ch	share	ch	share	ch
Agric	1.5	-0.3	2.1	0.0	3.1	-0.4	7.8	-2.6	3.0	-0.5
Mining	0.1	-0.1	0.4	-0.1	0.3	0.0	0.3	-0.1	0.3	-0.1
Manuf	6.7	-2.4	13.9	-1.9	19.5	-1.6	17.9	-0.3	15.4	-1.7
Utils	1.2	0.0	1.4	0.1	1.5	0.0	1.7	0.1	1.4	0.1
Construc	5.8	-1.3	6.8	-2.1	7.1	-1.2	7.5	0.1	6.9	-1.4
Retail	12.8	0.0	14.5	-0.5	13.4	-0.4	13.0	-0.5	13.7	-0.4
Transport	5.5	-0.4	5.3	0.0	4.8	-0.1	5.3	0.0	5.2	-0.1
Accom / rest	5.1	0.5	5.4	0.7	4.5	0.4	3.0	0.4	4.8	0.5
Info/comms	6.5	0.6	2.9	0.1	2.4	0.1	2.0	0.5	3.1	0.2
Financial serv	4.8	-0.3	3.0	-0.3	2.6	-0.1	2.6	0.3	3.0	-0.2
Real estate	1.4	0.2	0.9	0.1	0.7	0.0	1.0	0.0	0.9	0.1
Prof/sci/technical	10.0	2.1	6.0	1.0	5.1	1.0	4.1	0.9	6.0	1.2
Admin support ser	5.4	0.1	4.9	0.7	4.1	0.3	3.2	0.6	4.5	0.5
Public admin	7.4	-1.0	6.4	-0.4	6.9	-0.5	7.5	-0.8	6.8	-0.5
Education	8.0	0.9	8.2	0.8	7.1	0.7	7.1	-0.1	7.7	0.7
Health	9.8	1.1	11.8	1.7	11.6	1.5	11.4	1.6	11.4	1.5
Arts /ent	2.6	0.0	1.9	0.3	1.5	0.2	1.4	0.3	1.8	0.2
Other servs	2.6	0.1	2.7	0.0	2.7	0.0	2.2	0.1	2.6	0.0
Households	1.7	-0.1	1.3	-0.2	1.0	-0.1	0.5	-0.6	1.1	-0.2

Sectoral employment shifts by region type

SECTOR	capitals		largely urban		Mixed		largely rural		total eu9	
	share	ch	share	ch	share	ch	share	ch	share	ch
Agric	1.5	-0.3	2.1	0.0	3.1	-0.4	7.8	-2.6	3.0	-0.5
Mining	0.1	0.1	0.4	0.1	0.3	0.0	0.3	0.1	0.3	0.1
Manuf	6.7	-2.4	13.9	-1.9	19.5	-1.6	17.9	-0.3	15.4	-1.7
Utils	1.2	0.0	1.4	0.1	1.5	0.0	1.7	0.1	1.4	0.1
Construc	5.8	-1.3	6.8	-2.1	7.1	-1.2	7.5	0.1	6.9	-1.4
Retail	12.8	0.0	14.5	-0.5	13.4	-0.4	13.0	-0.5	13.7	-0.4
Transport	5.5	-0.4	5.3	0.0	4.8	-0.1	5.3	0.0	5.2	-0.1
Accom / rest	5.1	0.5	5.4	0.7	4.5	0.4	3.0	0.4	4.8	0.5
Info/comms	6.5	0.6	2.9	0.1	2.4	0.1	2.0	0.5	3.1	0.2
Financial serv	4.8	-0.3	3.0	-0.3	2.6	-0.1	2.6	0.3	3.0	-0.2
Real estate	1.4	0.2	0.9	0.1	0.7	0.0	1.0	0.0	0.9	0.1
Prof/sci/technical	10.0	2.1	6.0	1.0	5.1	1.0	4.1	0.9	6.0	1.2
Admin support ser	5.4	0.1	4.9	0.7	4.1	0.3	3.2	0.6	4.5	0.5
Public admin	7.4	-1.0	6.4	-0.4	6.9	-0.5	7.5	-0.8	6.8	-0.5
Education	8.0	0.9	8.2	0.8	7.1	0.7	7.1	-0.1	7.7	0.7
Health	9.8	1.1	11.8	1.7	11.6	1.5	11.4	1.6	11.4	1.5
Arts /ent	2.6	0.0	1.9	0.3	1.5	0.2	1.4	0.3	1.8	0.2
Other servs	2.6	0.1	2.7	0.0	2.7	0.0	2.2	0.1	2.6	0.0
Households	1.7	-0.1	1.3	-0.2	1.0	-0.1	0.5	-0.6	1.1	-0.2

