



25th meeting of the Contact Persons of the European Globalisation Adjustment Fund (EGF)

**Online videoconference
18 March 2021**



1. Introduction and adoption of the agenda

*Ms Ruth Paserman
Director Directorate F "Investment",
DG EMPL*

2. Update on EGF since the last Contact Persons Meeting

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

3. Update on EGF since the last CPM

3.1 Final reports - received between November 2019 and March 2021

| No | Case Number | MS | Case Title | Final Report deadline | EGF Contribution Granted |
|-----------------------|--------------|----|-------------------------------------|-----------------------|--------------------------|
| 1 | EGF/2017/003 | EL | Attica retail | 13/1/2020 | 2,949,150 |
| 2 | EGF/2017/005 | FI | Retail | 9/12/2019 | 2,499,360 |
| 3 | EGF/2017/006 | ES | Galicia wearing apparel | 3/3/2020 | 720,000 |
| 4 | EGF/2017/007 | SE | Ericsson | 6/2/2020 | 2,130,400 |
| 5 | EGF/2017/008 | DE | Goodyear | 25/8/2020 | 2,165,231 |
| 6 | EGF/2017/009 | FR | Air France | 24/4/2020 | 9,894,483 |
| 7 | EGF/2017/010 | BE | Caterpillar | 8/10/2020 | 4,621,616 |
| 8 | EGF/2018/001 | NL | Financial service activities | 25/11/2020 | 1,192,500 |
| 9 | EGF/2018/002 | PT | Norte Centro Lisboa wearing apparel | 30/11/2020 | 4,655,883 |
| Total EGF amount paid | | | | | 30,828,623 |

3. Update on EGF since the last CPM

3.2 Recoveries - between November 2019 and March 2021

| No | Case number | MS | Case title | EGF granted | Recovered | Recovery rate % |
|--------------|--------------|----|-------------------------------------|-------------------|----------------------|-----------------|
| 1 | EGF/2013/008 | ES | Comunidad Valenciana Textiles | 840,000 | 46,886.51 | 6% |
| 2 | EGF/2017/001 | ES | Castilla y León mining of coal | 1,002,264 | 371,077.44 | 37% |
| 3 | EGF/2017/002 | FI | Microsoft 2 | 3,520,080 | 582,919.31 | 17% |
| 4 | EGF/2017/003 | EL | Attica retail | 2,949,150 | 2,346,441.36 | 80% |
| 5 | EGF/2017/004 | IT | Almaviva | 3,347,370 | 2,534,700.62 | 76% |
| 6 | EGF/2017/005 | FI | Retail | 2,499,360 | 918,072.57 | 37% |
| 7 | EGF/2017/006 | ES | Galicia wearing apparel | 720,000 | 413,181.09 | 57% |
| 8 | EGF/2017/007 | SE | Ericsson | 2,130,400 | 1,840,307.20 | 86% |
| 9 | EGF/2017/008 | DE | Goodyear | 2,165,231 | 1,171,002.25 | 54% |
| 10 | EGF/2017/009 | FR | Air France | 9,894,483 | 48,000.00 | 0% |
| 11 | EGF/2017/010 | BE | Caterpillar | 4,621,616 | 552,981.14 | 12% |
| 12 | EGF/2018/002 | PT | Norte Centro Lisboa wearing apparel | 4,655,883 | 4,465,395.87 | 96% |
| TOTAL | | | | 38,345,837 | 15,290,965.36 | 40% |

3. Update on EGF since the last CPM

3.3 Closures – between November 2019 and March 2021

| No | Case number | MS | Case title |
|----|--------------|----|---------------------------------|
| 1 | EGF/2011/014 | RO | Nokia |
| 2 | EGF/2014/005 | FR | GAD |
| 3 | EGF/2014/016 | IE | Lufthansa Technik |
| 4 | EGF/2015/010 | FR | MoryGlobal |
| 5 | EGF/2016/004 | ES | Comunidad Valenciana Automotive |
| 6 | EGF/2016/005 | NL | Drenthe Overijssel Retail |
| 7 | EGF/2017/002 | FI | Microsoft |
| 8 | EGF/2017/004 | IT | Almaviva |
| 9 | EGF/2017/006 | ES | Galicia wearing apparel |

3. Update on EGF since the last CPM

3.4 Applications received

| EGF Reference | Member State | Case title | Sector in short denomination | Date of application | Trade / Crisis | EGF contribution (in €) requested | Number of targeted workers |
|---------------|--------------|----------------------------------------|-----------------------------------------|---------------------|----------------|-----------------------------------|----------------------------|
| EGF/2020/001 | ES | Galicia shipbuilding ancillary sectors | Shipbuilding | 13/5/2020 | Trade | 2,054,400 | 500 |
| EGF/2020/002 | EE | Estonian tourism industry | Tourism | 12/11/2020 | Crisis | 4,474,480 | 5,060 |
| EGF/2020/003 | DE | GMH Guss | Manufacture of basic metals | 15/12/2020 | Trade | 1,439,545 | 476 |
| EGF/2020/004 | NL | KLM | Air transport | 22/12/2020 | Crisis | 5,019,218 | 1,201 |
| EGF/2020/005 | BE | Swissport | Support activities for transportation | 22/12/2020 | Crisis | 3,861,725 | 1,468 |
| EGF/2020/006 | ES | Cataluña automotive | Manufacture of motor vehicles, trailers | 28/12/2020 | Trade | 1,057,674 | 900 |
| EGF/2020/007 | FI | Finnair | Air transport | 30/12/2020 | Crisis | 1,946,460 | 600 |
| | | | | | Total | 19,853,502 | 10,205 |

3. Update on EGF since the last CPM

3.5 Applications planned

Tour de table: Applications in preparation or under consideration.

