REPORT


Committee on Employment and Social Affairs

Rapporteur: Maria Arena
**Symbols for procedures**

* Consultation procedure  
*** Consent procedure  
***I Ordinary legislative procedure (first reading)  
***II Ordinary legislative procedure (second reading)  
***III Ordinary legislative procedure (third reading)  

(The type of procedure depends on the legal basis proposed by the draft act.)

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**Amendments to a draft act**

**Amendments by Parliament set out in two columns**

Deletions are indicated in *bold italics* in the left-hand column. Replacements are indicated in *bold italics* in both columns. New text is indicated in *bold italics* in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

**Amendments by Parliament in the form of a consolidated text**

New text is highlighted in *bold italics*. Deletions are indicated using either the ▌ symbol or strikeout. Replacements are indicated by highlighting the new text in *bold italics* and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.
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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION


(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2018)0380),

– having regard to Article 294(2) and Article 175(3) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0231/2018),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to the opinion of the European Economic and Social Committee of ... ¹,

– having regard to the opinion of the Committee of the Regions of ... ²,

– having regard to Rule 59 of its Rules of Procedure,

– having regard to the report of the Committee on Employment and Social Affairs and the opinions of the Committee on International Trade, the Committee on Budgets, the Committee on Budgetary Control, the Committee on Regional Development and the position in the form of amendments of the Committee on Women’s Rights and Gender Equality (A8-0445/2018),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation

Title

¹ OJ C ... / Not yet published in the Official Journal.
² OJ C ... / Not yet published in the Official Journal.


Justification

Horizontal amendment, applies throughout the text, necessary changes to be made by DLA (lawyer-linguists) when included in the final text of the regulation. Therefore, the related amendments are not included in the final report.

Amendment 2
Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) Horizontal principles as set out in Article 3 of the Treaty on the European Union (‘TEU’) and in Article 10 TFEU, including principles of subsidiarity and proportionality as set out in Article 5 TEU should be respected in the implementation of the Funds, taking into account the Charter of Fundamental Rights of the European Union. Member States and the Commission should aim at eliminating inequalities and at promoting equality between men and women and integrating the gender perspective, as well as at combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. The objectives of the Funds should be pursued in the framework of sustainable development and the Union's promotion of the aim of preserving, protecting and improving the quality of the environment as set out in Articles 11 and 191(1) TFEU, taking into account the polluter pays principle.

Amendment

(1) Horizontal principles as set out in Article 3 of the Treaty on European Union (‘TEU’) and in Articles 9 and 10 of the Treaty on the Functioning of the European Union (TFEU), including principles of subsidiarity and proportionality as set out in Article 5 TEU should be respected in the implementation of the Funds, taking into account the Charter of Fundamental Rights of the European Union. In accordance with Article 8 TFEU, Member States and the Commission should aim at eliminating inequalities and at promoting equality between men and women and integrating the gender perspective as well as at combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. The objectives of the Funds should be pursued in the framework of sustainable development and the Union's promotion of the aim of preserving, protecting and improving the quality of the environment as set out in Articles 11 and 191(1) TFEU, taking into account the polluter pays principle.
Amendment 3

Proposal for a regulation
Recital 4

Text proposed by the Commission

(4) In February 2018, the Commission adopted its Communication on ‘A new, modern Multiannual Financial Framework for a European Union that delivers efficiently on its priorities post-2020’18. The Communication stresses that the Union budget shall support Europe’s unique social market economy. Therefore, it will be of utmost importance to improve employment opportunities and to address the skills challenges, especially also those linked to digitisation. Budgetary flexibility shall be a key principle in the next Multiannual Financial Framework. Flexibility mechanisms shall remain in place to allow the Union to react to unforeseen events, and to ensure that budgetary resources are used where most urgently needed.

Amendment

(4) In February 2018, the Commission adopted its Communication on ‘A new, modern Multiannual Financial Framework for a European Union that delivers efficiently on its priorities post-2020’18. The Communication stresses that the Union budget shall support Europe’s unique social market economy. Therefore, it will be of utmost importance to improve employment opportunities and to address the skills challenges, especially also those linked to digitisation, automatisation and a transition towards a resource-efficient economy, fully respecting the 2015 Paris Agreement on Climate Change following the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change. Budgetary flexibility shall be a key principle in the next Multiannual Financial Framework. Flexibility mechanisms shall remain in place to allow the Union to react in a more timely manner to unforeseen events, and to ensure that budgetary resources are used where most urgently needed.

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Amendment 4

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) In its ‘Reflection Paper on Harnessing Globalisation’ the Commission identifies the combination of trade related globalisation and technological change as the major drivers of an increased demand for skilled labour and a reduced number of jobs that require lower qualifications. Despite the overall tremendous advantages of more open trade and further integration of world economies, these negative side effects need to be tackled. As the current benefits of globalisation are already unequally distributed among people and regions, causing a significant impact on those adversely affected, there is a danger that the ever faster evolving technological advances will further fuel these effects. Therefore, in line with the principles of solidarity and sustainability, it will be necessary to ensure that the benefits of globalisation will be shared more fairly by reconciling economic opening and technological advance with social protection.

Amendment

(6) In its ‘Reflection Paper on Harnessing Globalisation’ the Commission identifies the combination of trade related globalisation and technological change as the major drivers of an increased demand for skilled labour and a reduced number of jobs that require lower qualifications. While acknowledging the advantages of more open trade, appropriate means are needed to address related negative side effects. As the current benefits of globalisation are already unequally distributed among people and regions, causing a significant impact on those adversely affected, there is a danger that technological and environmental changes will further fuel these effects. Therefore, in line with the principles of solidarity and sustainability, it will be necessary to ensure that the benefits of globalisation are shared more fairly. Any simultaneous adverse effects of globalisation and technological and environmental transitions should be more widely anticipated by the relevant Union Structural Funds, such as the European Social Fund Plus (ESF+), in order better to adapt the business world and workforces by reconciling economic growth and technological advance with adequate social protection and active support to accessing employment and self-employment opportunities.

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Proposal for a regulation

Recital 7

**Text proposed by the Commission**

(7) In its ‘Reflection Paper on the Future of Union Finances’ the Commission underlines the need to reduce economic and social divergences between and within Member States. Therefore, a key priority is to invest in equality, social inclusion, education and training as well as health.

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**Amendment**

(7) In its ‘Reflection Paper on the Future of Union Finances’ the Commission underlines the need to reduce economic and social divergences between and within Member States. Therefore, a key priority is to invest in **sustainable development**, equality, social inclusion, education and training as well as health.

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Amendment 6

Proposal for a regulation

Recital 8

**Text proposed by the Commission**

(8) **Globalisation** and technological change is likely to further increase the interconnectedness and interdependence of world economies. Labour reallocation is an integral and inevitable part of such economic change. If the benefits of change are to be distributed fairly, offering assistance to displaced workers and those threatened by displacement is of utmost importance. The ‘EU Quality Framework for anticipation of change and restructuring’ is the Union policy instrument that sets the framework of best practice for anticipating and dealing with corporate restructuring. It offers a comprehensive framework on how the challenges of economic adjustment and restructuring and their employment and social impact should be addressed by adequate policy means. It also calls upon Member States to use EU and national

**Amendment**

(8) **Climate Change, globalisation** and technological change are likely to further increase the interconnectedness and interdependence of world economies. Labour reallocation is an integral and inevitable part of such economic change. If the benefits of change are to be distributed fairly, offering assistance to displaced workers and those threatened by displacement is of utmost importance. The **main Union instruments to assist affected workers are ESF+, which is designed to offer assistance in an anticipatory way, and the EFT, which is designed to offer assistance in the case of major restructuring events in a reactive manner.** The ‘EU Quality Framework for anticipation of change and restructuring’ is the Union policy instrument that sets the framework of best practice for anticipating and dealing with corporate restructuring. It
funding in a way to ensure that the social impact of restructuring, especially the adverse effects on employment, can be cushioned more effectively. The main Union instruments to assist workers affected are the European Social Fund Plus (ESF+), which is designed to offer assistance in an anticipatory way, and the EGF, which is designed to offer assistance in the case of unexpected major restructuring events in a reactive manner.


Amendment 7
Proposal for a regulation
Recital 11 a (new)

Text proposed by the Commission

(11a) The EFT programme should be visible and require more and better data, in order to allow a proper scientific evaluation of the EFT and avoid administrative constraints in the operation of the programme for trade adjustment assistance.

Amendment 8
Proposal for a regulation
Recital 13
(13) The Commission underlines the continuing importance of the role of the EGF as a flexible fund to support workers who lose their jobs in large-scale restructuring events and to help them to find another job as rapidly as possible. The Union should continue to provide specific, one-off support to facilitate the reintegration into employment of displaced workers in areas, sectors, territories or labour markets suffering a shock of serious economic disruption. Considering the interplay and mutual effects of open trade, technological change or other factors like the transition to a low carbon economy, and therefore considering that it is increasingly difficult to single out a specific factor that causes job displacements, the mobilisation of the EGF shall in the future only be based on the significant impact of a restructuring event. Given its purpose, which is to provide support in situations of urgency and unexpected circumstances, complementing the more anticipatory assistance offered by the ESF+, the EGF shall remain a flexible and special instrument outside the budgetary ceilings of the Multiannual Financial Framework, as set out in the Commission's communication. A Modern Budget for a Union that Protects, Empowers and Defends - The Multiannual Financial Framework for 2021 – 2027 and its annex.


Amendment 9

Proposal for a regulation
Recital 13 a (new)

(13) The Commission underlines the continuing importance of the role of the EFT as a flexible fund to support workers who lose their jobs in large-scale restructuring events and to help them to find another job as rapidly as possible. The Union should continue to provide specific, one-off support to facilitate the reintegration into quality and sustainable employment of displaced workers in areas, sectors, territories or labour markets suffering a shock of serious economic disruption. Considering the interplay and mutual effects of open trade, technological change, digitisation and automation or other factors like the transition to a low carbon economy, and therefore considering that it is increasingly difficult to single out a specific factor that causes job displacements, the mobilisation of the EFT should in the future only be based on the significant impact of a restructuring event. Given its purpose, which is to provide support in situations of urgency and unexpected circumstances, complementing the more anticipatory assistance offered by the ESF+, the EFT should remain a flexible and special instrument outside the budgetary ceilings of the Multiannual Financial Framework, as set out in the Commission's communication. A Modern Budget for a Union that Protects, Empowers and Defends - The Multiannual Financial Framework for 2021 – 2027 and its annex.

(13a) In its resolution of 30 May 2018 on the 2021-2027 multiannual financial framework and own resources, the European Parliament reconfirmed its firm position on the necessary level of funding for key Union policies in the 2021-2027 MFF, in order to enable them to fulfil their mission and objectives. It stressed in particular the call to double the specific MFF funding for SMEs and for tackling youth unemployment; welcomed several proposals that improve the current provisions, notably the increased allocations of special instruments; and stated its intention to negotiate additional improvements, wherever necessary.

Amendment 10
Proposal for a regulation
Recital 14

(14) As stated, in order to maintain the European nature of the EGF, an application for support should be triggered when a major restructuring event causes a significant impact on the local or regional economy. Such an impact should be defined by a minimum number of job displacements within a specific reference period. Taking into account the findings of the mid-term evaluation, the threshold shall be set at 250 jobs displacement within a reference period of four months (or 6 months in sectoral cases). Taking into account that waves of dismissals in different sectors but the same region have an equally significant impact on the local labour market, regional applications shall be possible as well. In small labour markets, such as small Member States or remote regions, including the outermost
remote regions, including the outermost regions as referred in Article 349 of the TFEU, or in exceptional circumstances, applications could be submitted in case of a lower number of job displacements.