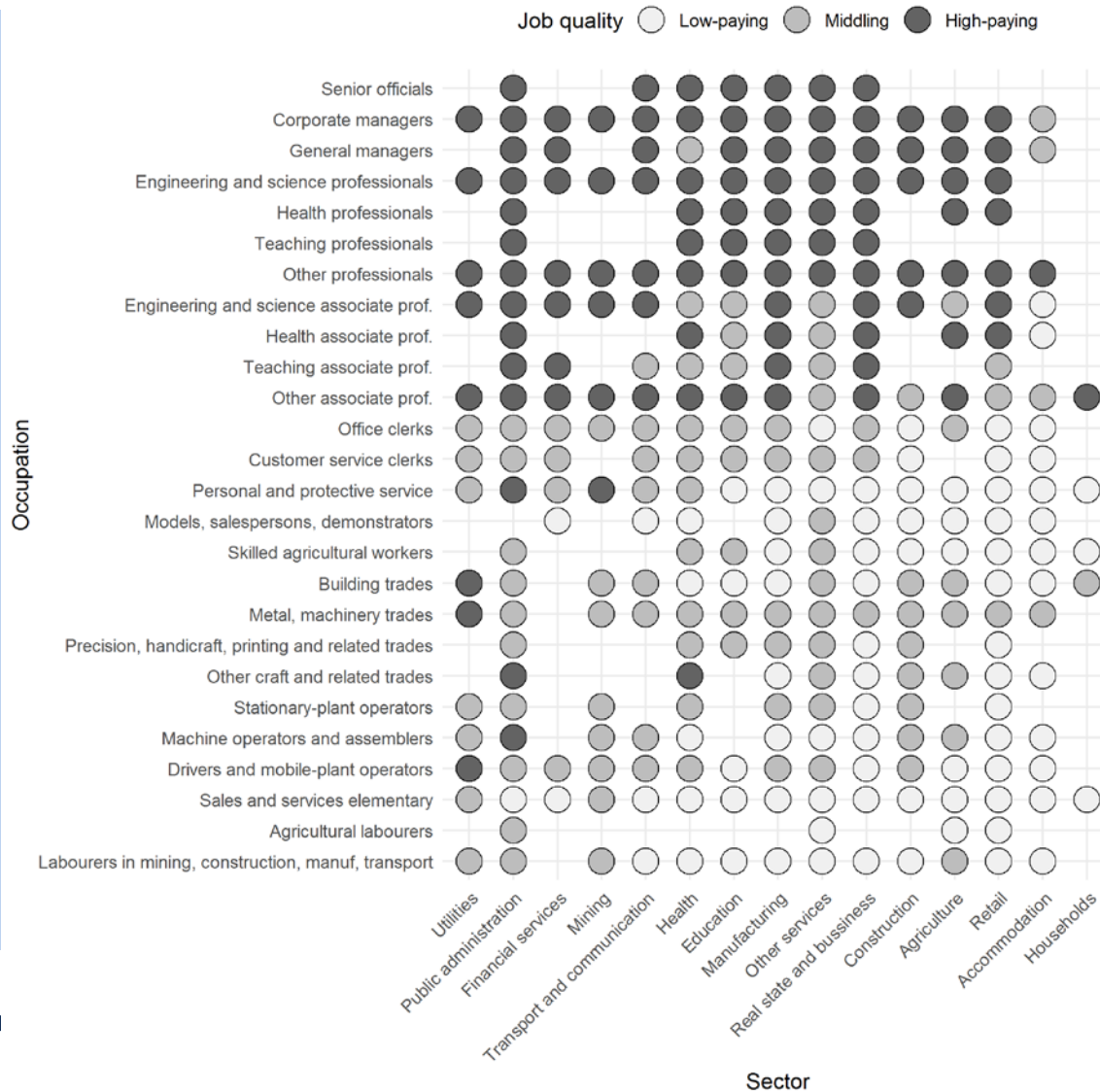
Sectoral employment shifts by region type

SECTOR	capitals		largely urban		Mixed		largely rural		total eu9	
	share	ch	share	ch	share	ch	share	ch	share	ch
Agric	1.5	-0.3	2.1	0.0	3.1	-0.4	7.8	-2.6	3.0	-0.5
Mining	0.1	-0.1	0.4	-0.1	0.3	0.0	0.3	-0.1	0.3	-0.1
Manuf	6.7	-2.4	13.9	-1.9	19.5	-1.6	17.9	-0.3	15.4	-1.7
Utils	1.2	0.0	1.4	0.1	1.5	0.0	1.7	0.1	1.4	0.1
Construc	5.8	-1.3	6.8	-2.1	7.1	-1.2	7.5	0.1	6.9	-1.4
Retail	12.8	0.0	14.5	-0.5	13.4	-0.4	13.0	-0.5	13.7	-0.4
Transport	5.5	-0.4	5.3	0.0	4.8	-0.1	5.3	0.0	5.2	-0.1
Accom / rest	5.1	0.5	5.4	0.7	4.5	0.4	3.0	0.4	4.8	0.5
Info/comms	6.5	0.6	2.9	0.1	2.4	0.1	2.0	0.5	3.1	0.2
Financial serv	4.8	-0.3	3.0	-0.3	2.6	-0.1	2.6	0.3	3.0	-0.2
Real estate	1.4	0.2	0.9	0.1	0.7	0.0	1.0	0.0	0.9	0.1
Prof/sci/technical	10.0	2.1	6.0	1.0	5.1	1.0	4.1	0.9	6.0	1.2
Admin support ser	5.4	0.1	4.9	0.7	4.1	0.3	3.2	0.6	4.5	0.5
Public admin	7.4	-1.0	6.4	-0.4	6.9	-0.5	7.5	-0.8	6.8	-0.5
Education	8.0	0.9	8.2	0.8	7.1	0.7	7.1	-0.1	7.7	0.7
Health	9.8	1.1	11.8	1.7	11.6	1.5	11.4	1.6	11.4	1.5
Arts /ent	2.6	0.0	1.9	0.3	1.5	0.2	1.4	0.3	1.8	0.2
Other servs	2.6	0.1	2.7	0.0	2.7	0.0	2.2	0.1	2.6	0.0
Households	1.7	-0.1	1.3	-0.2	1.0	-0.1	0.5	-0.6	1.1	-0.2