4. The 2021 – 2027 EGF Regulation what is new ?

- 1) Overview
- 2) Scope
- 3) Intervention criteria
- 4) Eligible beneficiaries
- 5) Eligible measures
- 6) Eligibility period
- 7) Co-financing rate
- 8) Applications
- 9) Technical assistance COM
- 10) Final reports
- 11) Indicators
- 12) Beneficiary survey
- 13) Entry into force
- 14) To do

4. The 2021 – 2027 EGF Regulation

- European Globalisation Adjustment Fund **for Displaced Workers** (EGF)
- Limited to the duration of the MFF 2021 – 2027
- Annual maximum amount of **EUR 186 Mio** (in 2018 prices), outside and above MFF ceilings
- One of the special instruments that allow the Union to respond to unforeseen circumstances

4. The 2021 – 2027 EGF Regulation

Scope

- Larger-scale restructuring events, **no matter what the cause**
 - ➔ no longer limited to globalisation/crisis anymore

4. The 2021 – 2027 EGF Regulation

Intervention criteria

- 200 job losses over 4 months in one enterprise
- 200 job losses over 6 months in the same NACE 2 sector and located in one or two contiguous NUTS 2 regions
- 200 job losses over 4 months in the same or different NACE 2 sectors and located in the same NUTS 2 region

Intervention criteria (II)

- Possible derogation in small labour markets, if job losses are expected to have a significant impact
- Such derogation also possible for other regions, but capped at 15% of EGF annual ceiling
- Dismissals of public sector employees caused by public budget cuts are not eligible

4. The 2021 – 2027 EGF Regulation

Eligible beneficiaries

- Workers displaced (as well as self-employed whose activity has ceased) during the reference period
- Still possible to include people that lost their job outside the reference – **6 months before (new!)** until penultimate day of the COM assessment
- NEETs are NO longer eligible

4. The 2021 – 2027 EGF Regulation

Eligible measures

No major changes – but:

- The dissemination of skills required in the digital industrial age and in a resource-efficient economy shall be considered to be a horizontal element for the design of coordinated packages.
- Start-up investments up to EUR 22 000 per beneficiary.

4. The 2021 – 2027 EGF

Eligibility period

No major changes, but :

- 24-month implementation period starts at the date of entry into force of the COM Financing Decision
- MS can start implementing before the decision, the measures are eligible
- Costs for formal studies eligible until final report date

4. The 2021 – 2027 EGF Regulation

Co-financing rate

- Aligned with highest ESF+ co-financing rate in the applicant MS

OR

- 60%

 the higher rate applies

4. The 2021 – 2027 EGF Regulation

Applications

- Background analysis no longer required – only a brief description of the events that led to the job losses
- Shorter processing times: 10 working days (wd) for COM to ask questions, 15 wd for MS to reply, 50 wd for COM until adoption of proposal
- Brief explanation to what extent the recommendations of the EU Quality Framework for Restructuring were taken into account

4. The 2021 – 2027 EGF Regulation

Technical assistance COM

New possibility:

- TA can be implemented under indirect management
- Information and guidance measures to the Member States on using, monitoring and evaluating the EGF
- Needs to be discussed with MS

4. The 2021 – 2027 EGF Regulation

Final reports

No change, except:

- Final reports due **7** months after the end of the implementation period

4. The 2021 – 2027 EGF Regulation

Indicators

- Output indicator: employment status, age group, educational attainment
- Long term indicator (6 months after implementation period): employment status (employed/unemployed), percentage of beneficiaries that gained a qualification, percentage of beneficiaries still in education or training
- The current long term indicator (18 months after case implementation) has been deleted by co-legislators
- All data to be broken down by gender (m/f/non-binary)

4. The 2021 – 2027 EGF Regulation

Beneficiary survey

- To be conducted during the sixth month after case implementation
- MS need to reach out to beneficiaries and send one reminder
- COM will draft the survey, together with MS, and analyse it
- Beneficiaries asked to give qualitative and quantitative info on themselves, and on the measures offered

4. The 2021 – 2027 EGF Regulation

Entry into force

- Regulation applies from 1 January 2021, with the exception of Article 15, which applies from the date of entry into force
- Applications received before 1 January 2021 processed according to 2014-2020 Regulation

4. The 2021 – 2027 EGF Regulation

To do

- Committee procedure:
 - implementing acts to be designed in advisory procedure:
 - templates for irregularity reporting and beneficiary survey
- Brainstorming on possible technical assistance measures