Amendment 11
Proposal for a regulation
Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) While respecting the principle of subsidiarity, and taking into account the need for a significant impact of the restructuring event as a threshold for an EFT application, the EFT should strive to show solidarity with dismissed workers from all types of enterprises, regardless of their size.

Amendment 12
Proposal for a regulation
Recital 14 b (new)

Text proposed by the Commission

Amendment

(14b) The EFT should remain a special Union instrument reacting to situations that cause major restructuring events in the European labour market. However, the Union should continue efforts to find more sustainable ways of tackling the structural change and challenges that affect labour markets and lead to such events in the Member States.

Amendment 13
Proposal for a regulation
Recital 17
The European Monitoring Centre on Change, based in the European Foundation for the Improvement of Living and Working Conditions (Eurofound) in Dublin, assists the Commission and the Member States with qualitative and quantitative analyses in order to help in the assessment of trends of globalisation, restructuring and the use of the EGF. Such analyses should include sufficient disaggregated data, particularly from a gender perspective, in order to combat gender inequalities more efficiently.

Amendment 14
Proposal for a regulation
Recital 17 a (new)

(17a) Eurofound’s European Restructuring Monitor (ERM) monitors in real time the reporting of large-scale restructuring events throughout the Union, based on a network of national correspondents. The ERM is very relevant to the EFT and should assist its operation in particular by helping to identify potential intervention cases at an early stage.

Amendment 15
Proposal for a regulation
Recital 18

(18) Displaced workers and self-employed persons whose activity has
ceased should have equal access to the EGF independently of their type of employment contract or employment relationship. Therefore, displaced workers as well as self-employed persons whose activity has ceased should be regarded as possible EGF beneficiaries for the purposes of this Regulation.

Amendment 16
Proposal for a regulation
Recital 19

Text proposed by the Commission

(19) Financial contributions from the EGF should be primarily directed at active labour market measures aimed at reintegrating beneficiaries rapidly into sustainable employment, either within or outside their initial sector of activity. Measures should reflect the prospected needs of the local or regional labour market. However, whenever relevant, the mobility of displaced workers should also be supported in order to help find new employment elsewhere. A particular focus shall be laid on the dissemination of skills required in the digital age. The inclusion of pecuniary allowances in a coordinated package of personalised services should be restricted. Companies could be encouraged to participate in the national co-funding for the EGF-supported measures.

Amendment

(19) Financial contributions from the EFT should be primarily directed at active labour market measures and personalised services aimed at reintegrating beneficiaries rapidly into quality and sustainable employment in a future-oriented sector, whether within or outside their initial sector of activity, but should also seek to promote self-employment and enterprise creation, including through the establishment of cooperatives. Measures should reflect the prospective needs of the local or regional labour market. However, whenever relevant, the mobility of displaced workers should also be supported in order to help find new employment elsewhere. A particular focus should be laid on the dissemination of skills required in the digital age, and on overcoming gender stereotypes in employment, where appropriate. The inclusion of pecuniary allowances in a coordinated package of personalised services should be restricted. The financial contributions should complement and not replace any measures which are the responsibility of Member States and/or companies by virtue of national law or collective agreements. Companies should be
encouraged to participate in the national co-funding for the *EFT*-supported measures.

**Amendment 17**

**Proposal for a regulation**

**Recital 19 a (new)**

*Text proposed by the Commission*

(19a) When implementing and designing coordinated package of personalised services, aimed at facilitating the re-integration of the targeted beneficiaries, Member States should exploit and better target the aims of the Digital Agenda and the Digital Single Market Strategy with a view to addressing the serious gender gap within the ICT and science, technology, engineering and mathematics (STEM) sectors by promoting re-training and re-qualification of women into ICT and STEM sectors. When implementing and designing coordinated package of personalised services, Member States should also avoid perpetuating the domination of one gender in those industries and sectors where this has traditionally been the case. Increasing the representation of the less represented gender in different sectors, such as finance, ICT and STEM, would contribute towards the reduction of gender pay and pension gap.

**Amendment 18**

**Proposal for a regulation**

**Recital 20**

*Text proposed by the Commission*

(20) When drawing up the coordinated package of active labour market policy measures, Member States should favour
measures that will significantly contribute to the employability of the beneficiaries. Member States should strive towards the reintegration into sustainable employment of the largest possible number of beneficiaries participating in these measures as soon as possible within the six-month period before the final report on the implementation of the financial contribution is due.

Amendment 19

Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) Member States should pay particular attention to disadvantaged beneficiaries, including young and older unemployed persons and those at risk of poverty, when designing the coordinated package of active labour market policy measures, given that those groups experience particular problems in re-entering the labour market. Notwithstanding, the principles of gender equality and of non-discrimination, which are among the Union’s core values and are enshrined in the European Pillar of Social Rights, should be respected and promoted when implementing the EGF.

Amendment

(21) Member States should pay particular attention to disadvantaged beneficiaries, including persons with disabilities, persons with dependent relatives, young and older unemployed persons, persons with a low level of qualifications, persons with a migrant background and persons at risk of poverty when designing the coordinated package of active labour market policy measures, given that those groups experience particular problems in re-entering the labour market. Notwithstanding, the principles of gender equality and of non-discrimination, which are among the Union’s core values and are enshrined in the European Pillar of Social Rights, should be respected and promoted when implementing the EFT.
Amendment 20
Proposal for a regulation
Recital 21 a (new)

Text proposed by the Commission

(21a) In the period between March 2007 and March 2017, the Commission received 148 applications for co-financing from the European Globalisation Adjustment Fund (EGF) from 21 Member States, for a total of almost EUR 600 million to help 138,888 displaced workers and 2,944 people not in employment, education or training (NEETs).

Amendment 21
Proposal for a regulation
Recital 22

Text proposed by the Commission

(22) In order to support beneficiaries effectively and rapidly, Member States should do their utmost to submit complete applications for a financial contribution from the EGF. In case the Commission requires further information for the assessment of an application, the provision of additional information should be limited in time.

Amendment 22
Proposal for a regulation
Recital 22 a (new)

Text proposed by the Commission

(22a) To facilitate the implementation
and the aims of this Regulation, more publicity should be given to the EFT. In past terms there has been considerable underspending of the fund, primarily due to the unawareness of the existence of the EGF. This could be solved by creating more publicity and information provision about the EFT and its possibilities, in particular at the relevant authorities in the Member States.

Amendment 23
Proposal for a regulation
Recital 22 b (new)

Text proposed by the Commission

Amendment

(22b) The Commission should facilitate access to national and regional authorities through a dedicated helpdesk that would provide general information and explanations on procedures and on how to submit an application. That helpdesk should make available standard forms for statistics and further analysis.

Amendment 24
Proposal for a regulation
Recital 23

Text proposed by the Commission

Amendment

(23) In the interest of beneficiaries and bodies responsible for implementation of the measures, the applicant Member State should keep all actors involved in the application process informed of the progress of the application.

(23) In the interest of beneficiaries and bodies responsible for implementation of the measures, the applicant Member State should keep all actors involved in the application process informed of the progress of the application and keep them engaged during the implementation process.

Amendment 25
Proposal for a regulation
Recital 24

Text proposed by the Commission

(24) In compliance with the principle of sound financial management, financial contributions from the EGF should not replace but should, where possible, complement support measures which are available for beneficiaries within the Union funds or other Union policies or programmes.

Amendment

(24) In compliance with the principle of sound financial management, financial contributions from the EGF cannot replace but rather should, where possible, complement support measures which are available for beneficiaries within the Union funds or other Union policies or programmes. Nor can the EFT’s financial contribution replace national measures or replace measures that are the responsibility of dismissing companies under national law or collective agreements and should instead create real European added value.

Amendment 26

Proposal for a regulation
Recital 25

Text proposed by the Commission

(25) Special provisions should be included for information and communication activities on EGF cases and outcomes.

Amendment

(25) In light of the principle of equality, Member States should ensure effective access to information about the EFT throughout their territory, including in rural areas. The Commission should, in particular, promote the dissemination of existing best practice, raise awareness of the EFT’s eligibility criteria and application procedures and do more to raise awareness of the EFT among Union citizens, in particular workers. Special provisions should be included for information and communication activities on EFT cases and outcomes.

Amendment 27

Proposal for a regulation
Recital 27 a (new)
In order to cover the needs arising especially during the first months of each year, where the options for transfers from other budget lines are particularly limited, an adequate amount of payment appropriations should be made available on the EFT budget line in the annual budgetary procedure.

Amendment 28
Proposal for a regulation
Recital 29

In the interest of the beneficiaries, assistance should be made available as quickly and efficiently as possible. The Member States and the Union institutions involved in the EGF decision-making process should do their utmost to reduce processing time and simplify procedures so as to ensure the smooth and rapid adoption of decisions on the mobilisation of the EGF. Therefore, the Budgetary Authority shall in the future decide on transfer requests submitted by the Commission, not requiring a Commission Proposal for the mobilisation of the EGF anymore.

Amendment 29
Proposal for a regulation
Recital 30

In the event of an enterprise closing down, displaced workers may be helped to take over some or all of the activities of their former employer and the Member State in which the enterprise is located.

Amendment

In the interest of the beneficiaries, assistance should be delivered quickly and efficiently. The Member States and the Union institutions involved in the EFT decision-making process should do their utmost to reduce processing time and simplify and adapt procedures to specific needs so as to ensure the smooth and rapid adoption of decisions on the mobilisation of the EFT. Therefore, the Budgetary Authority should in the future decide on transfer requests submitted by the Commission, not requiring a Commission Proposal for the mobilisation of the EFT anymore.
may advance the funds that are required urgently to make this possible.

Amendment 30
Proposal for a regulation
Recital 31

Text proposed by the Commission

(31) In order to enable political scrutiny by the European Parliament and continuous monitoring by the Commission of results obtained with EGF assistance, Member States should submit a final report on the implementation of the EGF.

Amendment

(31) In order to enable political scrutiny by the European Parliament and continuous monitoring by the Commission of results obtained with EFT assistance, Member States should submit a final report on the implementation of the EFT which should respond to clear monitoring requirements and contain a follow up of the beneficiaries and a gender equality impact assessment.

Amendment 31
Proposal for a regulation
Recital 32 a (new)

Text proposed by the Commission

(32a) The Member States should conduct effective communication activities in order to promote financial contributions from the EFT, emphasise that funding has come from the Union and raise the profile of activities financed by the Union under the EFT.

Amendment

(32a) The Member States should conduct effective communication activities in order to promote financial contributions from the EFT, emphasise that funding has come from the Union and raise the profile of activities financed by the Union under the EFT.

Amendment 32
Proposal for a regulation
Recital 37

Text proposed by the Commission

(37) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the

Amendment

(37) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the
Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25% of the EU budget expenditures supporting climate objectives. Relevant actions will be identified during the fund's preparation and implementation, and reassessed in the context of its evaluation.

Justification

The European Parliament in its resolution of 14 March 2018 on the next MFF: Preparing the Parliament’s position on the MFF post-2020 (2017/2052(INI)) called for a 30% target for the EU budget expenditures supporting climate objectives to be reached as soon as possible and at the latest by 2027.

Amendment 33

Proposal for a regulation
Recital 39

Text proposed by the Commission

(39) Considering the fact that the digital transformation of the economy requires a certain level of digital competence of the workforce, the dissemination of skills required in the digital age should be a mandatory horizontal element of any coordinated package of personalised services offered.

Amendment

(39) Considering the fact that the digital transformation of the economy requires a certain level of digital competence of the workforce, the dissemination of skills required in the digital age should be a mandatory horizontal element of any coordinated package of personalised services offered and should incorporate the aim of increasing the participation of women in STEM professions.