Detailed regional analysis

- Occupational structures of regions analysed by shares in job-wage terciles defined at the EU level in each year analysed
 - Average wage ranking across 9 EU for each job.
 - Jobs assigned to 3 groups on the basis of EU(9) ranking and EU(9) employment shares.
- Terciles provide necessary simplification for the analysis of many regions.
 - When analysing structural change, any pattern of polarisation and upgrading can be characterised with just two parameters (change in % of upper and lower terciles).
- EU-defined yearly job-wage terciles provides higher comparability.
 - Same job allocation to terciles across regions; allows to study simultaneously initial structural differences and structural change; can be interpreted as analysis of convergence.

Job-wage terciles



Employment shifts by region-type and job-wage tercile



Concluding remarks

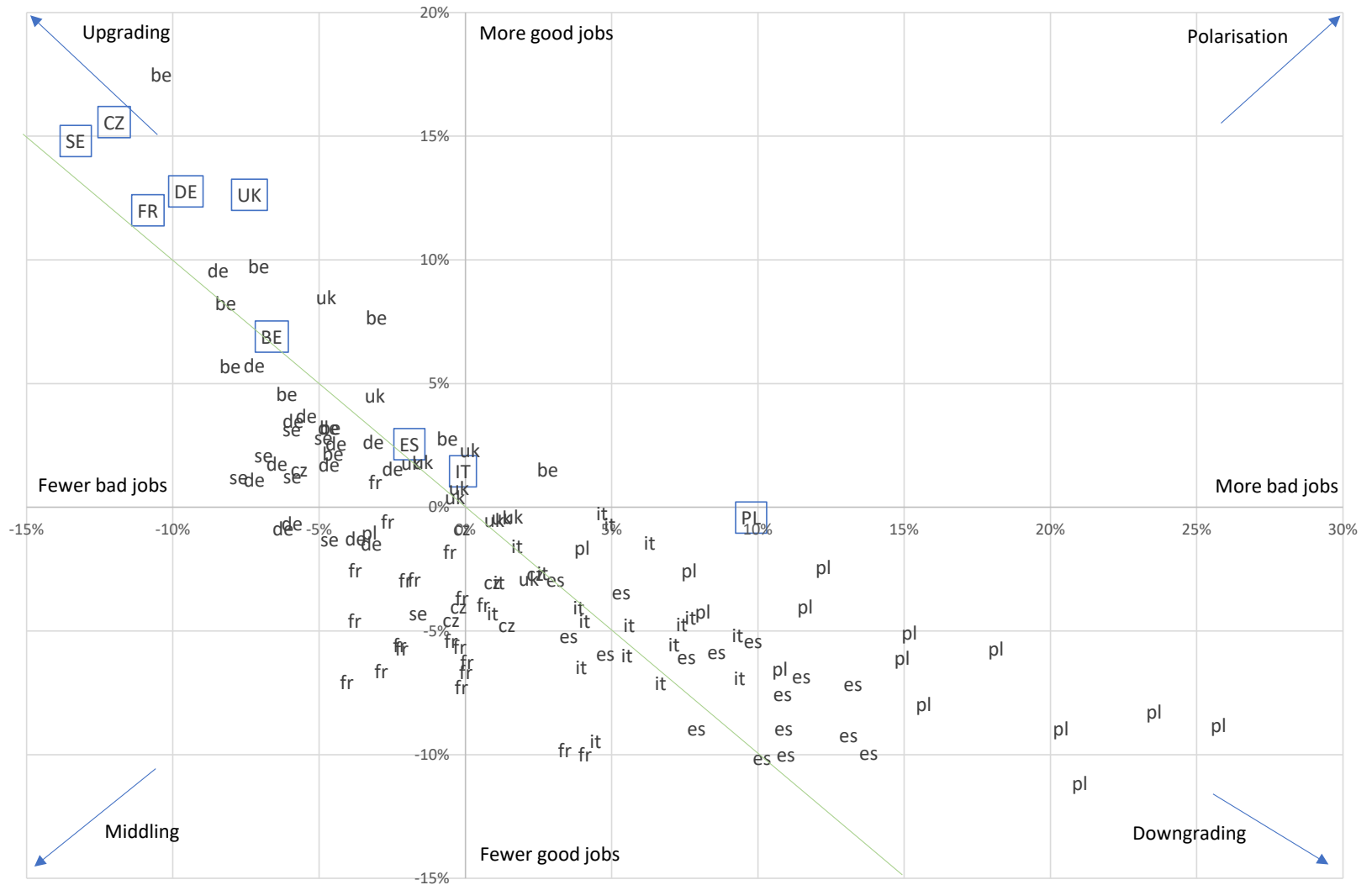
- Capital regions are different: stronger employment growth, higher share of well-paid employment especially in high-skilled services .. but also polarising.
- Largely rural regions upgrading – services replacing agricultural employment
- Manufacturing moving out of urban areas; differential rates of deindustrialization also by country
- Public services plays an important role in supporting more regionally balanced growth, as jobs in education, health and public administration tend to have above-average pay levels and are more evenly spread geographically.

