



Mobilise globalisation adjustment aid faster, say MEPs

European Globalisation Adjustment Fund (EGF) aid for workers who lose their jobs as a result of globalisation or the financial crisis must be mobilised faster, says Parliament in a set of recommendations, approved on Tuesday, to accelerate the necessary procedures and budgetary arrangements.

"We are witnessing a trend of governments cutting social expenditures. Our proposal aims at countering this trend for people losing their jobs due to globalisation or the financial crisis. We would like not only to improve the regulation, but also to sustain the EGF, preferably by transferring it into a permanent fund. I hope we will be able to convince the Member States to continue the EGF for the period 2013-2020," said rapporteur Miguel Portas (GUE/NGL, Portugal).

The European Global Adjustment Fund was established in 2006 with an annual ceiling of € 500 million. In the first two years of its existence relatively few applications were submitted, partly due to complex intervention- and co-financing criteria. Since then, the programme's scope programme has been widened and the criteria relaxed. The co-financing rate went up from 50% to 65% and the period during which Member States may use the contributions was extended. This led to a significant increase in the number of applications and the number of redundant workers helped.

Room for improvement

MEPs nonetheless still see room for improvement. The duration of procedures could be further reduced, and more qualitative information is needed on how the programme works in practice.

Parliament asks the Commission to report regularly on the programme's implementation, and to submit its mid-term review of the programme sooner than initially agreed, preferably by 30 June 2011. Thereafter, the Commission should propose further simplification to the procedure so as to remedy the most obvious shortcomings, say MEPs.

Future funding

The EGF has so far been funded from leftovers under other budget lines. Parliament welcomes the proposed introduction of a separate EGF-budget line in the 2011 budget, and looking further ahead, asks the Commission to look into the possibility of establishing the EGF as an independent fund with its own payment and commitment appropriations under the new Multiannual Financing Framework (2013-2020).

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