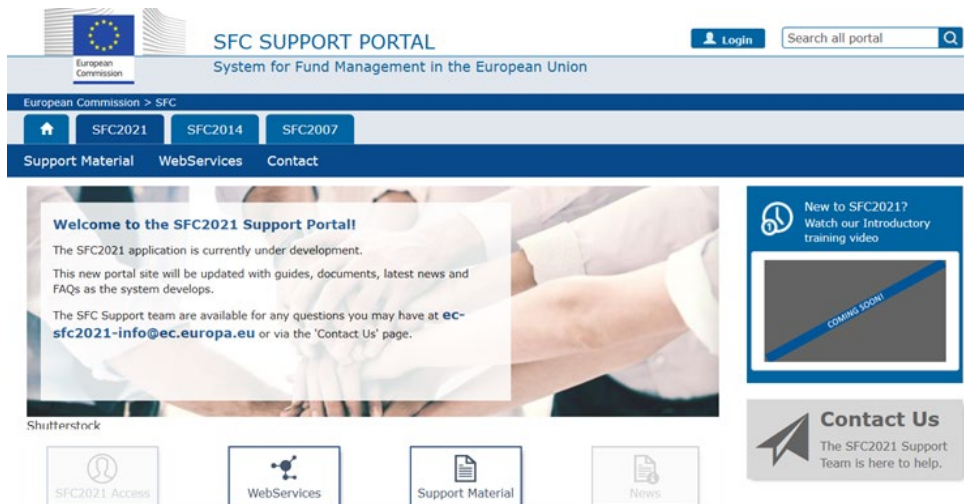


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11:20 – 11:35



5. SFC 2021 – where do we stand ?



SFC2021 for the
programming period
2021-2027

- The application is currently under development and is expected to be operational in June/July 2021
- Support Portal for SFC2021 (guides, documents, latest news and FAQs)

6. The updated FAQs post 2020

- Changes triggered by the new EGF Regulation.
- Available after the publication of the Regulation in the OJ.

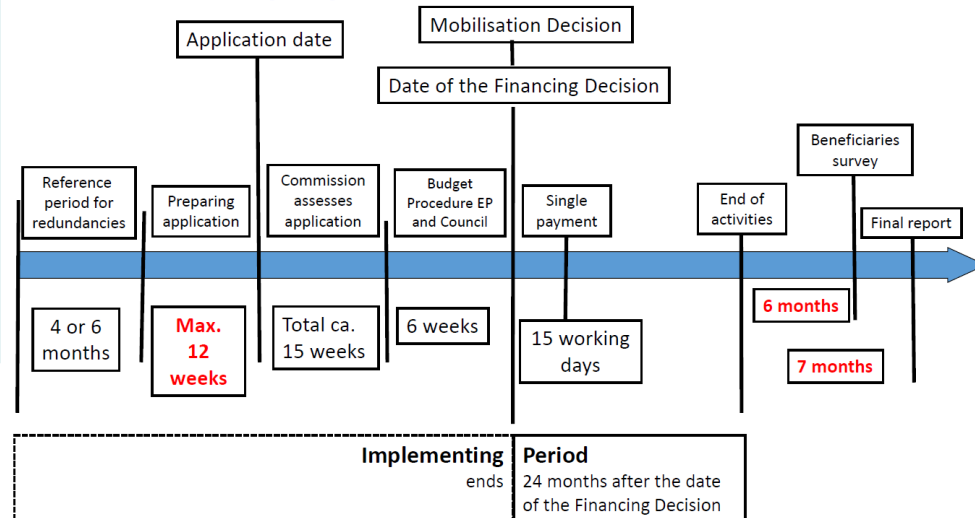


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EGF FAQs, post 2020 update

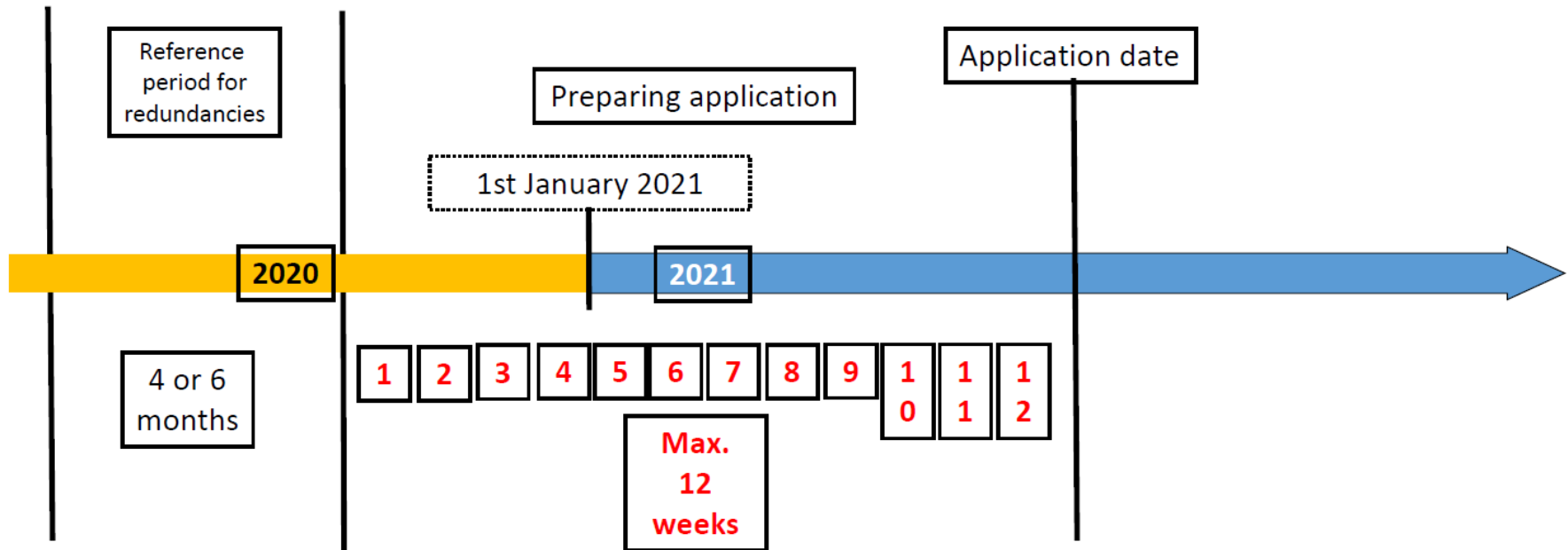
Question:
How should the provision of Art.8(2) suspending the time limit of 12 weeks from the end of the reference period be understood?