Detailed regional analysis

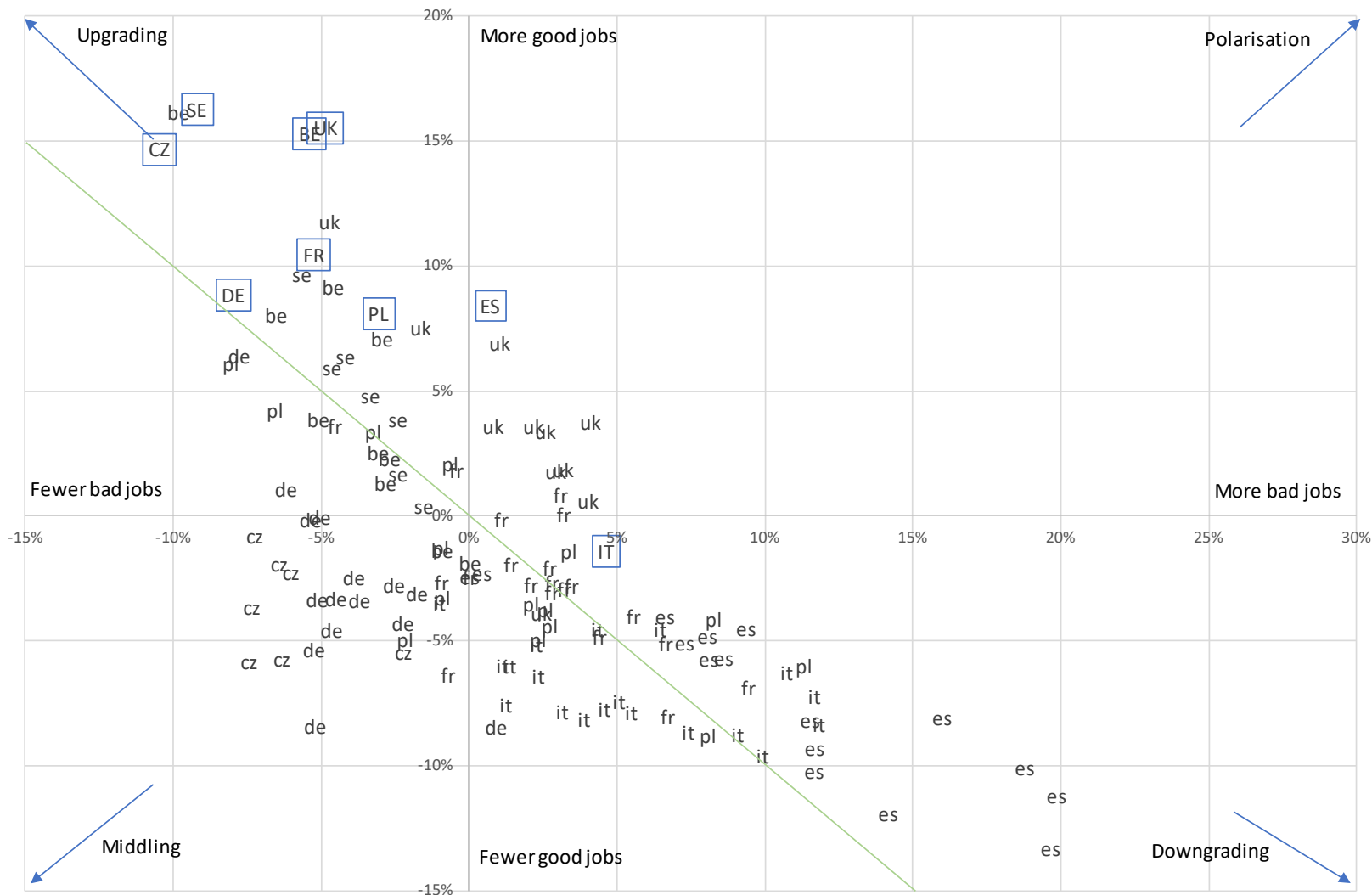
Data visualization:

- <https://www.eurofound.europa.eu/data/regional-shifts-in-employment-structure-2002-2017>
- [2002](#) | [2017](#) | [2002-17](#) | [Bxls](#) | [capitals](#) | [BE-SE](#) | [IT-PL](#)
[2002](#) | [IT-PL 2017](#)