Amendment 34

Proposal for a regulation
Article 1 – subparagraph 2

Text proposed by the Commission

It lays down the objectives of the EGF, the

Amendment

It lays down the objectives of the EFT, the
forms of Union funding and the rules for providing such funding, including applications by the Member States for financial contributions from the EGF for measures targeting the beneficiaries referred to in Article 7.

Amendment 35

Proposal for a regulation
Article 2 – paragraph 1

Text proposed by the Commission

The EGF shall contribute to a better distribution of the benefits of globalisation and technological advance by helping displaced workers adapt to structural change. As such, the EGF shall contribute to the implementation of the principles defined under the European Pillar of Social Rights and enhance social and economic cohesion among regions and Member States.

Amendment

The objective of the EFT shall be to support socio-economic transformations that are the result of globalisation and of technological and environmental changes by helping displaced workers through the promotion of alternative, sustainable employment. The EFT shall be an emergency fund that operates reactively and contributes to a just transition. As such, the EFT shall contribute to the implementation of the principles defined under the European Pillar of Social Rights and enhance social and economic cohesion among regions and Member States.

Amendment 36

Proposal for a regulation
Article 3 – paragraph 1

Text proposed by the Commission

1. The general objective of the programme is to demonstrate solidarity with and offer support to displaced workers and self-employed persons whose activity has ceased in the course of unexpected major restructuring events, referred to in Article 5.

Amendment

1. The general objective of the programme is to demonstrate solidarity with and offer financial support for re-employment measures with regard to displaced workers regardless of the type or duration of their employment relationship and self-employed persons whose activity has ceased in the course of unexpected major restructuring events,
referred to in Article 5(1), (2) and (3).

Amendment 37

Proposal for a regulation
Article 3 – paragraph 2

Text proposed by the Commission

2. The specific objective of the **EGF** is to offer assistance in case of **unexpected** major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of digitisation or **automation**. Particular emphasis shall **lie** on measures that help the most disadvantaged groups.

Amendment

2. The specific objective of the **EFT** is to offer assistance and support to workers with regard to their reintegration into the labour market in the case of major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to a low-carbon economy or as a consequence of digitisation, **automatisation and technological change**. Particular emphasis shall be placed on measures that help the most disadvantaged groups and on the promotion of gender equality.

Amendment 38

Proposal for a regulation
Article 4 – paragraph 1 – point a

Text proposed by the Commission

(a) 'displaced worker' means a worker whose employment is ended prematurely by redundancy, or whose contract is not renewed, due to economic reasons;

Amendment

(a) 'displaced worker' means a worker, **regardless of the type or duration of his or her employment relationship**, whose employment is ended prematurely by redundancy, or whose contract is not renewed, due to economic reasons;
Amendment 39

Proposal for a regulation
Article 5 – paragraph 2 – point a

Text proposed by the Commission

(a) the cessation of activity of *more than 250* displaced workers or self-employed persons, over a reference period of *four* months, in an enterprise in a Member State, including where that cessation applies in its suppliers or downstream producers;

Amendment

(a) the cessation of activity of *at least 200* displaced workers or self-employed persons, over a reference period of *six* months, in an enterprise in a Member State, including where that cessation applies in its suppliers or downstream producers;

Amendment 40

Proposal for a regulation
Article 5 – paragraph 2 – point b

Text proposed by the Commission

(b) the cessation of activity of *more than 250* displaced workers or self-employed persons, over a reference period of *six* months, particularly in SMEs, where all operate in the same economic sector defined at NACE Revision 2 division level and located in one region or two contiguous regions defined at NUTS 2 level or in more than two contiguous regions defined at NUTS 2 level provided that there are *more than 250* workers or self-employed persons affected in two of the regions combined;

Amendment

(b) the cessation of activity of *at least 200* displaced workers or self-employed persons, over a reference period of *nine* months, particularly in SMEs, where all operate in the same economic sector defined at NACE Revision 2 division level and located in one region or two contiguous regions defined at NUTS 2 level or in more than two contiguous regions defined at NUTS 2 level provided that there are *at least 200* workers or self-employed persons affected in two of the regions combined;

Amendment 41

Proposal for a regulation
Article 5 – paragraph 2 – point c
(c) the cessation of activity of **more than 250** displaced workers or self-employed persons, over a reference period of **four** months, particularly in **SMEs**, operating in the same or different economic sectors defined at **NACE Revision 2 division level** and located in the same region defined at **NUTS 2 level**.

**Amendment 42**

**Proposal for a regulation**

**Article 5 – paragraph 3**

3. In small labour markets or in **exceptional circumstances**, **in particular with regard to** applications involving SMEs, where duly substantiated by the applicant Member State, an application for a financial contribution under this Article may be considered admissible even if the criteria laid down in points (a), (b) or (c) of paragraph 1 are not entirely met, when the redundancies have a serious impact on employment and the local or regional economy. The applicant Member State shall specify which of the intervention criteria set out in points (a), (b) or (c) of paragraph 1 are not entirely met. The aggregated amount of contributions in exceptional circumstances may not exceed **15 %** of the annual ceiling of the **EGF**.

**Amendment 43**

**Proposal for a regulation**

**Article 5 – paragraph 4**

3. In small labour markets or in **exceptional circumstances**, **including** applications involving SMEs, where duly substantiated by the applicant Member State, an application for a financial contribution under this Article may be considered admissible even if the criteria laid down in points (a), (b) or (c) of paragraph 1 are not entirely met, when the redundancies have a serious impact on employment **levels** and the local, regional or **national** economy. The applicant Member State shall specify which of the intervention criteria set out in points (a) or (b) or (c) of paragraph 1 are not entirely met. The aggregated amount of contributions in exceptional circumstances may not exceed **15 %** of the annual ceiling of the **EFT**.
4. The **EGF** may not be mobilised when workers are dismissed as a result of budget cuts taken by a Member State, which affect sectors that depend on public financing.

**Amendment 44**

Proposal for a regulation
Article 6 – paragraph 1

**Text proposed by the Commission**

1. The applicant Member State shall specify the method used for calculating the number of workers and self-employed persons defined in Article 4 for the purpose of Article 5.

**Amendment**

1. The applicant Member State shall specify the method used for calculating the number of **displaced** workers and self-employed persons defined in Article 4 for the purpose of Article 5(1), (2) and (3).

**Amendment 45**

Proposal for a regulation
Article 7 – paragraph 1 – point a

**Text proposed by the Commission**

(a) displaced workers and self-employed persons whose activity has ceased, calculated in accordance with Article 6, within the reference periods provided for in Article 5;

**Amendment**

(a) displaced workers and self-employed persons whose activity has ceased, calculated in accordance with Article 6, within the reference periods provided for in Article 5(1), (2) and (3);

**Amendment 46**

Proposal for a regulation
Article 7 – paragraph 2 a (new)

**Text proposed by the Commission**

*By way of derogation from Article 5, applicant Member States may provide personalised services co-financed by the*
ET to up to a number of NEETs (not in employment, education or training) under the age of 25, or where Member States so decide under the age of 30, on the date of submission of the application, equal to the number of targeted beneficiaries, as a priority to persons made redundant or whose activity has ceased, provided that at least some of the redundancies occur in NUTS 2 level regions.

Amendment 47

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 1

Text proposed by the Commission

A financial contribution from the EGF may be made for active labour market measures that form part of a coordinated package of personalised services, designed to facilitate the re-integration of the targeted beneficiaries and, in particular, the most disadvantaged among the displaced workers, into employment or self-employment.

Amendment

A financial contribution from the EFT may be made for active labour market measures that form part of a coordinated package of personalised services, with the involvement of trade union organisations and/or worker representatives, designed to facilitate the re-integration of the targeted beneficiaries and, in particular, the most disadvantaged among the displaced workers, into quality and sustainable employment or self-employment.

Amendment 48

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The dissemination of skills required in the digital industrial age is a mandatory horizontal element of any package of personalised services offered. The level of training shall be adapted to the qualifications and the needs of the

Amendment

The dissemination of skills required in the digital industrial age as well as in a resource-efficient economy is a mandatory horizontal element of any package of personalised training and/or services offered. The level of training shall be adapted to the qualifications, skills and
specify needs of the respective beneficiary.

Amendment 49
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 3 – point a

**Text proposed by the Commission**

(a) tailor-made training and retraining, including in information and communication technology and other skills required in the digital age, certification of acquired experience, job-search assistance, occupational guidance, advisory services, mentoring, outplacement assistance, entrepreneurship promotion, aid for self-employment, business start-ups and employee take-overs, and cooperation activities;

**Amendment**

(a) tailor-made training and retraining, including in information and communication technology and other skills that are required in the digital age, certification of acquired experience, **personalised** job-search assistance, occupational guidance, advisory services, mentoring, outplacement assistance, entrepreneurship promotion, aid for self-employment, business start-ups and employee take-overs, and cooperation activities;

Amendment 50
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 3 – point b

**Text proposed by the Commission**

(b) special time-limited measures, such as job-search allowances, employers’ recruitment incentives, mobility allowances, training or subsistence allowances, including allowances for carers.

**Amendment**

(b) special time-limited measures, such as job-search allowances, mobility allowances, childcare allowances, training or subsistence allowances, including allowances for carers and employers’ recruitment incentives including incentives to provide flexible working arrangements for displaced workers.

Amendment 51
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 4
The costs of the measures referred to in point (b) may not exceed 35% of the total costs for the coordinated package of personalised services listed in this paragraph.

The costs of the measures referred to in point (b) shall not exceed 35% of the total costs for the coordinated package of personalised services listed in this paragraph.

Amendment 52
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 5

The investments for self-employment, starting an own business or for employee take-overs may not exceed EUR 20 000 per displaced worker.

The investments for self-employment, starting an own business including a cooperative or for employee take-overs shall not exceed EUR 25 000 per displaced worker.

Amendment 53
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 6

The design of the coordinated package of personalised services shall anticipate future labour market perspectives and required skills. The coordinated package shall be compatible with the shift towards a resource-efficient and sustainable economy, and shall also focus on the dissemination of skills required in the digital industrial age and take into account the demand on the local labour market.

The design of the coordinated package of personalised services shall anticipate future labour market perspectives and required skills. The coordinated package shall be compatible with the shift towards a resource-efficient and sustainable economy, and shall also focus on the dissemination of skills required in the digital industrial age and take into account the demand on the local labour market as well as the possibility of reintegrating workers into the occupational sector of their former employment, where a major restructuring event has created a need for new or supplementary skills, and where existing skills can be utilised most
efficiently.

Amendment 54
Proposal for a regulation
Article 8 – paragraph 2 – subparagraph 1 – point b a (new)

Text proposed by the Commission
Amendment

(ba) measures to stimulate in particular the disadvantaged workers, those at the higher risk of poverty or older workers to remain in or return to the labour market.

Amendment 55
Proposal for a regulation
Article 8 – paragraph 2 – subparagraph 1 – point b b (new)

Text proposed by the Commission
Amendment

(bb) measures for which Member States are responsible by virtue of national law or collective agreements.

Amendment 56
Proposal for a regulation
Article 8 – paragraph 2 – subparagraph 2

Text proposed by the Commission
Amendment

The measures supported by the EGF shall not substitute passive social protection measures.

The measures supported by the EFT shall not under any circumstances substitute passive social protection measures.

Amendment 57
Proposal for a regulation
Article 8 – paragraph 3

Text proposed by the Commission
Amendment

3. The coordinated package of services

3. The coordinated package of
shall be drawn up in consultation with the targeted beneficiaries or their representatives, or the social partners. services shall be drawn up in consultation with the targeted beneficiaries or their representatives and/or the social partners.