Timeline from beginning to end:



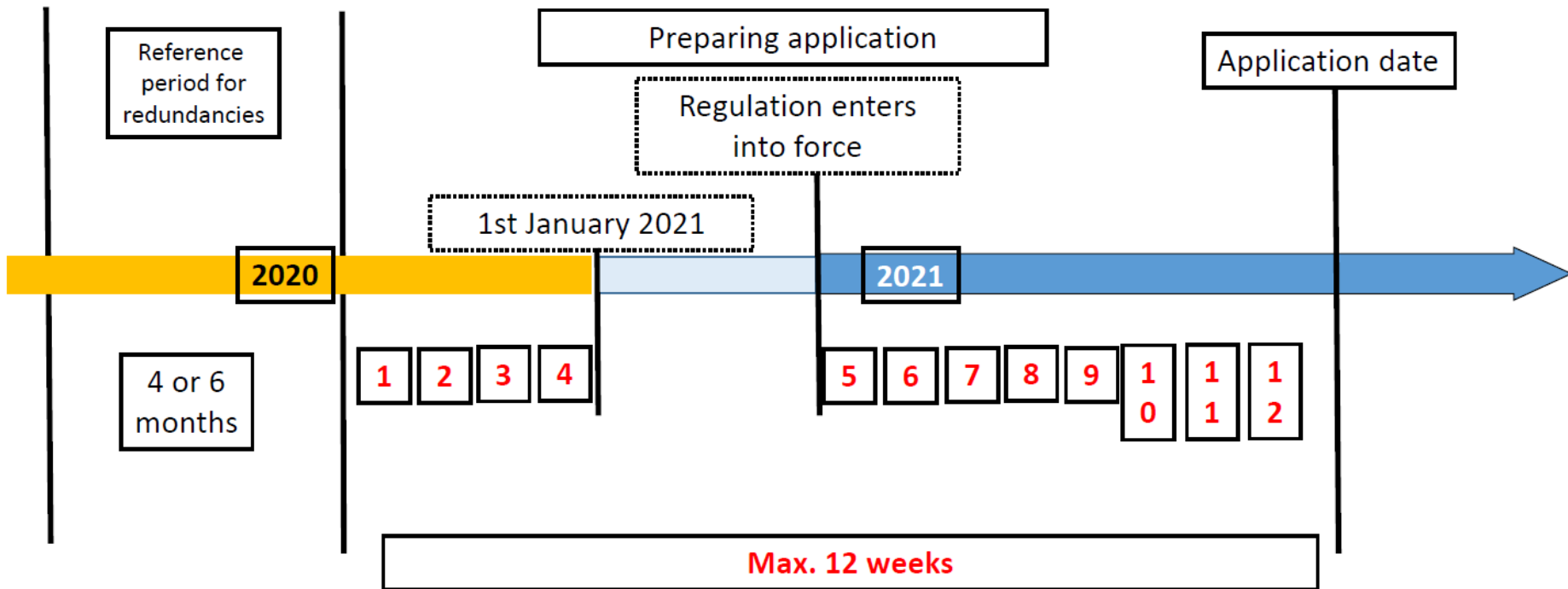
How should the provision of Art.8(2) suspending the time limit of 12 weeks from the end of the reference period be understood?

Timeline if the 2021-2027 Regulation would have entered into force on 1 January 2021



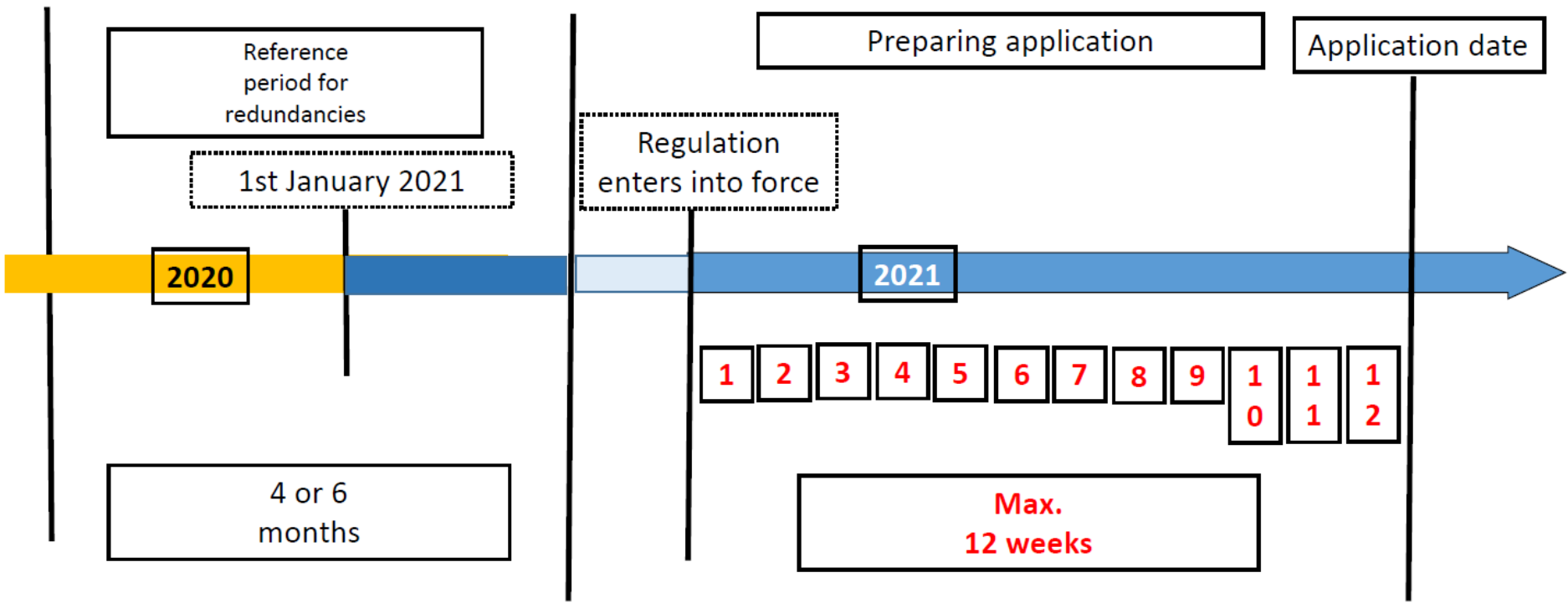
How should the provision of Art.8(2) suspending the time limit of 12 weeks from the end of the reference period be understood?