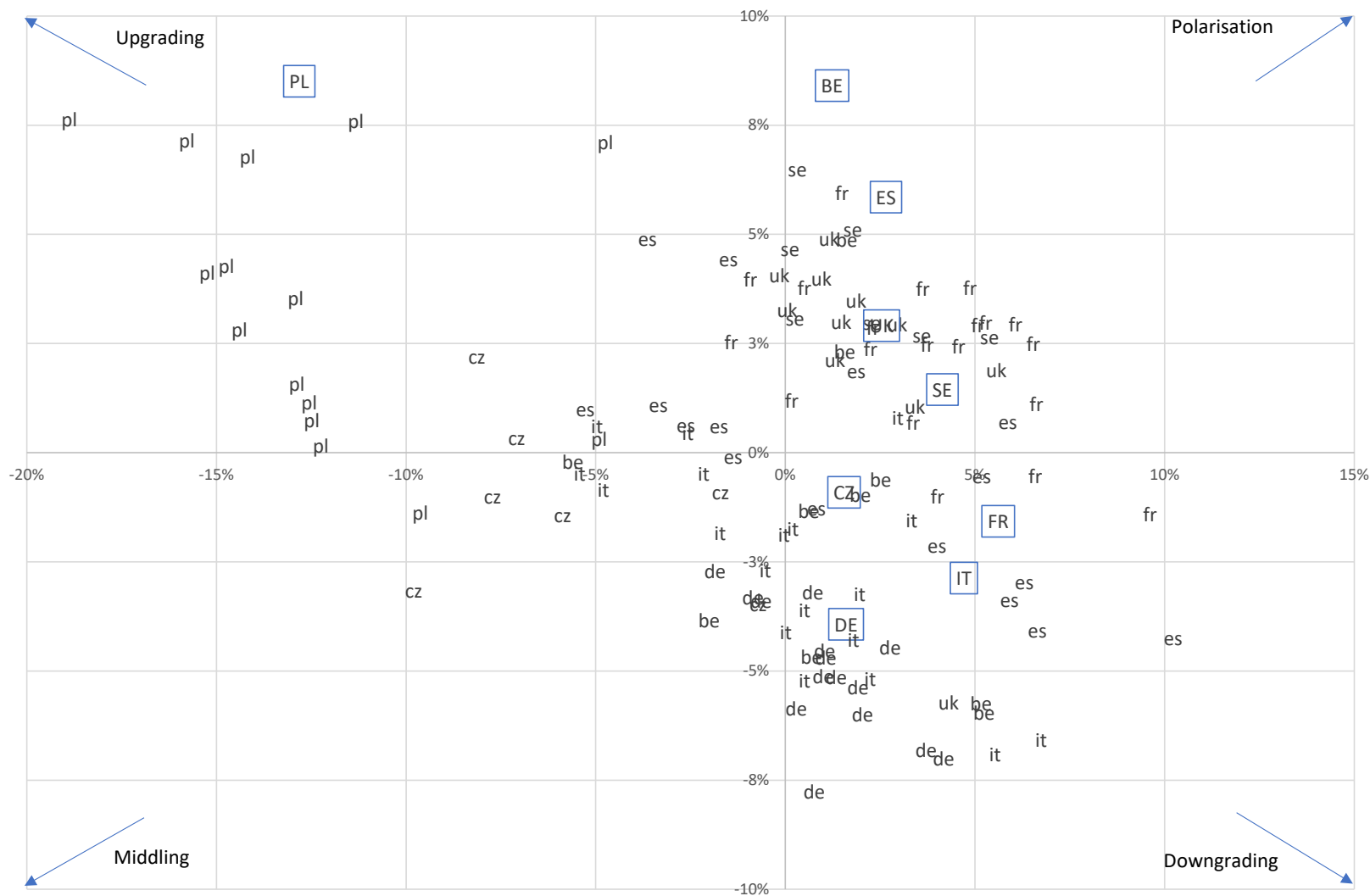
Shares of low and high paid employment by region (v EU9 average, 2002)



