






Basic information	
<b>2008/0267(COD)</b> COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
European Globalisation Adjustment Fund (EGF): revision of rules  Amending Regulation (EC) No 1927/2006 <a href="#">2006/0033(COD)</a>  <b>Subject</b>  4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 4.15.12 Workers protection and rights, labour law 5.03 Global economy and globalisation	

Key players					
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>	
	<b>EMPL</b> Employment and Social Affairs		STAUNER Gabriele (PPE-DE)	14/01/2009	
	<b>Committee for opinion</b>		<b>Rapporteur for opinion</b>	<b>Appointed</b>	
	<b>INTA</b> International Trade		The committee decided not to give an opinion.		
	<b>BUDG</b> Budgets		The committee decided not to give an opinion.		
	<b>ECON</b> Economic and Monetary Affairs		DE VITS Mia (PSE)	14/01/2009	
	<b>ITRE</b> Industry, Research and Energy		The committee decided not to give an opinion.		
	<b>REGI</b> Regional Development		GIUNTINI Monica (PSE)	02/02/2009	
	Council of the European Union	<b>Council configuration</b>		<b>Meetings</b>	<b>Date</b>
		Employment, Social Policy, Health and Consumer Affairs		2930	2009-03-09
Tourism		2949	2009-06-11		
European Commission	<b>Commission DG</b>		<b>Commissioner</b>		
	Employment, Social Affairs and Inclusion		ŠPIDLA Vladimír		

Key events			
Date	Event	Reference	Summary
16/12/2008	Legislative proposal published	COM(2008)0867 	Summary
15/01/2009	Committee referral announced in Parliament, 1st reading		
09/03/2009	Debate in Council		Summary
31/03/2009	Vote in committee, 1st reading		Summary
03/04/2009	Committee report tabled for plenary, 1st reading	A6-0242/2009	
05/05/2009	Debate in Parliament	CRE link	
06/05/2009	Decision by Parliament, 1st reading	T6-0365/2009	Summary
06/05/2009	Results of vote in Parliament		
11/06/2009	Act adopted by Council after Parliament's 1st reading		
18/06/2009	Final act signed		
18/06/2009	End of procedure in Parliament		
29/06/2009	Final act published in Official Journal		

Technical information	
Procedure reference	2008/0267(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation (EC) No 1927/2006 <a href="#">2006/0033(COD)</a>
Legal basis	EC Treaty (after Amsterdam) EC 159-p3
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/6/71615

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE418.381	03/02/2009	
Amendments tabled in committee		PE420.170	16/02/2009	
Committee opinion	<span style="border: 1px solid red; padding: 2px;">ECON</span>	PE420.063	03/03/2009	
Committee opinion	<span style="border: 1px solid red; padding: 2px;">REGI</span>	PE419.968	10/03/2009	
Committee report tabled for plenary, 1st reading/single reading		A6-0242/2009	03/04/2009	
Text adopted by Parliament, 1st reading/single reading		T6-0365/2009	06/05/2009	Summary
Council of the EU				
Document type		Reference	Date	Summary

Draft final act	03654/2009/LEX	18/06/2009		
<b>European Commission</b>				
Document type	Reference	Date	Summary	
Legislative proposal	COM(2008)0867 	16/12/2008	<a href="#">Summary</a>	
Document attached to the procedure	SEC(2008)3055 	16/12/2008		
Document attached to the procedure	SEC(2008)3056 	16/12/2008		
Commission response to text adopted in plenary	SP(2009)3616	07/07/2009		
<b>Other institutions and bodies</b>				
Institution/body	Document type	Reference	Date	Summary
ESC	Economic and Social Committee: opinion, report	CES0627/2009	24/03/2009	
CofR	Committee of the Regions: opinion	CDR0084/2009	22/04/2009	

Additional information		
Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act
<a href="#">Regulation 2009/0546</a> <a href="#">OJ L 167 29.06.2009, p. 0026</a> <span style="float: right;"><a href="#">Summary</a></span>

## European Globalisation Adjustment Fund (EGF): revision of rules

2008/0267(COD) - 16/12/2008 - Legislative proposal

**PURPOSE:** to amend certain existing provisions of the Regulation on the European Globalisation Adjustment Fund (EGF) with a view to enhancing its performance in terms of re-integrating into employment workers who are made redundant as a consequence of globalisation.

