










Procedure file

Basic information			
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation 2019/0180(COD)		Procedure completed	
European Globalisation Adjustment Fund (EGF) 2014-2020 Amending Regulation 2013/1309 2011/0269(COD)			
Subject 4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 5.03 Global economy and globalisation			
Key players			
European Parliament	Committee responsible  Employment and Social Affairs	Rapporteur  BLINKEVIČIŪTĒ Vilija	Appointed 03/09/2019
		Shadow rapporteur  FRANSSEN Cindy  BROPHY Jane  PHILLIPS Alexandra Louise Rosenfield  SZYDŁO Beata	
	Committee for opinion  Budgets	Rapporteur for opinion Chair on behalf of committee  VAN OVERTVELDT Johan	Appointed 24/09/2019
Council of the European Union	Council configuration Employment, Social Policy, Health and Consumer Affairs3706	Meeting	Date 24/10/2019
European Commission	Commission DG Employment, Social Affairs and Inclusion	Commissioner THYSSEN Marianne	
European Economic and Social Committee European Committee of the Regions			
Key events			

04/09/2019	Legislative proposal published	COM(2019)0397	Summary
16/09/2019	Committee referral announced in Parliament, 1st reading		
02/10/2019	Vote in committee, 1st reading		
04/10/2019	Committee report tabled for plenary, 1st reading	A9-0015/2019	Summary
22/10/2019	Results of vote in Parliament		
22/10/2019	Decision by Parliament, 1st reading	T9-0034/2019	Summary
24/10/2019	Act adopted by Council after Parliament's 1st reading		
24/10/2019	Final act signed		
24/10/2019	End of procedure in Parliament		
31/10/2019	Final act published in Official Journal		

Technical information

Procedure reference	2019/0180(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation 2013/1309 2011/0269(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 175-p3
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/9/01205

Documentation gateway

Legislative proposal		COM(2019)0397	04/09/2019	EC	Summary
Committee draft report		PE641.097	09/09/2019	EP	
Economic and Social Committee: opinion, report		CES4017/2019	25/09/2019	ESC	
Amendments tabled in committee		PE641.274	26/09/2019	EP	
Specific opinion	BUDG	PE641.291	01/10/2019	EP	
Committee report tabled for plenary, 1st reading/single reading		A9-0015/2019	04/10/2019	EP	Summary
Text adopted by Parliament, 1st reading/single reading		T9-0034/2019	22/10/2019	EP	Summary
Draft final act		00092/2019/LEX	24/10/2019	CSL	

European Globalisation Adjustment Fund (EGF) 2014-2020

PURPOSE: to enable the European Globalisation Adjustment Fund to support workers made redundant as a result of the likely economic disruptions in the case of a Brexit without a withdrawal agreement.

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

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the United Kingdom has decided to leave the European Union using the procedure provided for in Article 50 of the Treaty on European Union (TEU).

Following a request from the United Kingdom, the European Council agreed on 11 April 2019 to further extend the deadline provided for in Article 50(3) of the TEU until 31 October 2019. Unless the United Kingdom ratifies the withdrawal agreement by 31 October 2019 or requests a third extension and it is adopted unanimously by the European Council, the United Kingdom will leave the Union without agreement and become a third country on 1 November 2019.

The European Globalisation Adjustment Fund (EGF) was established by [Regulation \(EC\) No 1927/2006](#) of the European Parliament and of the Council for the duration of the multiannual financial framework from 1 January 2007 to 31 December 2013. It was established to enable the Union to show solidarity towards workers who lost their jobs as a result of major structural changes in world trade patterns due to globalisation.

After analysing the risks, the European Commission concluded that this proposal was necessary to ensure an effective response from the EGF and to show solidarity with workers made redundant in the Union as a result of a withdrawal from the United Kingdom from the Union without a withdrawal agreement.

CONTENT: the proposed contingency Regulation should amend [Regulation \(EU\) No 1309/2013](#) in order to specify that redundancies resulting from the withdrawal of the United Kingdom from the Union without a withdrawal agreement fall within the scope of the EGF.

Such a withdrawal would represent a major change in the EU's trade relations and the structure of the internal market and would therefore probably have significant repercussions on business models, growth and employment.

The Regulation should enter into force as a matter of urgency on the day following that of its publication in the Official Journal of the European Union and should apply from the date following that on which the Treaties cease to apply in the United Kingdom. However, it should not apply if a withdrawal agreement concluded with the United Kingdom in accordance with Article 50(2) TEU has entered into force by that date.