Amendment 58

Proposal for a regulation
Article 9 – paragraph 2

Text proposed by the Commission

2. Within ten working days of the date of submission of the application, or, where applicable, of the date on which the Commission is in possession of the translation of the application, whichever is the later, the Commission shall inform the Member State of any additional information it requires in order to assess the application.

Amendment

2. Within ten working days of the date of submission of the application, or, where applicable, of the date on which the Commission is in possession of the translation of the application, whichever is the later, the Commission shall acknowledge receipt of the application and inform the Member State of any additional information it requires in order to assess the application.

Amendment 59

Proposal for a regulation
Article 9 – paragraph 3

Text proposed by the Commission

3. Where additional information is required by the Commission, the Member State shall reply within ten working days of the date of the request. That deadline shall be extended by the Commission by ten working days at the duly justified request of the Member State concerned.

Amendment

3. Where requested by the Member State, the Commission shall provide them with technical assistance at the early stages of the procedure. Where additional information is required by the Commission, the Member State shall reply within ten working days of the date of the request. That deadline shall be extended by the Commission by ten working days at the duly justified request of the Member State concerned.
Article 9 – paragraph 4

Text proposed by the Commission

4. On the basis of the information provided by the Member State, the Commission shall complete its assessment of the application’s compliance with the conditions for providing a financial contribution, within 60 working days of the receipt of the complete application or, where applicable, of the translation of the application. Where the Commission is unable, exceptionally, to comply with that deadline, it shall provide a written explanation setting out the reasons for the delay.

Amendment

4. On the basis of the information provided by the Member State, the Commission shall complete its assessment of the application’s compliance with the conditions for providing a financial contribution, within 40 working days of the receipt of the complete application or, where applicable, of the translation of the application. Where the Commission is unable, exceptionally, to comply, that deadline may be extended by a further 20 working days, provided that the Commission gives a prior written explanation setting out the reasons for its delay and submits that explanation to the Member State concerned.

Amendment 61

Proposal for a regulation
Article 9 – paragraph 5 – point b

Text proposed by the Commission

(b) the confirmation that, where the dismissing enterprise has continued its activities after the lay-offs, it has complied with its legal obligations governing the redundancies;

Amendment

(b) the confirmation that, where the dismissing enterprise has continued its activities after the lay-offs, it has complied with all its legal obligations governing the redundancies and has provided for its workers accordingly;

Amendment 62

Proposal for a regulation
Article 9 – paragraph 5 – point b a (new)

Text proposed by the Commission

(ba) a clear indication of the activities already undertaken by the Member States for the assistance of displaced workers and of the complementary nature of the
Amendment 63
Proposal for a regulation
Article 9 – paragraph 5 – point b b (new)

Text proposed by the Commission

An overview of Union funds the dismissing enterprise already benefitted from in the five years preceding the collective redundancies;

Amendment

Amendment 64
Proposal for a regulation
Article 9 – paragraph 5 – point e

Text proposed by the Commission

The expected impact of the redundancies as regards the local, regional or national economy and employment;

Amendment

The expected impact of the redundancies as regards the local, regional, national or, where appropriate, cross-border economy and employment;

Amendment 65
Proposal for a regulation
Article 9 – paragraph 5 – point f

Text proposed by the Commission

A detailed description of the coordinated package of personalised services and related expenditure, including, in particular, any measures in support of employment initiatives for disadvantaged, older and young beneficiaries;

Amendment

A detailed description of the coordinated package of personalised services and related expenditure, including, in particular, any measures in support of employment initiatives for disadvantaged, low-skilled, older and young beneficiaries, and those from disadvantaged areas;

Amendment 66
Proposal for a regulation
Article 9 – paragraph 5 – point m a (new)

*Text proposed by the Commission*

Amendment

(\(ma\)) a statement that proposed actions will be complementary with actions funded by the Structural Funds and that any double financing will be prevented.

Amendment 67

Proposal for a regulation
Article 10 – paragraph 2

*Text proposed by the Commission*

Amendment

2. Support for targeted beneficiaries shall complement measures of the Member States at national, regional *and* local level including those co-financed by Union funds, in line with the recommendations set out in the EU Quality Framework for anticipation of change and restructuring.

Amendment 68

Proposal for a regulation
Article 10 – paragraph 3

*Text proposed by the Commission*

Amendment

3. The financial contribution from the EGF shall be limited to what is necessary to provide temporary, one-off support for targeted beneficiaries. The measures supported by the EGF shall comply with Union and national law, including State aid rules.

Amendment 69

Proposal for a regulation
Article 10 – paragraph 4
4. In accordance with their respective responsibilities, the Commission and the applicant Member State shall ensure the coordination of the assistance from Union funds.

**Amendment**

4. In accordance with their respective responsibilities, the Commission and the applicant Member State shall ensure the coordination of the assistance from Union funds and programmes.

**Amendment 70**

Proposal for a regulation
Article 11 – paragraph 1

**Text proposed by the Commission**

The Commission and the Member States shall ensure that equality between men and women and the integration of the gender perspective are an integral part of, and are promoted during the various stages of the implementation of the financial contribution from the EGF.

**Amendment**

The Commission and the Member States shall ensure that equality between men and women and the integration of the gender perspective are an integral part of, and are promoted during all appropriate stages of the implementation of the financial contribution from the EFT.

**Amendment 71**

Proposal for a regulation
Article 12 – paragraph 1

**Text proposed by the Commission**

1. At the initiative of the Commission, a maximum of 0.5 % of the annual ceiling of the EGF may be used for technical and administrative assistance for its implementation, such as preparatory, monitoring, control, audit and evaluation activities including corporate information technology systems, communication activities and those enhancing the EGF’s visibility and other administrative and technical assistance measures. Such measures may cover future and previous programming periods.

**Amendment**

1. At the initiative of the Commission, a maximum of 0.5 % of the annual ceiling of the EFT may be used to finance technical and administrative assistance for its implementation, such as preparatory, monitoring, data gathering, control, audit and evaluation activities including corporate information technology systems, communication activities and those enhancing the EFT's visibility and other administrative and technical assistance measures. Synergies with established monitoring systems of structural change, such as the ERM, shall be reinforced. Such measures may cover future and previous programming periods.
Amendment 72

Proposal for a regulation
Article 12 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Where the Commission implements technical assistance under indirect management, it shall ensure the transparency of the procedure for designating the third party responsible for carrying out the tasks assigned to it and shall inform all EFT stakeholders, including the European Parliament, of the sub-contractor selected for that purpose.

Amendment 73

Proposal for a regulation
Article 12 – paragraph 4

Text proposed by the Commission

4. The Commission’s technical assistance shall include the provision of information and guidance to the Member States for using, monitoring and evaluating the EGF. The Commission shall also provide information along with clear guidance on using the EGF to the European and national social partners. Guidance measures may also include the creation of taskforces in cases of severe economic disruptions in a Member State.

Amendment 74

Proposal for a regulation
Article 13 – paragraph 1 – subparagraph 1

Text proposed by the Commission

4. The Commission’s technical assistance shall include the provision of information and guidance to the Member States for using, monitoring and evaluating the EFT, including the creation of a helpdesk. The Commission shall also provide information along with clear guidance on using the EFT to the European and national social partners. Guidance measures may also include the creation of taskforces in cases of severe economic disruptions in a Member State.
Text proposed by the Commission

The Member States shall acknowledge the origin and ensure the visibility of the Union funding by providing coherent, effective and targeted information to multiple audiences, including targeted information to beneficiaries, local and regional authorities, social partners, the media and the public.

Amendment

The Member States shall acknowledge the origin and ensure the visibility of the Union funding by providing coherent, effective and targeted information to multiple audiences, including targeted information to beneficiaries, local and regional authorities, social partners, the media and the public. **The Member States shall ensure that the Union added value of the funding is highlighted and that they assist the data gathering efforts of the Commission in order to enhance budgetary transparency.**

Amendment 75

Proposal for a regulation
Article 13 – paragraph 2

Text proposed by the Commission

2. The Commission shall maintain and update regularly an online presence, accessible in all official languages of the institutions of the Union, to provide updated information on the EGF, guidance on the submission of applications, as well as information on accepted and rejected applications and on the role of the European Parliament and the Council in the budgetary procedure.

Amendment

2. The Commission shall maintain and update regularly an online presence, accessible in all official languages of the institutions of the Union, to provide updated information on the EGT, guidance on the submission of applications and on eligible actions, regularly updated list of contacts in the Member States as well as information on accepted and rejected applications and on the role of the European Parliament and the Council in the budgetary procedure.

Amendment 76

Proposal for a regulation
Article 13 – paragraph 3 – subparagraph 1

Text proposed by the Commission

The Commission shall implement information and communication activities on EGF cases and outcomes based on its

Amendment

The Commission shall promote the dissemination of existing best practices in the area of communication, and
experience with the aim of improving the effectiveness of the EGF and ensuring that Union citizens and workers know about the EGF.

implement information and communication activities on EFT cases and outcomes based on its experience, with the aim of raising the profile of the EFT, raising awareness of the EFT’s eligibility criteria and applications procedures, improving the EFT’s effectiveness and ensuring that Union citizens and workers know about the EFT, including citizens and workers in rural areas with difficult access to information.

Amendment 77
Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 9 and in particular taking into account the number of targeted beneficiaries, the proposed measures and the estimated costs, evaluate and propose as quickly as possible the amount of a financial contribution from the EGF, if any, that may be made within the limits of the resources available.

Amendment

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 9 and in particular taking into account the number of targeted beneficiaries, the proposed measures and the estimated costs, evaluate and propose, within the deadline laid down in Article 9(4), the amount of a financial contribution from the EFT, if any, that may be made within the limits of the resources available.

Amendment 78
Proposal for a regulation
Article 14 – paragraph 3

Text proposed by the Commission

3. Where, on the basis of the assessment carried out in accordance with Article 9, the Commission concludes that the conditions for a financial contribution under this Regulation are met, it shall immediately initiate the procedure set out in Article 16.

Amendment

3. Where, on the basis of the assessment carried out in accordance with Article 9, the Commission concludes that the conditions for a financial contribution under this Regulation are met, it shall immediately initiate the procedure set out in Article 16 and shall notify the applicant.
Amendment 79

Proposal for a regulation
Article 14 – paragraph 4

**Text proposed by the Commission**

4. Where, on the basis of the assessment carried out in accordance with Article 9, the Commission concludes that the conditions for a financial contribution under this Regulation are not met, it shall immediately notify the applicant Member State.

**Amendment**

4. Where, on the basis of the assessment carried out in accordance with Article 9, the Commission concludes that the conditions for a financial contribution under this Regulation are not met, it shall immediately notify the applicant Member State as well as other concerned stakeholders, including the European Parliament.

Amendment 80

Proposal for a regulation
Article 15 – paragraph 2

**Text proposed by the Commission**

2. The Member State shall carry out the eligible measures set out in Article 8 as soon as possible, and at the latest within 24 months after the date of entry into force of the decision on the financial contribution.

**Amendment**

2. The Member State shall carry out the eligible measures set out in Article 8 as soon as possible. They shall, in any event, be implemented by six months after the date of entry into force of the decision on the financial contribution and carried out at the latest within 24 months after the date of entry into force of the decision on the financial contribution.