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**BACKGROUND:** the European Globalisation Adjustment Fund is a response to a specific, European-scale crisis caused by globalisation. The Fund is an expression of EU solidarity with European workers left vulnerable because of the impact of globalisation. It provides one-off, time-limited individual support, geared directly to the redundant workers. Its objective is to reintegrate workers into the labour market, when they had been made redundant due to globalisation. It has at its disposal a potential maximum of EUR 500 million per year, an amount which may be reviewed in the light of the implementation of the revised Regulation.

In the Communication "Solidarity in the face of change: the EGF in 2007 - review and prospects", the Commission announced its intention to amend the EGF Regulation before issuing the next annual report, which is due by mid-2009 (see [COD/2006/0033](#) in "Follow-up documents"). In its [European Economic Recovery Plan](#), published in November 2008, the Commission announced its intention to make the EGF a more effective early intervention instrument as part of Europe's crisis response. The Commission reaffirmed its intention to revise the rules of the EGF so that it can intervene more rapidly in key sectors, inter alia to co-finance training and job placements for those who are made redundant as a result of the economic crisis.

CONTENT: the proposed action aims to amend the EGF Regulation in order to ensure that the EGF fully meets the stated objective of solidarity with workers who have lost their job as a consequence of major changes brought about by globalisation, including **a temporary provision to support workers made redundant as a result of the global financial and economic crisis**. The changes should enhance the performance of the Fund by:

- lowering the eligibility threshold for EGF applications from 1000 to 500 redundant workers;
- extending to 24 months the duration of EGF support (currently 12 months) so as to allow sufficient time for the measures to be effective in re-integrating particularly the most vulnerable workers into new jobs;
- ensuring equitable and non-discriminatory treatment of those workers whose redundancy occurred before or after the 4-month reference period of the Regulation but can be clearly linked to the same redundancy event;
- increasing the EU financial contribution from 50% to 75% to better reflect the emergency nature of the contribution (the other portion being paid by Member States);
- providing that the European Parliament and the Council may review the EGF Regulation, including the temporary derogation that includes workers affected by the financial and economic crisis, on the basis of a proposal from the Commission.

## European Globalisation Adjustment Fund (EGF): revision of rules

2008/0267(COD) - 18/06/2009 - Final act

PURPOSE: to amend certain existing provisions of the Regulation on the European Globalisation Adjustment Fund (EGF) with a view to enhancing its performance in terms of re-integrating into employment workers who are made redundant as a consequence of globalisation.

LEGISLATIVE ACT: Regulation (EC) No 546/2009 of the European Parliament and of the Council amending Regulation (EC) No 1927/2006 on establishing the European Globalisation Adjustment Fund.

CONTENT: following an agreement reached at first reading with the European Parliament, the Council adopted a revised version of the [Regulation on the European Globalisation Adjustment Fund \(EGF\)](#). German voted against with the United Kingdom and Latvia abstaining.

In its [European Economic Recovery Plan](#), the Commission announced its intention to make the EGF a more effective early intervention instrument as part of Europe's crisis response. The Commission reaffirmed its intention to revise the rules of the EGF so that it can intervene more rapidly in key sectors, inter alia to co-finance training and job placements for those who are made redundant as a result of the economic crisis.

The new Regulation provides in particular for the following:

- lowering the eligibility threshold for EGF applications **from 1000 to 500 redundant workers** over a period of 4 months (or over 9 months following the sector and the regions);
- extending to **24 months the duration of EGF support** (currently 12 months) so as to allow sufficient time for the measures to be effective in re-integrating particularly the most vulnerable workers into new jobs;
- **broaden temporarily the EGF's scope** to enable it to react more effectively. In order to provide additional EGF support during the period of the financial and economic crisis. The amount of the financial contribution of the EGF may not exceed 50% but for applications submitted before 31 December 2011, the amount may not exceed **65%**;

Member States applying for an EGF contribution under this derogation shall **establish a direct and demonstrable link between the redundancies and the financial and economic crisis**.