European Globalisation Adjustment Fund (EGF) 2014-2020

The Committee on Employment and Social Affairs adopted the report by Viliija BLINKEVIČIŪTĖ (S&D, LT) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1309/2013 on the European Globalisation Adjustment Fund (2014-2020).

The committee responsible recommended that the European Parliament adopt its position at first reading, in accordance with the ordinary legislative procedure, taking over the Commission proposal.

As a reminder, this proposal is part of the Union preparedness and contingency plan to mitigate the most significant disruptions caused by a withdrawal of the United Kingdom from the Union without a withdrawal agreement. The proposed amendments aim to clarify that redundancies resulting from a withdrawal of the United Kingdom from the Union without a withdrawal agreement fall within the scope of the EGF.

In a statement annexed to the draft resolution, the European Parliament called on the Commission and the Member States to ensure a flexible application of Article 4(2) of Regulation (EU) No 1309/2013 on the European Globalisation Adjustment Fund for the period 2014-2020 in the event of withdrawal of the United Kingdom from the Union, in particular with regard to collective applications involving SMEs in single or multisectoral cases.

The Committee on Budgets also expressed its support for the proposal for a regulation amending the EGF Regulation.

European Globalisation Adjustment Fund (EGF) 2014-2020

The European Parliament adopted by 516 votes to 23, with 17 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1309/2013 on the European Globalisation Adjustment Fund (2014-2020).

Parliament adopted its position at first reading, in accordance with the ordinary legislative procedure, taking over the Commission proposal.

The EGF was established to enable the Union to show solidarity towards workers who lost their jobs as a result of major structural changes in world trade patterns due to globalisation.

The withdrawal of the United Kingdom from the Union without a withdrawal agreement is likely to negatively affect some industries and

services by leading to people working in those sectors being made redundant. This Regulation should amend Regulation (EU) No 1309/2013 in order to specify that such redundancies fall within the scope of the EGF. This would ensure that the EGF can respond effectively by offering assistance to workers made redundant in areas, sectors, territories or labour markets subject to serious economic disruption due to the withdrawal of the United Kingdom from the Union without a withdrawal agreement.

This Regulation should enter into force as a matter of urgency on the day following that of its publication in the Official Journal of the European Union and should apply from the day following that on which the Treaties cease to apply to the United Kingdom. However, it should not apply if a withdrawal agreement concluded with the United Kingdom in accordance with Article 50(2) TEU has entered into force by that date.

In a statement annexed to the legislative resolution, the European Parliament called on the Commission and the Member States to ensure a flexible application of Article 4(2) of Regulation (EU) No 1309/2013 on the EGF 2014-2020 in the event of withdrawal of the United Kingdom from the Union, in particular with regard to collective applications involving SMEs in single or multisectoral cases.

European Globalisation Adjustment Fund (EGF) 2014-2020

PURPOSE: to enable the European Globalisation Adjustment Fund to support workers made redundant and self-employed persons as a result of the likely economic disruptions in the case of a Brexit without a withdrawal agreement.

LEGISLATIVE ACT: Regulation (EU) 2019/1796 of the European Parliament and of the Council amending Regulation (EU) No 1309/2013 on the European Globalisation Adjustment Fund (2014-2020).

CONTENT: the European Globalisation Adjustment Fund (EGF) was created in 2006 to enable the Union to show solidarity with workers who have lost their jobs as a result of major structural changes in world trade patterns as a result of globalisation. For the period 2014-2020, the scope of the Fund has been extended to include redundancies resulting from any new global financial and economic crisis.

The withdrawal of the United Kingdom from the Union without a withdrawal agreement is likely to have negative effects on a number of branches of industrial activity and services by leading to redundancies in the sectors concerned.

Accordingly, this Regulation amending [Regulation \(EU\) No 1309/2013](#) extends the scope of the EGF by stipulating that redundancies resulting from a withdrawal of the United Kingdom from the Union without a withdrawal agreement shall fall within the scope of the Fund. It thus adds the withdrawal of the United Kingdom from the EU without agreement to other major causes of redundancies, such as the delocalisation of jobs, the substantial increase in imports into the Union or the rapid decline in the Union market share in a given sector.

ENTRY INTO FORCE: 01.11.2019

The Regulation shall apply from the day following the day on which the treaties cease to apply in the United Kingdom if no withdrawal agreement is concluded. However, this Regulation shall not apply if an agreement is reached by the date of the withdrawal of the United Kingdom.