Timeline with the deadline of 12 weeks suspended The 12 weeks started in 2020

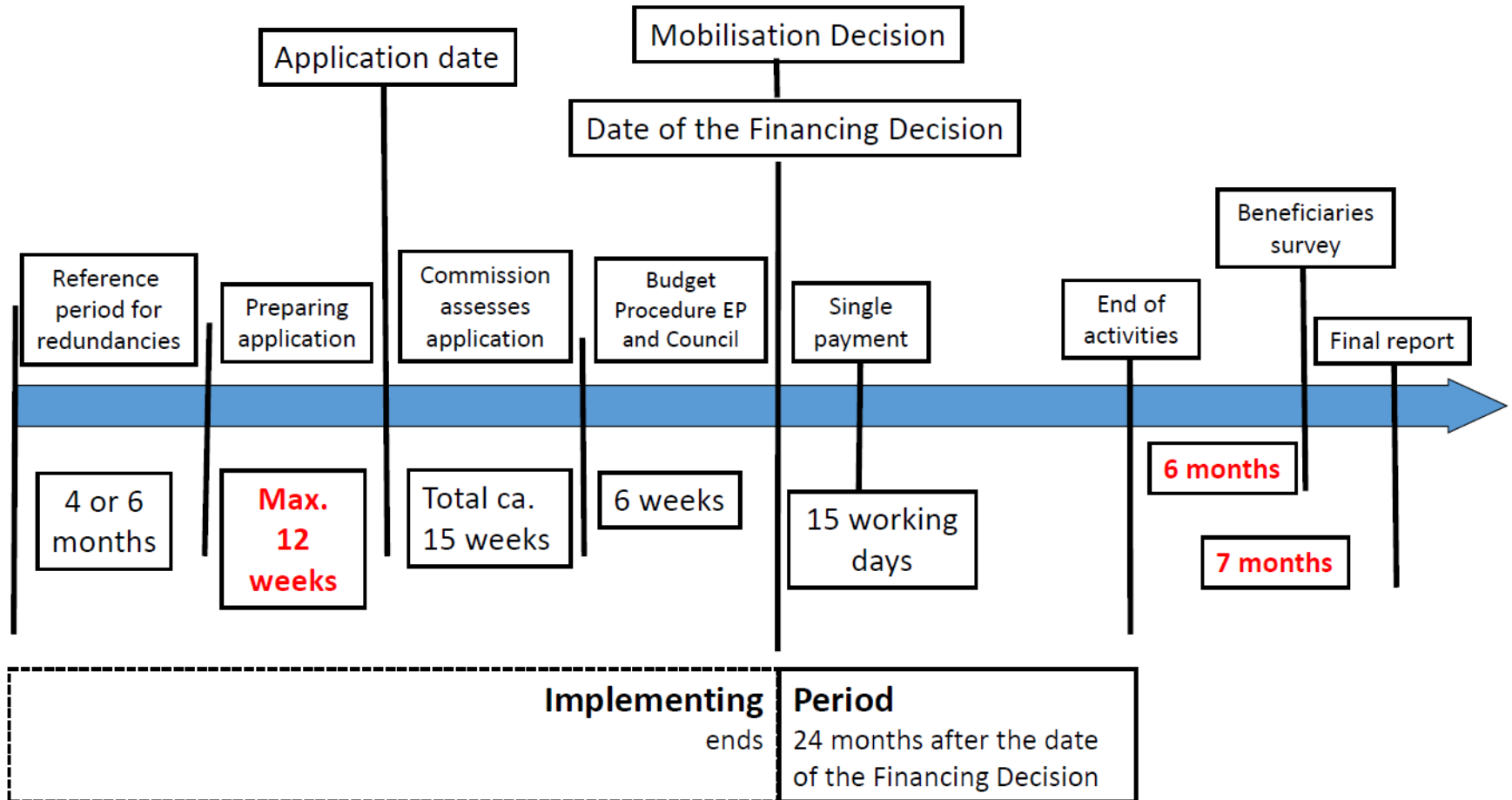


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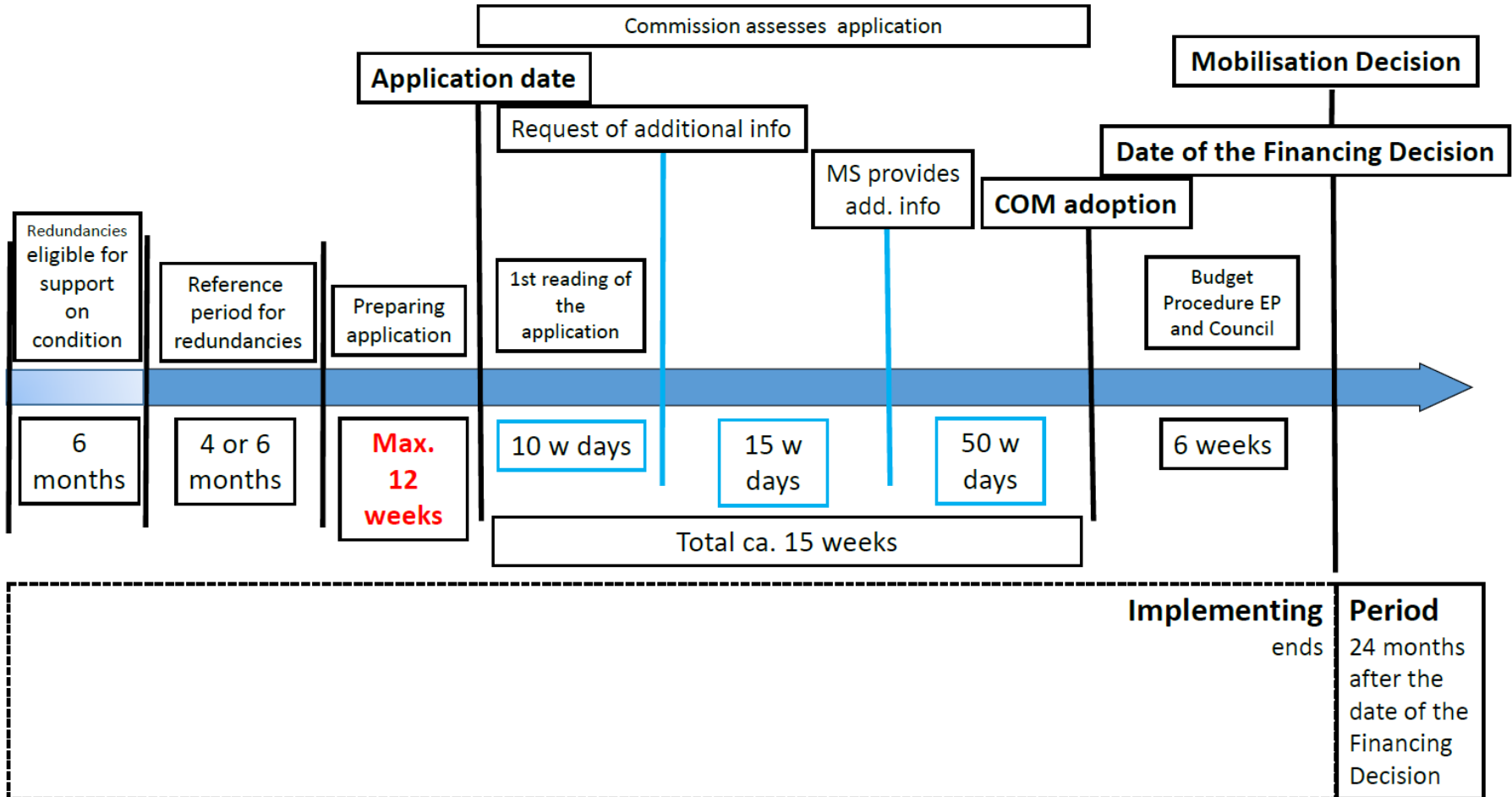
Timeline with the deadline of 12 weeks suspended
The 12 weeks start in 2021



Timeline from beginning to end:



Timeline from beginning to adoption



EGF FAQs, Post 2020 update

FAQ

Question:

In the new application form the section explaining the link between the redundancies and the globalisation is no longer there.

Does this mean that the explanation is no longer needed?

NEW Question

In the application form for the 2014-2020 period, one section was dedicated to establish the link between the redundancies and the globalization and another to explain the events that triggered the redundancies.

Quite often the explanation provided in these two sections were repetitive.

In the new application form both section are merged, to explain the events that triggered the redundancies and its causes (globalization, transition to green economy, digitalization, automation, etc.).

EGF FAQs, August 2019 update

| FAQ | What has changed |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Question:</p> <p>Can workers made redundant before or after the reference period of 4 or 6 months benefit from EGF assistance?</p> | <p>Yes. The workers whose redundancy result from the same event which triggered the redundancies during the reference period are now eligible for EGF support regardless whether the case concerns an enterprise or a region-sector.</p> <p>However, there are time limits:</p> <ul style="list-style-type: none">- 6 months before the start of the reference period and- the date of the adoption by the Commission of the draft proposal for decision. |

EGF FAQs, post 2020 update

| FAQ | NEW Question |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Question:</p> <p>Is there any restriction regarding the sectors that can be part of an application based on the intervention criterion set in Art.4(2)(c) “variety of sectors in one region”?</p> | <p>The regulation does not limit the number of sectors that can be included in an application based on the Art.4 (2)(c) criterion. However the sectors should be linked.</p> <p>EGF/2020/001 ES Galicia ancillary shipbuilding 80% of the value of a ship is subcontracted. When a shipyard has economic difficulties the consequences on employment in the ancillary shipbuilding industry are the same as if the companies were in a single NACE economic sector.</p> <p>EGF/2020/002 EE Eesti tourism The application follows the methodology of Tourism Satellite Account Classification of Statistics Estonia.</p> |

EGF FAQs, Post 2020 update

FAQ

Question:

The EGF may not be mobilised when public sector employees are dismissed as a result of budgetary cuts taken by a Member State (Art.4(5)). Does this restriction apply also to displaced workers from enterprises providing services or delivering goods to publicly financed entities affected by budgetary cuts?