For the purposes of **calculating the number of redundancies**, the new Regulation stipulates that a redundancy shall be counted from:

- the date of the employer's individual notice to lay off or to terminate the contract of employment of the worker, or;
- the date of the de facto termination of the contract of employment before its expiry, or;
- the date on which the employer notifies the competent public authority in writing of the projected collective redundancies; in this case, the applicant Member State(s) shall provide the Commission with additional information on the actual number of redundancies effected and the estimated costs of the coordinated package of personalised services, prior to the completion of the assessment provided for in this Regulation.

For each enterprise in question the Member State(s) shall specify in the application how the redundancies are being counted.

Moreover, Member States can provide personalised **services co-financed** by the EGF to affected workers.

In the **case of grants**, indirect costs, declared on a flat-rate basis, shall be expenditure eligible for a contribution from the EGF of up to **20%** of the direct costs of an operation, provided that the indirect costs are incurred in accordance with national rules, including accountancy rules.

**Transitional provisions:** this Regulation shall apply to all applications for assistance from the EGF received from **1 May 2009**. As regards applications received before that date, the rules in force on the date of the application shall continue to apply throughout the entire duration of the EGF assistance.

ENTRY INTO FORCE: 02/07/2009.

## European Globalisation Adjustment Fund (EGF): revision of rules

2008/0267(COD) - 06/05/2009 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted, 538 votes in favour to 35 against with 37 abstentions a legislative resolution amending, under the first reading of codecision procedure, the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 1927/2006 on establishing the European Globalisation Adjustment Fund.

The amendments are the result of a compromise between Parliament and Council. The main amendments are as follows:

**Direct link:** the compromise text insists that Member States applying for an EGF contribution under the derogation for redundant workers shall establish a direct and demonstrable link between the redundancies and the financial and economic crisis.

The derogation will apply to all applications submitted before 31 December 2011.

**Intervention criteria:** the new text amends the criteria on how the number of redundancies will be counted. This is either: the date of the employer's individual notice to lay off or to terminate the contract of employment, or the date of the de facto termination of a contract of employment before its expiry, or the date on which the employer notifies the competent public authority in writing of the projected collective redundancies.

**Eligible persons:** a new article provides that Member States can provide personalised services co-financed by the EGF to certain affected workers.

**Financial contribution:** the amount of the financial contribution of the EGF may not exceed 50% but for applications submitted before 31 December 2011, the amount may not exceed **65%**.

In the case of grants, indirect costs, declared on a flat-rate basis, shall be expenditure eligible for a contribution from the EGF up to **20%** of the direct costs of an operation, provided that the indirect costs are incurred in accordance with national rules, including accountancy rules.

**Transitional provisions:** the Regulation will apply to all applications for assistance from the EGF received from 1 May 2009. As regards applications received before that date, the rules in force on the date of the application shall continue to apply throughout the entire duration of the EGF assistance.

## **European Globalisation Adjustment Fund (EGF): revision of rules**

2008/0267(COD) - 09/03/2009

On the basis of a report of the Presidency, the Council took note of the progress achieved with regard to a revision of the Regulation concerning the European Globalisation Adjustment Fund.

A number of Member States intervened by expressing their wish to get an agreement as soon as possible, in order to help citizens who lose their job because of the current economic crisis. Some Ministers called for making the assistance available already from the moment when redundancies are announced by the employer.

Despite the progress so far achieved in the preparatory instances of the Council, more discussion is needed, in particular on the proposal to reduce the trigger from 1 000 to 500 redundancies, to increase the co-financing rate from 50% to 75% and to expand temporarily the scope of the fund.

The Presidency concluded the debate by asking the Permanent Representatives Committee to continue the work in order to reach a first reading agreement with the Parliament which is expected to adopt its opinion at its plenary early May 2009.