

European Globalisation Adjustment Fund

In October, the European Parliament is due to vote in plenary session on three applications for assistance from the European Globalisation Adjustment Fund (EGF). The EGF provides one-off support to workers losing their jobs as a result of major structural changes in world trade patterns or the global financial and economic crisis.

The European Globalisation Fund in a nutshell

The EGF was introduced in 2007 as a flexible instrument in the EU budget to provide support, under specific conditions, to workers who have lost their jobs as a result of mass redundancies caused by major changes in global trade, including through offshoring to countries outside the EU. Since 2007, the EGF has received **146 applications** and [paid out €454.2 million](#) (of a requested €545.3 million) in support for **119 980 workers**.

The EGF can only be used for a specific crisis and at the request of a Member State for financial support, and provided the relevant conditions are met, namely (1) **a minimum of 500 redundancies over a period of four months** in an enterprise in a Member State, or, alternatively, (2) **a minimum of 500 redundancies in SMEs over a period of nine months**. Applications for a contribution from the EGF that do not meet criteria (1) or (2) may be considered admissible in exceptional circumstances (for instance, in the case of small labour markets).

In line with the [European Council conclusions](#) of February 2013, the maximum amount available for EGF measures has been cut from €500 million to **€150 million per year** for the 2014-20 MMF, whereas EU contributions under the Fund have been increased to 60% of the total estimated cost of proposed measures.

Applications for approval at the October plenary

The October plenary is due to vote on **three applications for the mobilisation of the EGF** (one from Germany, one from Belgium and one from Italy). These requests are summarised below.

Germany – Adam Opel

[Application EGF/2015/002_DE/Adam Opel](#) follows **2 881 redundancies** at Adam Opel AG and a supplier operating in the region of Arnsberg, Germany. The redundancies are distributed as follows: a total of 2 826 workers made redundant in Adam Opel AG and 55 workers made redundant in its supplier. The total contribution requested is €6 958 623 (60% of the total cost). An estimated **2 692 workers** would be eligible for support under the measure.

Belgium – Ford Genk

[Application EGF/2015/003_BE/Ford Genk](#) follows **5 111 redundancies** at Ford Genk and 11 suppliers and downstream producers, operating in the region of Limburg, Belgium. The redundancies are distributed as follows: a total of 3 701 workers made redundant at Ford Genk and 1 180 workers made redundant in 11 suppliers and downstream producers. The total contribution requested is €6 268 564 (60% of the total cost). An estimated **4 500 workers** would be eligible for support.

Italy – Alitalia

[Application EGF/2015/004_IT Alitalia](#) follows **1 249 redundancies** in Gruppo Alitalia, operating in the region of Lazio, Italy. The total contribution requested is €1 414 848 (60% of the total cost). An estimated **184 workers** would be eligible for support.