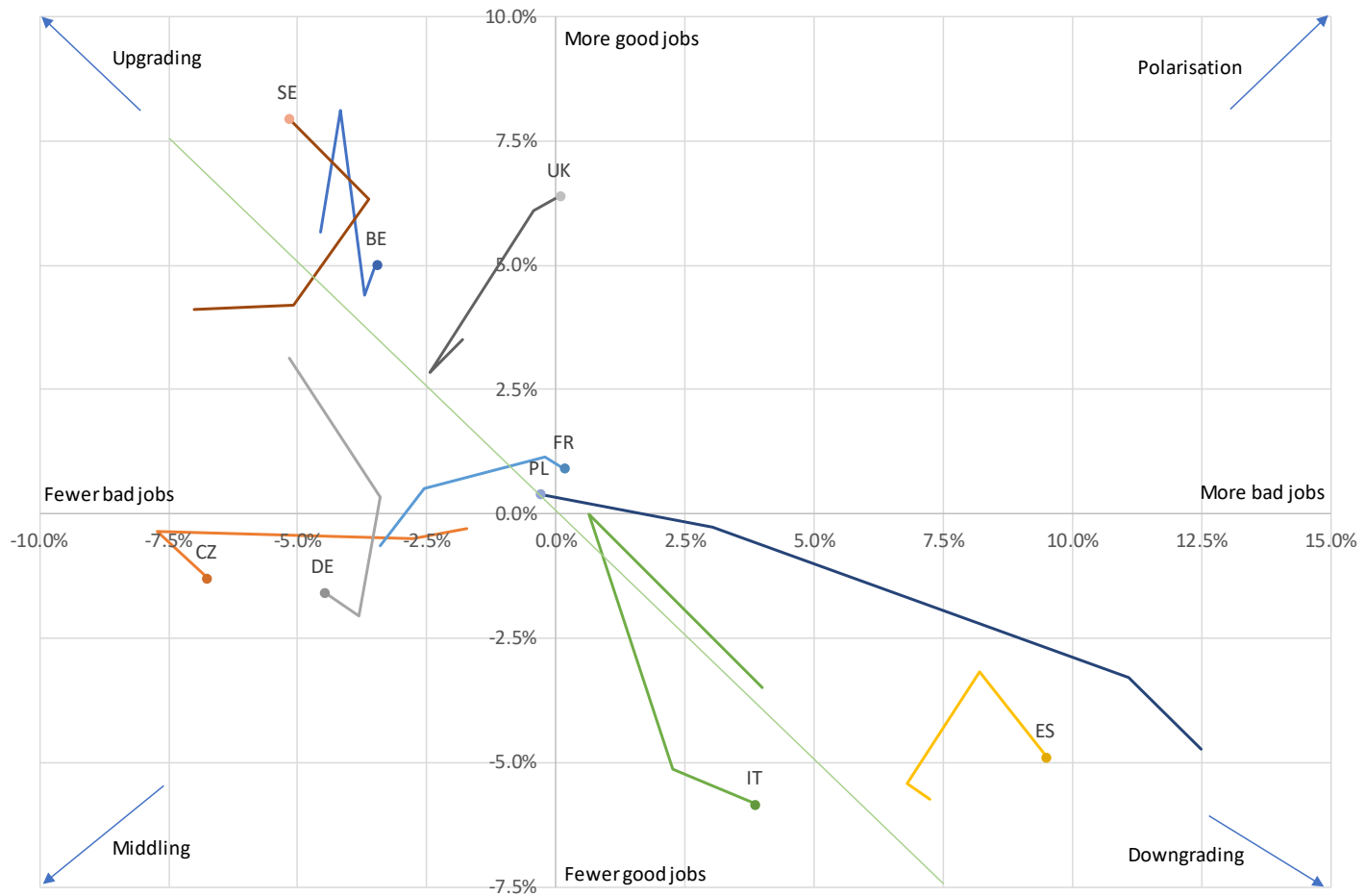
Shares of low and high paid employment by region (v EU9 average, 2017)



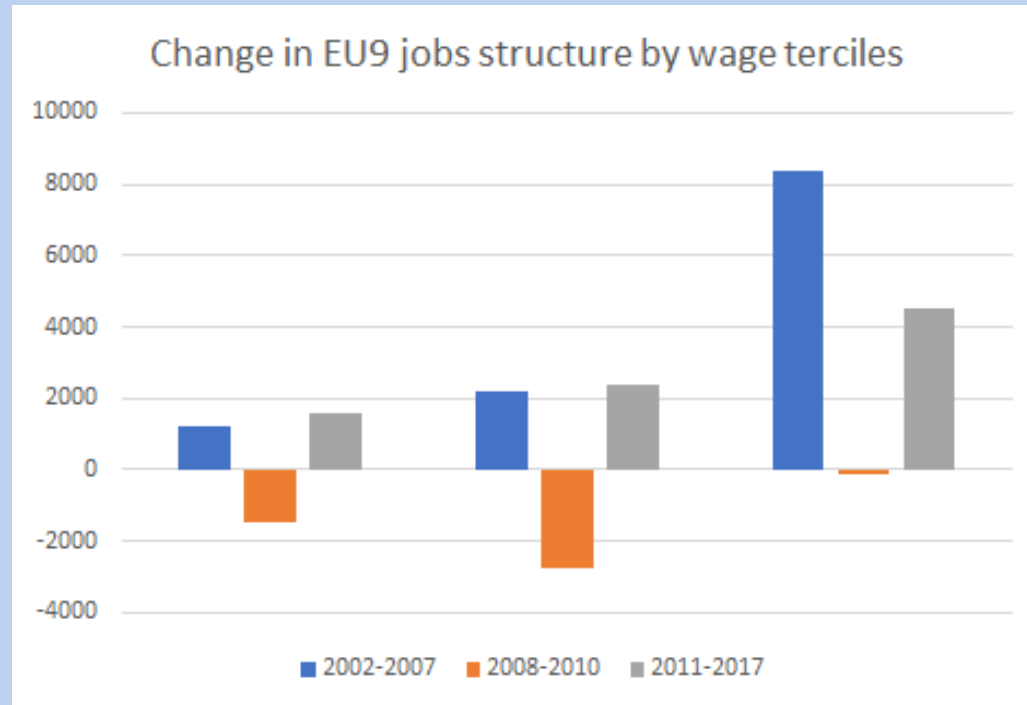
Shares of low and high paid employment by region (v EU9 average, change 2002-2017)