NEW Question

The EGF, as a fund designed for major restructuring events, may not be mobilised in cases of dismissals in the public sector, which are the consequence of budgetary cuts. However, the EGF should be able to support **displaced workers from enterprises active on a competitive market**, providing services or delivering goods to publicly financed entities affected by budgetary cuts. EGF can also support self-employed persons whose activity has ceased because of budgetary cuts.



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7. Q & A

8. EGF ex-post evaluation for the 2014-2020 programming period (1)

- Art. 20(1)b) of Regulation (EU) No 1309/2013 - the Commission shall carry out on its own initiative and in close cooperation with the Member States by 31 December 2021, an **ex post evaluation** with the assistance of external experts, to measure the **impact** of the EGF and its **EU added value**.
- In line with the Better Regulation Guidelines, other criteria will also be evaluated: the **effectiveness, efficiency, coherence and relevance** of the results achieved.
- Wherever appropriate, the evaluation shall examine the **complementarity and coherence** of EGF interventions with other programmes, such as the European Social Fund, the Youth Employment Guarantee and national measures.

8. EGF ex-post evaluation for the 2014-2020 programming period (2)

- Evaluation : → **at instrument level** and
→ **at the level of individual cases.**
- The **aim** of the evaluation is :
 - to assess to what extent the EGF has attained its objectives during the period 2014-2020,
 - To provide lessons for the implementation and design of the Fund.
- It shall include figures showing the number of applications and shall cover the performance of the EGF by country and by economic sector during the period 2014-2020.

8. EGF ex-post evaluation for the 2014-2020 programming period (3)

TIMELINE:

- **2019: Preparation**
 - Evaluation Roadmap published ([Have your Say](#)), followed by a 4-week public consultation;
 - Contract signed with external experts, Consortium Ramboll Management Consulting A/S and SEOR, for the study supporting the ex post evaluation.
- **2020: Study** supporting the ex post evaluation
- **2021: Commission Staff Working Document** by 31 December 2021