Amendment 81

Proposal for a regulation
Article 16 – paragraph 1

**Text proposed by the Commission**

1. Where the Commission has concluded that the conditions for providing

**Amendment**

1. Where the Commission has concluded that the conditions for providing
a financial contribution from the \textit{EGF} are met, it shall submit a \textit{request} for a transfer to the relevant budgetary lines in accordance with Article 31 of the Financial Regulation.

a financial contribution from the \textit{EFT} are met, it shall submit a \textit{proposal to mobilise it}. The decision to mobilise the \textit{EFT} shall be taken jointly by the European Parliament and the Council within one month of the submission of the proposal to them. The Council shall act by a qualified majority and the European Parliament shall act by a majority of its component members and three fifths of the votes cast.

At the same time as it submits its proposal for a decision to mobilise the \textit{EFT}, the Commission shall submit to the European Parliament and to the Council a proposal for a transfer to the relevant budgetary lines. \textit{In the event of disagreement, a trilogue procedure shall be initiated.}

Transfers related to the \textit{EFT} shall be \textit{made} in accordance with Article 31 of the Financial Regulation.

\begin{itemize}
  \item \textbf{Amendment 82}
  \begin{itemize}
    \item \textbf{Proposal for a regulation}
    \begin{itemize}
      \item \textbf{Article 16 – paragraph 2}
      \begin{itemize}
        \item \textit{Text proposed by the Commission}
        \item \textit{Amendment}
        \item 
        \begin{itemize}
          \item 2.  \textit{The transfer request needs to be accompanied by a summary of the examination of the eligibility of the application.}
        \end{itemize}
      \end{itemize}
      \item 
      \begin{itemize}
        \item deleted
      \end{itemize}
    \end{itemize}
  \end{itemize}
  \item \textbf{Amendment 83}
  \begin{itemize}
    \item \textbf{Proposal for a regulation}
    \begin{itemize}
      \item \textbf{Article 16 – paragraph 3}
      \begin{itemize}
        \item \textit{Text proposed by the Commission}
        \item \textit{Amendment}
        \item 
        \begin{itemize}
          \item 3.  \textit{The Commission shall adopt a decision on a financial contribution, by means of an implementing act, which shall enter into force on the date the \textit{Commission is notified of the approval of}}
        \end{itemize}
      \end{itemize}
      \item 
      \begin{itemize}
        \item 3.  \textit{The Commission shall adopt a decision on a financial contribution, by means of an implementing act, which shall enter into force on the date \textit{on which the European Parliament and the Council}}
      \end{itemize}
    \end{itemize}
  \end{itemize}
\end{itemize}
the budgetary transfer by the European Parliament and the Council. The decision shall constitute a financing decision within the meaning of Article 110 of the Financial Regulation.

Amendment 84

Proposal for a regulation
Article 16 – paragraph 3 a (new)

Text proposed by the Commission

Adopt the decision to mobilise the EFT.

3a. A proposal for a decision to mobilise the EFT pursuant to paragraph 1 shall include the following:

(a) the assessment carried out in accordance with Article 9(4), together with a summary of the information on which that assessment is based;

(b) evidence that the criteria laid down in Articles 5 and 10 have been met; and

(c) the reasons justifying the amounts proposed.

Amendment 85

Proposal for a regulation
Article 16 a (new)

Text proposed by the Commission

Article 16a

Exceptional cases

In exceptional cases and if the remaining financial resources available in the Fund in the year of the occurrence of the major restructuring event are not sufficient to cover the amount of assistance deemed necessary by the budgetary authority, the Commission may propose that the difference be financed through the next year's Fund. The annual budgetary ceiling of the Fund in the year of the occurrence of the major restructuring
event and in the following year shall be respected under all circumstances.

Amendment 86
Proposal for a regulation
Article 19 a (new)

Text proposed by the Commission

Amendment
Article 19a

Model for the beneficiary survey

The beneficiary survey referred to in point (d) of Article 20(1) shall be based on the model established by the Commission by means of an implementing act. The Commission shall adopt that implementing act in accordance with the advisory procedure referred to in Article 26(2) in order to ensure uniform conditions for the implementation of this Article.

Amendment 87
Proposal for a regulation
Article 20 – paragraph 1 – point a

Text proposed by the Commission

(a) the type of measures and main results, explaining the challenges, lessons learned, synergies and complementarities with other EU funds and indicating, whenever possible, the complementarity of measures with those funded by other Union or national programmes in line with the EU Quality Framework for anticipation of change and restructuring;

Amendment

(a) the type of measures and the results obtained, explaining the challenges, lessons learned, synergies and complementarities with other EU funds, particularly ESF+, and indicating, whenever possible, the complementarity of measures with those funded by other Union or national programmes in line with the EU Quality Framework for anticipation of change and restructuring;

Amendment 88
Proposal for a regulation
Article 20 – paragraph 1 – point d

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(d) the results of a beneficiary survey conducted six months after the end of the implementation period, which shall cover the perceived change in the employability of beneficiaries, or for those who already found employment, more information on the quality of employment found, such as the change in working hours, level of responsibility or change of salary level in comparison to previous employment, and the sector in which the person found employment and break down this information by gender, age group and education level;

Amendment

Proposal for a regulation
Article 20 – paragraph 1 – point e

Text proposed by the Commission

(e) whether the dismissing enterprise, with the exception of micro enterprises and SMEs, has been a beneficiary of State aid or previous funding from Union cohesion or structural funds in the preceding five years;

Amendment

Proposal for a regulation
Article 20 – paragraph 2

Text proposed by the Commission

2. Not later than at the end of the nineteenth month after the expiry of the period specified in Article 15(3), the Member State concerned shall submit the simple dataset informing on the longer-term result indicator specified in point (3) of the Annex.

Amendment

2. Not later than at the end of the nineteenth month after the expiry of the period specified in Article 15(3), the Member State concerned shall submit the complete and duly verified simple dataset informing on the longer-term result indicator specified in point (3) of the Annex.
Amendment 91

Proposal for a regulation
Article 21 – paragraph 1

Text proposed by the Commission

1. By 1 August 2021 and every two years thereafter, the Commission shall present to the European Parliament and to the Council a comprehensive, quantitative and qualitative report on the activities under this Regulation and Regulation (EU) No 1309/2013 in the previous two years. The report shall focus mainly on the results achieved by the EGF and shall in particular contain information relating to applications submitted, decisions adopted, measures funded, including statistics on the indicators set out in the Annex, and the complementarity of such measures with measures funded by other Union funds, in particular ESF+, and information relating to the winding-up of financial contributions made and shall also document those applications that have been rejected or reduced owing to a lack of sufficient appropriations or to non-eligibility.

Amendment

1. By 1 August 2021 and every two years thereafter, the Commission shall present to the European Parliament and to the Council a comprehensive, quantitative and qualitative report on the activities under this Regulation and Regulation (EU) No 1309/2013 in the previous two years. The report shall focus mainly on the results achieved by the EGF and shall in particular contain information relating to applications submitted, speed of their processing and potential deficiencies in existing rules, decisions adopted, measures funded, including statistics on the indicators set out in the Annex, and the complementarity of such measures with measures funded by other Union funds, in particular ESF+, and information relating to the winding-up of financial contributions made and shall also document those applications that have been rejected or reduced owing to a lack of sufficient appropriations or to non-eligibility.

Amendment 92

Proposal for a regulation
Article 21 – paragraph 2

Text proposed by the Commission

2. The report shall be transmitted for information to the Court of Auditors, the European Economic and Social Committee, the Committee of the Regions and the social partners.

Amendment

2. The report shall be transmitted for information to the Member States, the Court of Auditors, the European Economic and Social Committee, the Committee of the Regions and the social partners.
Proposal for a regulation
Article 22 – paragraph 1

Text proposed by the Commission

1. Every four years the Commission shall carry out on its own initiative and in close cooperation with the Member States, an evaluation of the EGF financial contributions.

Amendment

1. Every four years the Commission shall carry out on its own initiative and in close cooperation with the Member States, an evaluation of the EFT financial contributions including subsequent impact assessment of its application at national, regional and local levels.

For the purpose of evaluation referred to in the first subparagraph, the Member States shall collect all available data on EFT cases and assisted workers.

Amendment 94

Proposal for a regulation
Article 22 – paragraph 3

Text proposed by the Commission

3. The evaluations referred to in paragraph 1 shall include relevant statistics on the financial contributions, broken down by Member State.

Amendment

3. The evaluations referred to in paragraph 1 shall include relevant statistics on the financial contributions, broken down by sector and Member State.

Amendment 95

Proposal for a regulation
Annex I – point 1 – paragraph 1 – indent 9 a (new)

Text proposed by the Commission

- with less than two years of professional experience,
- with between two and 10 years of professional experience,
- with over 10 years of professional experience.

Amendment

- with less than two years of professional experience,
11.10.2018

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on Employment and Social Affairs


Rapporteur for opinion: Karoline Graswander-Hainz

SHORT JUSTIFICATION

Introduction

Trade has recently become not only synonymous with globalisation, but also a major source of concern among the public. The focus of recent trade agreements has strayed from creating rules supporting market opening. Instead, they have incorporated issues related to trade, like investment and intellectual property rights. As a result, global market opening has become deeply intertwined with investment, capital flows and financial liberalisation and trade’s effects have spilled over into issues related to labour, environment, and technological change.

Even if the economic literature concludes that the overall results of trade liberalisation are positive, some sectors are affected negatively, leading to adjustment costs, income degradation and job losses. The reality shows that there are always winners and losers, and that the gains from trade are not evenly distributed among the Member States, regions and within societies. Unregulated and unfair trade has exacerbated social, economic and environmental inequalities.

Flanking measures at the EU and at the national level are required in order to prevent the negative effects and to adequately compensate those harmed by trade or globalisation. A fair distribution of wealth, particularly amongst those worse off, can only be achieved if measures are put in place both at the European and at national level. National governments have so far done too little to secure the benefits of trade for all. Redistribution, empowerment through education, proactive labour market policies and strengthening of trade unions are trade-related topics that fall within domestic governments’ policy scope.

In addition, there is a scope for improvement for the European Union (EU) as well. Fair and balanced trade agreements should not only be the instruments for creating economic growth, decent jobs and sustainable development but also for improving and safeguarding the working
conditions and the lives of workers all along the global supply chains. Unfortunately, until today EU trade agreements, especially the Trade and Sustainable Development (TSD) chapters, lack enforceable mechanisms to defend labour and environmental standards. It requires the political will to make TSD chapters stronger and to include sanctions as a last resort. If the EU wants to have an exclusive competence on trade, the EU should also take up the responsibility for the changes and consequences that arise from its trade agreements and should change their approach towards trade policy.

It is of utmost importance that the EU not only anticipates possible negative effects from trade agreements, but also makes sure that the benefits are fairly distributed.

The European Commission acknowledged this fact and established in 2006 the European Globalisation Adjustment Fund (EGF) to support workers who have lost their jobs due to globalisation, automation and technological development to bring them back to work. Due to the economic and financial crisis, the Commission enlarged the scope to cover also those people harmed by the crisis. Despite the relatively small budget and complex procedures, the EGF has delivered tangible results for almost 142 300 workers across the EU since its existence.

Main elements of report:

Scope, criteria

However, analysis shows that the EGF did not reach its full potential and remains unfortunately underutilised. Therefore, the Rapporteur goes beyond the Commission proposal of broadening the scope of the regulation. Making it more flexible to assist also workers, offset by intra-EU trade and offshoring, regions suffering from gradual and cumulative economic deterioration or an high unemployment rate and also to link EGF more directly to certain trade policy instruments, like trade assistance.

Procedures:

In addition to the scope, the Rapporteur agrees with the Commission that some procedural elements need to be improved as to shorten the length of time of the application process and to simplify the procedure. The Rapporteur proposes to establish a Helpdesk to support Member States with their application and also to collect better data, to improve the monitoring and the evaluation process.