The broader trends: country patterns



The reference: changes in the employment structure in the EU, 2002-2017



Jobs approach at regional level: evidence for Europe

COUNTRY	REFERENCE
DE	<p>Dauth, W. (2014), Job Polarization on Local Labor Markets. Institute for Employment Research Discussion Paper, 18/2014.</p> <p>Sentfleben-Konig, C. & Wielandt, H. (2014), The Polarization of Employment in German Local Labor Markets. Berlin Doctoral Program in Economics and Science Program Working Paper Series, 2014-07.</p> <p>Blien, U. and Dauth, W. (2016), Job Polarization on Local Labor Markets? Paper prepared for presentation at the Tasks IV Conference, Mannheim.</p> <p>Reinhold, M. (2016), On the Link between Job Polarisation and Wage Inequality - A regional approach for Germany, ERSA conference papers n. 361.</p>
UK	<p>Kaplanis, I. (2007), The Geography of Employment Polarisation in Britain, Institute for Public Policy Research.</p> <p>Jones, P. S., & Green, A. E. (2009), The quantity and quality of jobs: changes in UK regions, 1997 — 2007. <i>Environment & Planning A</i>, 41(10), 2474-2495.</p> <p>Lee, N. et al. (2015), The geography of wage inequality in British cities. <i>Regional Studies</i>. ISSN 0034-3404.</p>
SP	<p>Consoli, D. and Sánchez-Barrioluengo, M. (2016), Polarization and the growth of low-skill employment in Spanish Local Labor Markets, <i>Papers in Evolutionary Economic Geography</i>, Num 16, 28.</p>
NL	<p>Terzidis, N., van Maarseveen, R., & Ortega - Argiles, R. (2017), Employment Polarization in Local Labor Markets: The Dutch Case, CPB Discussion Paper; No. 358.</p>
IT	<p>Aimone Gigio et al. (2018), Change in the employment structure and job quality: the Italian case and of its macro regions (forthcoming Bank of Italy Working paper).</p>

Detailed regional analysis

- Occupational structures of regions analysed by shares in job-wage terciles defined at the EU level in each year analysed
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- EU-defined yearly job-wage terciles provides higher comparability.
 - Same job allocation to terciles across regions; allows to study simultaneously initial structural differences and structural change; can be interpreted as analysis of convergence.
- Main problem: since EU occupational structure is used as reference, its change is removed from the analysis
 - All regional change is relative to EU average, thus necessary to study EU-level change separately.

Thank you for your attention!

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Enrique.Fernandez-Macias@ec.Europa.eu

Web:
[European Jobs Monitor](#)

References:
[Shifts in the employment structure at regional level](#) (Eurofound / Commission JRC, 2019)
)

5. EGF Regulation - Brexit amendment

- **REGULATION (EU) 2019/1796 of 24 October 2019:**

Amendment of Regulation (EU) No 1309/2013, Article 2 (a)

“workers made redundant and self-employed persons [...] as a result of the withdrawal of the United Kingdom from the Union without a withdrawal agreement, [...].”

6. State of play EGF post-2020

EP: 1st reading position adopted on 16/01/2019

Council: Partial General Approach
→ EPSCO meeting on 15/03/2019

Next step: early second reading – Autumn 2019

7. EGF frequently asked questions

August 2019 update

Changes triggered by:

1. [Regulation \(EU, Euratom\) 2018/1046.](#)
OJ L 193/1 (18.7.2018).
In particular **Article 274.**
2. Less restrictive approach of LS
3. Clarification or correction

EGF FAQs, August 2019 update

FAQ	What has changed
<p>3.7 Question:</p> <p>Can workers made redundant in Small and Medium Sized Enterprises (SMEs) benefit from EGF support?</p>	<p>Under Article 4(2), a regional-sectoral application may exceptionally cover SMEs operating in different economic sectors (defined at NACE Revision 2 division level) if</p> <ul style="list-style-type: none">(1) in the affected region SMEs are the main or the only type of business,(2) the application involves only or mainly SMEs.

EGF FAQs, August 2019 update

FAQ	What has changed
<p>4.6 Question:</p> <p>Can other unemployed persons, apart from those listed in Article 3 of the EGF Regulation, benefit from EGF assistance?</p>	<p>Member States may provide personalised services to NEETs as part of an EGF application.</p> <p>This derogation only applies if at least some of the worker redundancies occur in NUTS 2 level regions where youth unemployment rates are at least 20 % (based on the latest annual data available) and if the NEETs themselves reside there. (before the NUTS 2 level regions had to be eligible under the YEI)</p>

EGF FAQs, August 2019 update

FAQ	What has changed: NEW Question
<p>4.8 Question:</p> <p>Are NEETs still eligible for support if the youth unemployment rate declines below 20 % after applying?</p>	<p>Yes. For NEETs to be eligible for EGF support, at least some of the worker redundancies have to occur in NUTS 2 level regions where youth unemployment rates are of at least 20 %, based on the latest annual data available at the time of submitting the application.</p> <p>Would the youth unemployment rates declined after the application was submitted, the eligibility status of the NEETs does not change</p>

EGF FAQs, August 2019 update

FAQ	What has changed
<p>4.2 Question:</p> <p>Can workers made redundant before or after the reference period of 4 or 9 months benefit from EGF assistance?</p>	<p>Yes. The workers made redundant after the Commission has finalised its assessment but whose redundancy result of the same event which triggered the redundancies during the reference period are now eligible for EGF support.</p> <p>However, if the redundancies occur close to the end of the implementing period, eligible beneficiaries might not fully benefit from the personalised measures due to time constrains.</p>