8. EGF ex-post evaluation for the 2014-2020 programming period (4)

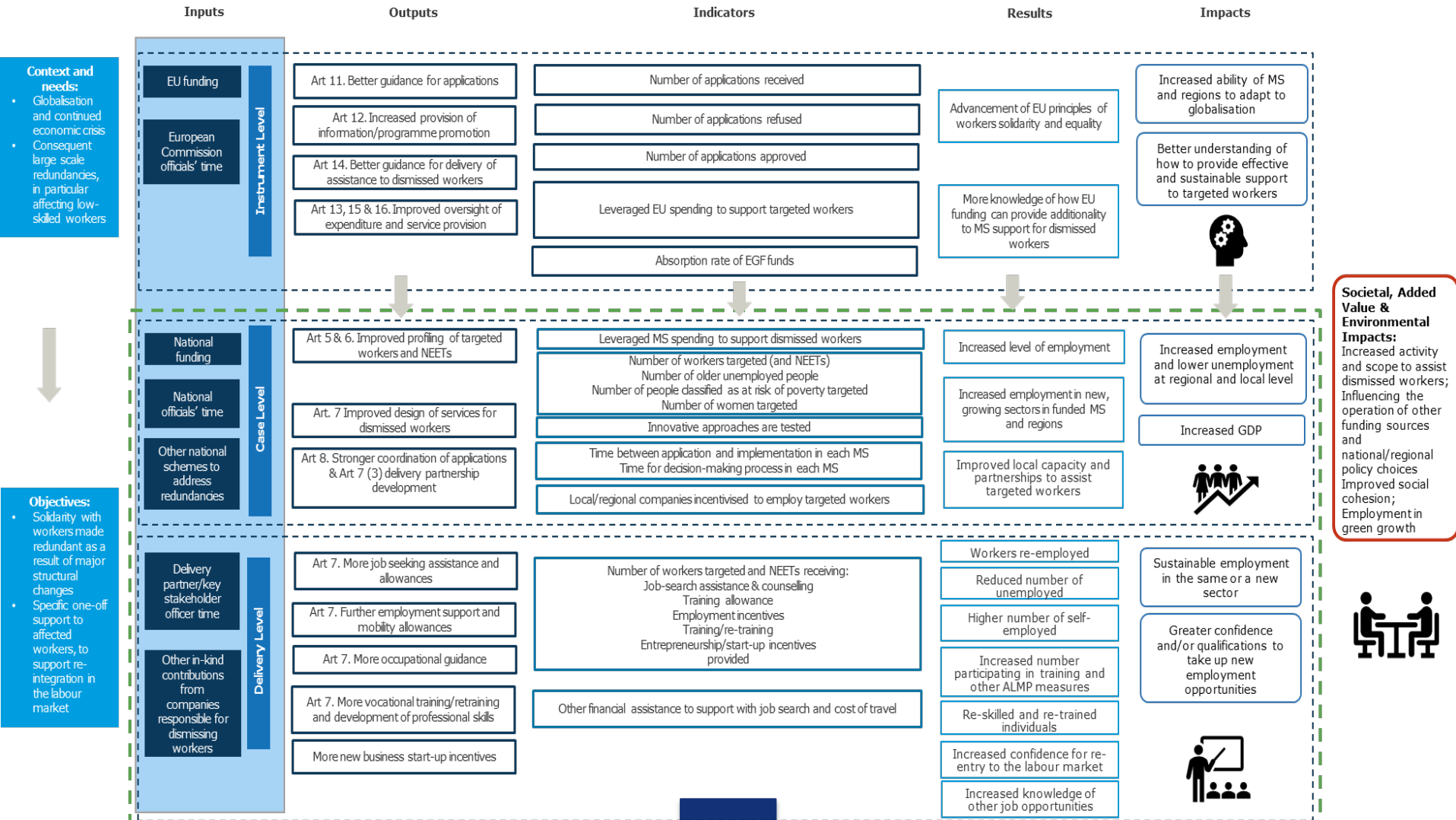
SUPPORTING STUDY

- **Scope:**
 - applications submitted during 2015-2019 (30 approved and 1 rejected)
 - all Member States, even those which did not receive funding for cases over the course of the programming period
- **Methodology** used:
 - data collection : desk research, interviews, targeted surveys, consultations with EGF beneficiaries and a public consultation;
 - data analysis : counterfactual impact evaluation (CIE) and 30 Case studies (+1 rejected application)
- **Challenges** : difficulties reaching EGF beneficiaries, identifying whether survey respondents benefited from EGF, obtaining data for the CIE, COVID-19 crisis



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Intervention logic of the EGF 2014-2020



8. EGF ex-post evaluation for the 2014-2020 programming period (6)

FINDINGS :

RELEVANCE :

- **EGF relevant and remains an important tool** to help and show solidarity to persons affected by restructuring events due to globalisation and crisis-related challenges
- **scope would benefit from expansion**
- not the most appropriate tool to provide support to young persons not in employment, education or training (NEETs)

8. EGF ex-post evaluation for the 2014-2020 programming period (7)

FINDINGS:

EFFECTIVENESS (1):

- **EGF successfully met its objective** ; additional effects include long-lasting effects (skills, confidence, qualifications, social networks)
- **average re-integration rate is 60%**; success depends largely on external factors (labour market, profile of beneficiaries), and case management
- **largely effective in terms of helping beneficiaries (re-)integrate** into the labour market
- offers support to all eligible beneficiaries in a **more tailored and intensive manner** than national measures and other EU instruments
- it is **difficult to assess the needs of beneficiaries** at application stage, leading to discrepancies in the degree to which certain measures are made available and actually used

8. EGF ex-post evaluation for the 2014-2020 programming period (8)

FINDINGS:

EFFECTIVENESS (2):

- **lack of awareness about the EGF** among workers and their representatives
- **limited monitoring and evaluation at case level**
- **lengthy decision-making** procedure at EU level and **delays** at national/regional level
- **application process lengthy and complex** for Member States not familiar with it
- Commission **networking seminars** are **useful**, but **not used to their full potential**, and more could be done to improve the visibility of EGF results
- Some Member States did not apply for EGF for different reasons : no eligible cases, lack of experience, or availability of other instruments

8. EGF ex-post evaluation for the 2014-2020 programming period (9)

FINDINGS:

EFFICIENCY:

- The **absorption rate varies significantly** between cases, sectors and Member States, with the lowest being 2% and the highest 100%
- The **average spending per assisted beneficiary differs considerably** between Member States, sectors, and cases
- The average time between the application and approval of EGF cases was 202 days (29 weeks), although the longest period was 254 days (36 weeks), which sometimes led to **delays in implementation** or targeted beneficiaries losing interest in participating

8. EGF ex-post evaluation for the 2014-2020 programming period (10)

FINDINGS:

COHERENCE:

- Although the **ESF** can fund similar measures as the **EGF**, the Funds have **different objectives and target groups** so they are complementary
- There is **an overlap between the EGF and the YEI** in terms of their support to NEETs, and having both instruments in place might be redundant
 - EGF not the most appropriate mechanism to support NEETs
- EGF **flexible enough** to adapt to national instruments, and in many cases is considered complementary to them because of its added value

8. EGF ex-post evaluation for the 2014-2020 programming period (11)

FINDINGS:

EU ADDED VALUE:

- ❖ The EGF is a **supplementary source of funding** that adds to or complements national measures and allowances, and often provides support in ways that cannot be provided by Member States.
- ❖ the added value **differs across Member States**. In general, the EGF has brought:
 - ❖ **Volume effects**, by increasing the financial support available to beneficiaries and extending the support to a larger group of beneficiaries
 - ❖ **Scope effects**, by widening the types of measures made available to beneficiaries and providing more tailored support
 - ❖ **Role effects**, by encouraging stakeholders at national level to apply lessons learned from one case to future case implementation
 - ❖ **Process effects**, by strengthening cooperation between stakeholders and national level

8. EGF ex-post evaluation for the 2014-2020 programming period (12)

COMMISSION STAFF WORKING DOCUMENT

- Will evaluate the entire period 2014-2020
- Based on :
 - Primarily the study provided by external consultant which covered the period 2015-2019 and included evaluation research and extensive stakeholder consultations. The 2020 applications were not covered by the study.
 - Other sources: previous reports, evaluations, and general experience in the management of the EGF.
- To be published by 31 December 2021

9. Communication

9.1. Commission communication activities

- Biennial report on EGF activities in 2019-2020 → Summer 2021
- Leaflet summarizing novelties of the new regulation and the EGF story
- EGF website

9.2 Member State communication activities



9.3 Next EGF Contact Persons meeting and Networking Seminar

9.4 Update on EGF related events planned in the Member States



10. Any other business

THANK YOU!

www.ec.europa.eu/egf