As EGF should help as an instrument across sectors, offering assistance to displaced workers, social actors (stakeholders, NGOs, trade unions) should play an important role and should be more involved in the functioning of the EGF for a better coordination of the process and a greater coordination between the various existing EU instruments.

Conclusion:

The Rapporteur proposes a number of changes to the Commission’s proposal as a starting point for further reflection and modifications to be made along the legislative process in Parliament.
AMENDMENTS

The Committee on International Trade calls on the Committee on Employment and Social Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation
Recital 2

Text proposed by the Commission

(2) On 17 November 2017, the European Pillar of Social Rights\(^\text{15}\) was jointly proclaimed by the European Parliament, the Council and the Commission as a response to social challenges in Europe. Taking into account the changing realities of the world of work, the Union shall be made ready for the current and future challenges of globalisation and digitisation, making growth more inclusive and by improving employment and social policies. The twenty key principles of the Pillar are structured around three categories: equal opportunities and access to the labour market; fair working conditions; social protection and inclusion. The European Pillar of Social Rights shall act as an overarching guiding framework of the European Globalisation Adjustment Fund (EGF), allowing the Union to set the relevant principles into practice in the case of major restructuring events.

Amendment

(2) On 17 November 2017, the European Pillar of Social Rights\(^\text{15}\) was jointly proclaimed by the European Parliament, the Council and the Commission as a response to social challenges in Europe. Taking into account the changing realities of our societies and the world of work, the Union shall be made ready for the current and future challenges of climate change, globalisation and digitisation, making development more inclusive and by improving employment and social policies. The twenty key principles of the Pillar are structured around three categories: equal opportunities and access to the labour market; fair working conditions; social protection and inclusion. The European Pillar of Social Rights shall act as an overarching guiding framework of the European Globalisation Adjustment Fund (EGF), allowing the Union to set the relevant principles into practice in the case of major restructuring events.

Amendment 2

Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) On 20 June 2017, the Council endorsed the Union response\(^{16}\) to the ‘UN 2030 Agenda for Sustainable Development’\(^{17}\) — a sustainable European future. The Council underlined the importance of achieving sustainable development across the three dimensions (economic, social and environmental), in a balanced and integrated way. It is vital that sustainable development is mainstreamed in the European policy framework, and that the Union is ambitious in the policies it uses to address global challenges. The Council welcomed the Commission Communication on ‘Next steps for a sustainable European future’ of 22 November 2016 as a first step in mainstreaming the Sustainable Development Goals and applying sustainable development as an essential guiding principle for all Union policies, including through its financing instruments.

Amendment

(3) On 20 June 2017, the Council endorsed the Union response\(^{16}\) to the ‘UN 2030 Agenda for Sustainable Development’\(^{17}\) — a sustainable European future. The Council underlined the importance of achieving sustainable development across the three dimensions (economic, social and environmental), in a balanced and integrated way. It is vital that sustainable development is mainstreamed in the European policy framework, and that the Union is ambitious in the policies it uses to address global challenges. *Trade agreements with strong and enforceable trade and sustainable development chapters can be instruments for achieving sustainable development, creating decent jobs and inclusive growth, but also for distributing the benefits of trade more fairly among regions, Member States and within societies.* The Council welcomed the Commission Communication on ‘Next steps for a sustainable European future’ of 22 November 2016 as a first step in mainstreaming the Sustainable Development Goals and applying sustainable development as an essential guiding principle for all Union policies, including through its financing instruments.


Amendment 3
Proposal for a regulation
Recital 4

*Text proposed by the Commission*

(4) In February 2018, the Commission adopted its Communication on ‘A new, modern Multiannual Financial Framework for a European Union that delivers efficiently on its priorities post-2020’\(^\text{18}\). The Communication stresses that the Union budget shall support Europe’s unique social market economy. Therefore, it will be of utmost importance to improve employment opportunities and to address the skills challenges, especially *also* those linked to digitisation. Budgetary flexibility shall be a key principle in the next Multiannual Financial Framework. Flexibility mechanisms shall remain in place to allow the Union to react to unforeseen events, and to ensure that budgetary resources are used where most urgently needed.

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*Amendment*

(4) In February 2018, the Commission adopted its Communication on ‘A new, modern Multiannual Financial Framework for a European Union that delivers efficiently on its priorities post-2020’\(^\text{18}\). The Communication stresses that the Union budget shall support Europe’s unique social market economy. Therefore, it will be of utmost importance to improve employment opportunities and to address the skills challenges, especially those linked to digitisation, *automation, the development of new technologies and the transition towards a climate-friendly and resource-efficient economy*. Budgetary flexibility shall be a key principle in the next Multiannual Financial Framework. Flexibility mechanisms shall remain in place to allow the Union to react to unforeseen events, and to ensure that budgetary resources are used where most urgently needed.

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Proposal for a regulation
Recital 6

*Text proposed by the Commission*

(6) In its ‘Reflection Paper on Harnessing Globalisation’\(^\text{20}\) the Commission identifies the combination of trade related globalisation and technological change as the major drivers

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*Amendment*

(6) In its ‘Reflection Paper on Harnessing Globalisation’\(^\text{20}\) the Commission identifies the combination of trade related globalisation and technological change as the major drivers
of an increased demand for skilled labour and a reduced number of jobs that require lower qualifications. Despite the overall tremendous advantages of more open trade and further integration of world economies, these negative side effects need to be tackled. As the current benefits of globalisation are already unequally distributed among people and regions, causing a significant impact on those adversely affected, there is a danger that the ever faster evolving technological advances will further fuel these effects. Therefore, in line with the principles of solidarity and sustainability, it will be necessary to ensure that the benefits of globalisation will be shared more fairly by reconciling economic opening and technological advance with social protection.

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Amendment 5

Proposal for a regulation
Recital 8

*Text proposed by the Commission*

(8) Globalisation and technological change is likely to further increase the interconnectedness and interdependence of world economies. Labour reallocation is an integral and inevitable part of such economic change. If the benefits of change are to be distributed fairly, offering assistance to displaced workers and those threatened by displacement is of utmost importance. The ‘EU Quality Framework for anticipation of change and restructuring’\(^{(22)}\) is the Union policy of an increased demand for skilled labour and a reduced number of jobs that require lower qualifications. Despite the overall tremendous advantages of more open trade and further integration of world economies, these negative side effects need to be tackled. As the current benefits of globalisation are already unequally distributed among people and regions, causing a significant impact on those adversely affected, there is a danger that the ever faster evolving technological advances will further fuel these effects. Therefore, in line with the principles of solidarity and sustainability, it will be necessary to ensure that the effects of globalisation are better anticipated, and its potential benefits are distributed more fairly by reconciling economic opening and technological advance with strong social protection.

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Amendment

(8) *Climate change, globalisation* and technological change is likely to further increase the interconnectedness and interdependence of world economies. Labour reallocation is an integral and inevitable part of such economic change. If the benefits of change are to be distributed fairly, offering assistance to displaced workers and those threatened by displacement is of utmost importance. The ‘EU Quality Framework for anticipation of change and restructuring’\(^{(22)}\), is the Union...
instrument that sets the framework of best practice for anticipating and dealing with corporate restructuring. It offers a comprehensive framework on how the challenges of economic adjustment and restructuring and their employment and social impact should be addressed by adequate policy means. It also calls upon Member States to use EU and national funding in a way to ensure that the social impact of restructuring, especially the adverse effects on employment, can be cushioned more effectively. The main Union instruments to assist workers affected are the European Social Fund Plus (ESF+), which is designed to offer assistance in an anticipatory way, and the EGF, which is designed to offer assistance in the case of unexpected major restructuring events in a reactive manner.


Amendment 6

Proposal for a regulation
Recital 8 a (new)

Text proposed by the Commission

(8 a) Multilateral cooperation with Union global partners, the strengthening and reforming the multilateral institutions to make them fairer and more effective is essential. The EGF should offer assistance to displaced workers across sectors who could be affected with such reforms, by offering them a broad range of employment opportunities. Social
actors such as NGOs and trade unions should be more involved in the functioning of the EGF in order to improve the communication and coordination between various Union instruments.

Amendment 7
Proposal for a regulation
Recital 8 b (new)

Text proposed by the Commission

(8b) The Union should restore an ambitious industrial policy, based on permanent and prospective analysis of technological changes, including the effects of open trade. Partnerships between the Union and the most vulnerable regions should envisage the necessary strategic investments to prevent negative consequences of trade and investment treaties and they should define the programmes requiring EU co-financing. Therefore, better integration of and financing for the existing Cohesion Fund and Social Fund is needed. Such programmes should be decentralized at the NUTS level and should be constructed as a real partnership between the Union and the regions affected by its policies.

Amendment 8
Proposal for a regulation
Recital 8 c (new)

Text proposed by the Commission

(8c) European companies are key partners in shaping globalisation and delivering positive outcomes for all. There are many positive examples of how to deliver sustainable growth for shareholders, employees and the
Amendment 9

Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) The EGF was established by Regulation (EC) No 1927/2006 of the European Parliament and of the Council for the multiannual financial framework from 1 January 2007 to 31 December 2013. The EGF has been set up 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.

Amendment

(9) The EGF was established by Regulation (EC) No 1927/2006 of the European Parliament and of the Council for the multiannual financial framework from 1 January 2007 to 31 December 2013. The EGF has been set up 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 *market opening and* globalisation.

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Amendment 10

Proposal for a regulation
Recital 11 a (new)

Text proposed by the Commission

(11a) EGF programme should be visible and require more and better data, in order to allow a proper scientific evaluation of the EGF and avoid administrative constraints in the operation of the programme for trade adjustment

Amendment

(11a) EGF programme should be visible and require more and better data, in order to allow a proper scientific evaluation of the EGF and avoid administrative constraints in the operation of the programme for trade adjustment
Amendment 11

Proposal for a regulation
Recital 11 b (new)

Text proposed by the Commission

Amendment (11b) The Commission should guarantee before concluding a new trade agreement that independent and accurate ex-ante analysis of the proposed agreement’s consequences, including changes on the labour market, should be conducted on a sector by sector and region by region basis to anticipate negative effects. Identifying potential negative effects before concluding a new trade agreement could also recover the trust of European citizens in trade policy.

Amendment 12

Proposal for a regulation
Recital 11 c (new)

Text proposed by the Commission

Amendment (11 c) The EGF should be linked more directly to foreign direct investments that can have a potential negative social and environmental impact in the Union but also to certain unfair trade policies which do not receive adequate replies through defence instruments. The affected Union companies and workers should be considered under the EGF rules for active labour market policies.

Amendment 13

Proposal for a regulation
Recital 12
(12) The Commission carried out a mid-term evaluation of the EGF to assess how and to what extent the EGF achieves its objectives. The EGF proved to be effective, attaining a higher reintegration rate of displaced workers than in the previous programming period. The evaluation also found that the EGF generated European added value. This is particularly true in terms of its volume effects, meaning that EGF assistance not only increases the number and variety of services offered, but also their level of intensity. Moreover, EGF interventions have high visibility and demonstrate the EU added value of the intervention directly to the general public. However, several challenges were identified. On the one hand, the mobilisation procedure was considered to be too long. Furthermore, many Member States reported problems putting together the extensive background analysis of the event that triggered the redundancies. The main reason that keeps Member States that would have had a potential EGF case from applying are financial and institutional capacity problems. On the one hand, it could simply be a lack of manpower – Member States currently can ask for technical assistance only if they implement an EGF case. Since redundancies can happen unexpectedly, it would be important that Member States are ready to react immediately and can submit an application without any delays. Furthermore, in certain Member States, more profound institutional capacity building efforts seem necessary in order to ensure an efficient and effective implementation of EGF cases. The threshold of 500 displaced jobs was criticized as being too high, especially in lesser populated regions.26
Amendment 14

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) The Commission underlines the continuing importance of the role of the EGF as a flexible fund to support workers who lose their jobs in large-scale restructuring events and to help them to find another job as rapidly as possible. The Union should continue to provide specific, one-off support to facilitate the reintegration into employment of displaced workers in areas, sectors, territories or labour markets suffering a shock of serious economic disruption. Considering the interplay and mutual effects of open trade, technological change or other factors like the transition to a low carbon economy, and therefore considering that it is increasingly difficult to single out a specific factor that causes job displacements, the mobilisation of the EGF shall in the future only be based on the significant impact of a restructuring event. Given its purpose, which is to provide support in situations of urgency and unexpected circumstances, complementing the more anticipatory assistance offered by the ESF+, the EGF shall remain a flexible and special instrument outside the budgetary ceilings of the Multiannual Financial Framework, as set out in the Commission's communication.' A Modern Budget for a Union that Protects, Empowers and Defends - The Multiannual Financial Framework for 2021 – 2027'and its annex.