EGF FAQs, August 2019 update

FAQ	What has changed: NEW Question
<p>4.5 Question:</p> <p>Can the number of workers who participate in the measures be greater than the number of targeted workers?</p>	<p>Yes. The number of workers who participate in the measures can be greater than the number of targeted workers. However, the number of workers who participate in the measures cannot be greater than the number of eligible workers.</p> <p>The total amount of the budget established by the approval procedure and laid down in the Implementing Decision remains unchanged even when the number of workers who participate in the measures is greater than expected.</p>

EGF FAQs, August 2019 update

FAQ	What has changed
<p>6.4. Question:</p> <p>If a beneficiary receives financial support from the EGF to start his or her own business, can this funding be used during a period beyond the 24 months from the date of application?</p>	<p>Answer: The financial support for self-employment, business start-up and employee take-overs may not exceed EUR 15 000 per person. Member States will in their applications spell out the conditions which beneficiaries will need to fulfil before the contribution for self-employment, business start-up and employee take-overs can be paid out to them. [...]</p> <p>[1/2]</p>

EGF FAQs, August 2019 update

FAQ	What has changed
<p>6.4. Question:</p> <p>If a beneficiary receives financial support from the EGF to start his or her own business, can this funding be used during a period beyond the 24 months from the date of application?</p>	<p>Answer: The financial support for self-employment, business start-up and employee take-overs may not exceed EUR 15 000 per person. Member States will in their applications spell out the conditions which beneficiaries will need to fulfil before the contribution for self-employment, business start-up and employee take-overs can be paid out to them. [...]</p> <p>[1/]</p>

EGF FAQs, August 2019 update

FAQ	What has changed
<p data-bbox="222 549 676 592">6.4. Question:</p> <p data-bbox="222 664 879 1106">If a beneficiary receives financial support from the EGF to start his or her own business, can this funding be used during a period beyond the 24 months from the date of application?</p>	<p data-bbox="937 492 1014 535">[...]</p> <p data-bbox="937 549 1767 706">in any case, the new business has to be set up before the end of the implementation period.</p> <p data-bbox="937 778 1787 1106">When the financial contribution is paid in full prior the setting-up of the business the final beneficiaries can continue to use the funds after the end of the implementation period.</p> <p data-bbox="937 1178 1777 1335">When the financial support is paid ex-post, the provisions in question 7.9 apply.</p> <p data-bbox="1671 1349 1787 1392">[2/2]</p>

EGF FAQs, August 2019 update

FAQ	What has changed
<p>7.9 Question:</p> <p>Do all measures undertaken in support of the workers during the implementation period have to be paid for in full by the end of the implementation period?</p>	<p>The activities as such must have taken place within the implementation period. Outstanding bills may be paid after this period, but must have been paid before the final report is due (six months after the end of the implementation period).</p> <p>[1/4]</p>

EGF FAQs, August 2019 update.

FAQ	What has changed
<p>7.9 Question:</p> <p>Do all measures undertaken in support of the workers during the implementation period have to be paid for in full by the end of the implementation period?</p>	<p>When the financial support for self-employment, business start-up and employee take-overs is paid ex-post facto, i.e. when the payment is a reimbursement of cost incurred setting-up a business within the implementing period, the financial support can be paid within six months after the end of the implementing period, as already explained.</p> <p>[2/4]</p>

EGF FAQs, August 2019 update

FAQ	What has changed
<p>7.9 Question:</p> <p>Do all measures undertaken in support of the workers during the implementation period have to be paid for in full by the end of the implementation period?</p>	<p>When the financial support is paid in full prior to setting-up the business the eligible amount must have been paid out to the beneficiary before the end of the implementation period.</p> <p>[3/4]</p>

EGF FAQs, August 2019 update

FAQ	What has changed
<p>7.9 Question:</p> <p>Do all measures undertaken in support of the workers during the implementation period have to be paid for in full by the end of the implementation period?</p>	<p>Costs arising after the end of the implementation period cannot be co-funded by the EGF, with the exception of education or training courses the duration of which is two years or more, where the fees (but no ancillary costs) are also eligible until the date when the final report is due. For more information on this aspect, see Question 6.5.</p> <p>[4/4]</p>

EGF FAQs, August 2019 update

FAQ	What has changed
<p>Question: Can new measures be introduced in the budget in the course of the implementation of the project?</p>	<p>Answer: [...] Article 16(5) of the Regulation provides that the Member State may submit a proposal to the Commission to amend the actions listed in points (a) and (c) of article 7(1) by adding other eligible actions, provided that such amendments are duly justified and the total does not exceed the financial contribution granted. [...]</p> <p>No amendment of actions referred in article 7(1)(b) is foreseen in the EGF Regulation.</p>

8. Commission communication activities

- Factsheet “EGF 12 years on”
- [Biennial report on the activities of the European Globalisation Adjustment Fund \(2017-2018\)](#)



8. Member State communication activities

9. Forthcoming EGF related events

- Next EGF Contact Persons meeting and Networking Seminar, 17/18 March 2020, Lisbon, Portugal
- Update on EGF related events planned in the Member States
- Next Presidencies' events



10. Any other business

THANK YOU!

www.ec.europa.eu/egf



**Lunch at the Hilton's restaurant
till 14:00**