Amendment

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27 Commission SWD (2018) 171 final and

Amendment 15

Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) Member States should pay particular attention to disadvantaged beneficiaries, including young and older unemployed persons and those at risk of poverty, when designing the coordinated package of active labour market policy measures, given that those groups experience particular problems in re-entering the labour market. Notwithstanding, the principles of gender equality and of non-discrimination, which are among the Union’s core values and are enshrined in the European Pillar of Social Rights, should be respected and promoted when implementing the EGF.

Amendment

(21) Member States should pay particular attention to disadvantaged beneficiaries, including young and older unemployed persons, persons with disabilities and those at risk of poverty, when designing the coordinated package of active labour market policy measures, given that those groups experience particular problems in re-entering the labour market. Notwithstanding, the principles of gender equality and of non-discrimination, which are among the Union’s core values and are enshrined in the European Pillar of Social Rights, should be respected and promoted when implementing the EGF.

Amendment 16

Proposal for a regulation
Recital 21 a (new)

Text proposed by the Commission

(21 a) The Union and the Member States should pay particular attention to the changes and challenges occurring in the world trade patterns, global value chains, automation and digitization and the structural change in labour standards. The Union’s social economy is an essential pillar of the European social model and it is an important tool to empower people to overcome the negative effects due to globalisation and economic crises. For that reason, social services of general interest and public services should be excluded from trade agreements and the right to regulate, to organise and
supply public services has to be safeguarded in trade agreements. The combination of globalization and technological innovation will require the EGF to adapt its assistance rules to these new trade, technology and labour standards, and it is therefore essential that this Regulation is in line with these challenges after 2020.

Amendment 17
Proposal for a regulation
Recital 22

Text proposed by the Commission
(22) In order to support beneficiaries effectively and rapidly, Member States should do their utmost to submit complete applications for a financial contribution from the EGF. In case the Commission requires further information for the assessment of an application, the provision of additional information should be limited in time.

Amendment
(22) In order to support beneficiaries effectively and rapidly, Member States should do their utmost to submit complete applications for a financial contribution from the EGF. In case the Commission requires further information for the assessment of an application, the provision of additional information should be limited in time. The Commission should also provide technical assistance to Member States at the early stages of the procedure.

Amendment 18
Proposal for a regulation
Recital 22 a (new)

Text proposed by the Commission
(22a) The Commission should facilitate access to national and regional authorities through a dedicated helpdesk that would provide general information and explanations on procedures and on how to submit an application. That helpdesk should make available standard forms for statistics and further analysis.

Amendment
Amendment 19
Proposal for a regulation
Recital 25

Text proposed by the Commission

(25) Special provisions should be included for information and communication activities on EGF cases and outcomes.

Amendment

(25) Special provisions should be included for information and communication activities on EGF cases and outcomes as adequate knowledge of the application procedure could improve the utilisation of the EGF.

Amendment 20
Proposal for a regulation
Article 1 – subparagraph 2

Text proposed by the Commission

It lays down the objectives of the EGF, the forms of Union funding and the rules for providing such funding, including applications by the Member States for financial contributions from the EGF for measures targeting the beneficiaries referred to in Article 7.

Amendment

It lays down the objectives of the EGF, the forms of Union funding and the rules and criteria for providing such funding, including applications by the Member States for financial contributions from the EGF for measures targeting the beneficiaries referred to in Article 7.

Amendment 21
Proposal for a regulation
Article 2

Text proposed by the Commission

The EGF shall contribute to a better distribution of the benefits of globalisation and technological advance by helping displaced workers adapt to structural change. As such, the EGF shall contribute to the implementation of the principles defined under the European Pillar of Social Rights and enhance social and economic cohesion among regions and Member States.

Amendment

The EGF shall contribute to a just transition to a climate-friendly and resource-efficient economy, to a better and fairer distribution of the benefits of globalisation, and to the development of new technologies by helping displaced workers adapt to structural change. As such, the EGF shall contribute to the implementation of the principles defined under the European Pillar of Social Rights and enhance equality, social and economic...
Amendment 22

Proposal for a regulation
Article 3 – paragraph 2

*Text proposed by the Commission*

2. The specific objective of the EGF is to offer assistance in case of *unexpected* major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of digitisation or automation. Particular emphasis shall lie on measures that help the most disadvantaged groups.

*Amendment*

2. The specific objective of the EGF is to offer assistance in case of major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, *including in intra-EU trade, the opening of markets, potential negative effects arising from foreign direct investments, offshoring, dumping*, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of digitisation or automation, *making it more flexible and simplifying the procedure*. Particular emphasis shall lie on measures that help the most disadvantaged groups, *SMEs and start-ups for eligibility purposes*.

Amendment 23

Proposal for a regulation
Article 5 – paragraph 3

*Text proposed by the Commission*

3. In small labour markets or in exceptional circumstances, in particular with regard to applications involving SMEs, where duly substantiated by the applicant Member State, an application for a financial contribution under this Article may be considered admissible even if the criteria laid down in points (a), (b) or (c) of paragraph 1 are not entirely met, when the redundancies have a serious impact on employment and the local or regional cohesion and inclusion among regions, Member States and within societies.

*Amendment*

3. In small labour markets or in exceptional circumstances, in particular with regard to applications involving SMEs and start-ups, where duly substantiated by the applicant Member State, an application for a financial contribution under this Article may be considered admissible even if the criteria laid down in points (a), (b) of paragraph 1 are not entirely met, when the redundancies have a serious impact on employment and the local or regional
The applicant Member State shall specify which of the intervention criteria set out in points (a), (b) or (c) of paragraph 1 are not entirely met. The aggregated amount of contributions in exceptional circumstances may not exceed 15% of the annual ceiling of the EGF.

Amendment 24

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 2

**Text proposed by the Commission**

The dissemination of skills required in the digital industrial age is a mandatory horizontal element of any package of personalised services offered. The level of training shall be adapted to the qualifications and the needs of the respective beneficiary.

**Amendment**

The dissemination of skills required in the digital industrial age shall be part of any package of personalised services offered. The level of training shall be adapted to the qualifications and the needs of the respective beneficiary and the local labour market.

Amendment 25

Proposal for a regulation
Article 9 – paragraph 3

**Text proposed by the Commission**

3. Where additional information is required by the Commission, the Member State shall reply within ten working days of the date of the request. That deadline shall be extended by the Commission by ten working days at the duly justified request of the Member State concerned.

**Amendment**

3. If requested by the Member State, the Commission shall provide them with technical assistance at the early stages of the procedure. Where additional information is required by the Commission, the Member State shall reply within ten working days of the date of the request. That deadline shall be extended by the Commission by ten working days at the duly justified request of the Member State concerned.
Amendment 26

Proposal for a regulation
Article 12 – paragraph 4

Text proposed by the Commission

4. The Commission’s technical assistance shall include the provision of information and guidance to the Member States for using, monitoring and evaluating the EGF. The Commission shall also provide information along with clear guidance on using the EGF to the European and national social partners. Guidance measures may also include the creation of taskforces in cases of severe economic disruptions in a Member State.

Amendment

4. The Commission’s technical assistance shall include the provision of information and guidance to the Member States for using, monitoring and evaluating the EGF, including the creation of a Helpdesk. The Commission shall also provide information along with clear guidance on using the EGF to the European and national social partners. Guidance measures may also include the creation of taskforces in cases of severe economic disruptions in a Member State.

Amendment 27

Proposal for a regulation
Article 13 – paragraph 2

Text proposed by the Commission

2. The Commission shall maintain and update regularly an online presence, accessible in all official languages of the institutions of the Union, to provide updated information on the EGF, guidance on the submission of applications, as well as information on accepted and rejected applications and on the role of the European Parliament and the Council in the budgetary procedure.

Amendment

2. The Commission shall maintain and update regularly an online presence, accessible in all official languages of the institutions of the Union, to provide updated information on the EGF, the criteria to access it, guidance on the submission of applications, as well as information on accepted and rejected applications and on the role of the European Parliament and the Council in the budgetary procedure.

Amendment 28

Proposal for a regulation
Article 13 – paragraph 3 – subparagraph 2 – introductory part

Text proposed by the Commission

The Member States shall ensure that all

Amendment

The Member States shall ensure that all
communication and visibility material is made available upon request to Union Institutions, bodies or agencies and that a royalty-free, non-exclusive and irrevocable licence to use such material and any pre-existing rights attached to it is granted to the Union. The licence grants the following rights to the Union:

Amendment 29
Proposal for a regulation
Article 14 – paragraph 2

Text proposed by the Commission

2. The co-financing rate of the EGF for the measures offered shall be aligned with the highest co-financing rate of the ESF+ in the respective Member State.

Amendment

2. The co-financing rate of the EGF for the measures offered shall be aligned with the highest co-financing rate of the ESF+ in the respective Member State, taking into account underdeveloped active labour market institutions of some Member States.

Amendment 30
Proposal for a regulation
Article 14 – paragraph 3

Text proposed by the Commission

3. Where, on the basis of the assessment carried out in accordance with Article 9, the Commission concludes that the conditions for a financial contribution under this Regulation are met, it shall immediately initiate the procedure set out in Article 16.

Amendment

3. Where, on the basis of the assessment carried out in accordance with Article 9, the Commission concludes that the conditions for a financial contribution under this Regulation are met, it shall immediately initiate the procedure set out in Article 16 and shall notify the applicant Member State.

Amendment 31
Proposal for a regulation
Article 20 – paragraph 1 – point e
Text proposed by the Commission

(e) whether the dismissing enterprise, with the exception of micro enterprises and SMEs, has been a beneficiary of State aid or previous funding from Union cohesion or structural funds in the preceding five years;

Amendment

Proposal for a regulation
Article 22 – paragraph 1

Text proposed by the Commission

1. Every four years the Commission shall carry out on its own initiative and in close cooperation with the Member States, an evaluation of the EGF financial contributions.

Amendment

1. Every four years the Commission shall carry out on its own initiative and in close cooperation with the Member States, an evaluation of the EGF financial contributions including subsequent impact assessment of its application at national, regional and local levels.

For the purpose of evaluation referred to in the first subparagraph, the Member States shall collect all available data on EGF cases and assisted workers.
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**FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION**

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<tr>
<td>ALDE</td>
<td>Beatriz Becerra Basterrechea, Elsi Katainen, J. Radoš</td>
</tr>
<tr>
<td>ECR</td>
<td>C. Hoc, Sander Loones, S. Ożóg, Jan Zahradil</td>
</tr>
<tr>
<td>EFDD</td>
<td>William (The Earl of) Dartmouth</td>
</tr>
<tr>
<td>EPP</td>
<td>Christofer Fjellner, Anders Sellström</td>
</tr>
</tbody>
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</table>

Key to symbols:
+ : in favour
- : against
0 : abstention
7.11.2018

OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on Employment and Social Affairs


Rapporteur for opinion: Manuel dos Santos

AMENDMENTS

The Committee on Budgets calls on the Committee on Employment and Social Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1
Proposal for a regulation
Recital 3 a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
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<tbody>
<tr>
<td>(3 a) On 14 March 2018 and 30 May 2018, the European Parliament stressed in its resolutions on the 2021-2027 Multiannual Financial Framework (MFF) the importance of horizontal principles that should underpin the MFF 2021-2027 and all related Union policies. The European Parliament reaffirmed, in this context, its position that the Union must deliver on its commitment to be a frontrunner in implementing the UN Sustainable Development Goals (SDGs) and deplored the lack of a clear and visible commitment to that end in the MFF proposals. The European Parliament, therefore, requested the mainstreaming of the SDGs in all Union policies.</td>
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RR\1171678EN.docx  71/142  PE625.202v02-00  EN
It further emphasised that the elimination of discrimination is vital to fulfil the Union’s commitments towards an inclusive Europe and therefore asked for gender mainstreaming and gender equality commitments to be made part of all Union policies and initiatives of the next MFF. The European Parliament underlined in its position that, following the Paris Agreement, climate-related horizontal spending should be significantly increased in comparison with that under the current MFF and reach 30% as soon as possible and at the latest by 2027.

Amendment 2
Proposal for a regulation
Recital 13 a (new)

Amendment


Text proposed by the Commission

(13 a) In its resolution of 30 May 2018 on the 2021-2027 multiannual financial framework and own resources, the European Parliament reconfirmed its firm position on the necessary level of funding for key Union policies in the 2021-2027 MFF, in order to enable them to fulfil their mission and objectives. It stressed in particular the call to double the specific MFF funding for SMEs and for tackling youth unemployment; welcomed several proposals that improve the current provisions, notably the increased allocations of special instruments; and stated its intention to negotiate additional improvements, wherever necessary.

Amendment 3
Proposal for a regulation
Recital 18
(18) Displaced workers and self-employed persons whose activity has ceased should have equal access to the EGF independently of their type of employment contract or employment relationship. Therefore, displaced workers as well as self-employed persons whose activity has ceased should be regarded as possible EGF beneficiaries for the purposes of this Regulation.

Amendment 4

Proposal for a regulation
Recital 22

Text proposed by the Commission

(22) In order to support beneficiaries effectively and rapidly, Member States should do their utmost to submit complete applications for a financial contribution from the EGF. In case the Commission requires further information for the assessment of an application, the provision of additional information should be limited in time.

Amendment

(22) In order to support beneficiaries effectively and rapidly, Member States should do their utmost to submit complete applications for a financial contribution from the EGF. In case the Commission requires further information for the assessment of an application, the provision of additional information should be limited in time. It is important that the Member States and the Commission work closely together to meet the deadlines for examining applications for a financial contribution from the EGF as defined in this Regulation.

Amendment 5

Proposal for a regulation
Recital 27 a (new)

Text proposed by the Commission

(27 a) In order to cover the needs arising especially during the first months of each year, where the options for transfers from
other budget lines are particularly limited, an adequate amount of payment appropriations should be made available on the EGF budget line in the annual budgetary procedure.

Amendment 6

Proposal for a regulation
Recital 37

Text proposed by the Commission

(37) Reflecting the importance of tackling climate change in line with the Union’s commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. Relevant actions will be identified during the fund's preparation and implementation, and reassessed in the context of its evaluation.

Amendment

(37) Reflecting the importance of tackling climate change in line with the Union’s commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives over the MFF 2021-2027 period, and an annual target of 30 % as soon as possible and at the latest by 2027. Relevant actions will be identified during the fund's preparation and implementation, and reassessed in the context of its evaluation.

Justification

The European Parliament in its resolution of 14 March 2018 on the next MFF: Preparing the Parliament’s position on the MFF post-20206 (2017/2052(INI)) called for a 30 % target for the EU budget expenditures supporting climate objectives to be reached as soon as possible and at the latest by 2027.

Amendment 7

Proposal for a regulation
Article 3 – paragraph 1

Text proposed by the Commission

1. The general objective of the programme is to demonstrate solidarity with and offer support to displaced workers

Amendment

1. The general objective of the programme is to demonstrate solidarity with and offer financial support for re-
and self-employed persons whose activity has ceased in the course of unexpected major restructuring events, referred to in Article 5.

**Amendment 8**

**Proposal for a regulation**  
**Article 3 – paragraph 2**

*Text proposed by the Commission*

2. The specific objective of the EGF is to offer assistance in case of unexpected major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of digitisation or automation. Particular emphasis shall lie on measures that help the most disadvantaged groups.

*Amendment*

2. The specific objective of the EGF is to offer assistance *for reintegration in the labour market* in case of unexpected major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of digitisation or automation. Particular emphasis shall lie on measures that help the most disadvantaged groups.

**Amendment 9**

**Proposal for a regulation**  
**Article 10 – paragraph 3**

*Text proposed by the Commission*

3. The financial contribution from the EGF shall be limited to what is necessary to provide temporary, one-off support for targeted beneficiaries. The measures supported by the EGF shall comply with Union and national law, including State aid rules.

*Amendment*

3. The financial contribution from the EGF shall be limited to what is necessary to *show solidarity with, and provide temporary, one-off support to, targeted beneficiaries*. The measures supported by the EGF shall comply with Union and national law, including State aid rules.
The Member States shall acknowledge the origin and ensure the visibility of the Union funding by providing coherent, effective and targeted information to multiple audiences, including targeted information to beneficiaries, local and regional authorities, social partners, the media and the public.

Amendment 11
Proposal for a regulation
Article 13 – paragraph 2

Text proposed by the Commission

2. The Commission shall maintain and update regularly an online presence, accessible in all official languages of the institutions of the Union, to provide updated information on the EGF, guidance on the submission of applications, as well as information on accepted and rejected applications and on the role of the European Parliament and the Council in the budgetary procedure.

Amendment

2. The Commission shall maintain and update regularly an online presence in a user friendly manner, accessible in all official languages of the institutions of the Union, to provide updated information and implementation data on the EGF since its inception, guidance on the submission of applications, as well as information on accepted and rejected applications and on the role of the European Parliament and the Council in the budgetary procedure.

Amendment 12
Proposal for a regulation
Article 16 – paragraph 1

Text proposed by the Commission

1. Where the Commission has concluded that the conditions for providing a financial contribution from the EGF are met, it shall submit a request for a transfer

Amendment

1. Where the Commission has concluded that the conditions for providing a financial contribution from the EGF are met, it shall submit a proposal to mobilise
to the relevant budgetary lines in accordance with Article 31 of the Financial Regulation.

The decision to mobilise the EGF shall be taken jointly by the European Parliament and the Council within one month of the submission of the proposal to the European Parliament and to the Council. The Council shall act by a qualified majority and the European Parliament shall act by a majority of its component members and three fifths of the votes cast.

At the same time as it submits its proposal for a decision to mobilise the EGF, the Commission shall submit to the European Parliament and to the Council a proposal for a transfer to the relevant budgetary lines. In the event of disagreement, a trilogue procedure shall be initiated.

Transfers related to the EGF shall be made in accordance with Article 31 of the Financial Regulation.

Amendment 13
Proposal for a regulation
Article 16 – paragraph 2

Text proposed by the Commission
2. The transfer request needs to be accompanied by a summary of the examination of the eligibility of the application.

Amendment
deleted

Amendment 14
Proposal for a regulation
Article 16 – paragraph 3

Text proposed by the Commission
3. The Commission shall adopt a decision on a financial contribution, by means of an implementing act, which shall enter into force on the date the Commission is notified of the approval of the budgetary transfer by the European Parliament and the Council.

Amendment
3. The Commission shall adopt a decision on a financial contribution, by means of an implementing act, which shall enter into force on the date on which the European Parliament and the Council
Parliament and the Council. The decision shall constitute a financing decision within the meaning of Article 110 of the Financial Regulation. adopt the decision to mobilise the EGF.

Amendment 15

Proposal for a regulation
Article 16 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3 a. A proposal for a decision to mobilise the EGF pursuant to paragraph 1 shall include the following:

(a) the assessment carried out in accordance with Article 9(4), together with a summary of the information on which that assessment is based;

(b) evidence that the criteria laid down in Articles 5 and 10 have been met; and

(c) the reasons justifying the amounts proposed.
<table>
<thead>
<tr>
<th><strong>PROCEDURE – COMMITTEE ASKED FOR OPINION</strong></th>
</tr>
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<tbody>
<tr>
<td><strong>Title</strong></td>
</tr>
</tbody>
</table>
| **Committee responsible** | EMPL  
Date announced in plenary | 11.6.2018 |
| **Opinion by** | BUDG  
Date announced in plenary | 11.6.2018 |
| **Rapporteur** | Manuel dos Santos  
Date appointed | 28.6.2018 |
| **Discussed in committee** | 29.8.2018 |
| **Date adopted** | 5.11.2018 |
| **Result of final vote** | +: 24  
–: 3  
0: 1 |
| **Members present for the final vote** | Jean Arthuis, Reimer Böge, Lefteris Christoforou, Gérard Deprez, André Elisseeff, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Ingeborg Gräßle, Monika Höhlmeier, Bernd Kölmel, Zbigniew Kuźmiuk, Vladimir Maňka, Siegfried Mureșan, Jan Olbrycht, Paul Rübig, Eleftherios Synadinos, Indrek Tarand, Isabelle Thomas, Inese Vaidere, Daniele Vitiotti, Tiemo Wölken, Marco Zanni |
| **Substitutes present for the final vote** | Karine Gloanec Maurin, Alain Lamassoure, Janusz Lewandowski, Andrey Novakov |
| **Substitutes under Rule 200(2) present for the final vote** | Michael Detjen |
# Final Vote by Roll Call in Committee Asked for Opinion

**ALDE**  
Jean Arthuis, Gérard Deprez

**ECR**  
Zbigniew Kuźmiuk

**PPE**  
Reimer Böge, Lefteris Christoforou, José Manuel Fernandes, Ingeborg Gräßle, Monika Hohlmeier, Alain Lamassoure, Janusz Lewandowski, Siegfried Mureșan, Andrey Novakov, Jan Olbrycht, Paul Rübig, Inese Vaidere

**S&D**  
Michael Detjen, Eider Gardiazabal Rubial, Jens Geier, Karine Gloanec Maurin, Vladimir Maňka, Isabelle Thomas, Daniele Viotti, Tiemo Wölken

**VERTS/ALE**  
Indrek Tarand

**ECR**  
Bernd Kölmel

**ENF**  
André Elissen

**NI**  
Eleftherios Synadinos

**ENF**  
Marco Zanni

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**Key to symbols:**  
+ : in favour  
- : against  
0 : abstention
OPINION OF THE COMMITTEE ON BUDGETARY CONTROL

for the Committee on Employment and Social Affairs


Rapporteur: Gilles Pargneaux

AMENDMENTS

The Committee on Budgetary Control calls on the Committee on Employment and Social Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation
Recital 8

Text proposed by the Commission

(8) Globalisation and technological change is likely to further increase the interconnectedness and interdependence of world economies. Labour reallocation is an integral and inevitable part of such economic change. If the benefits of change are to be distributed fairly, offering assistance to displaced workers and those threatened by displacement is of utmost importance. The ‘EU Quality Framework for anticipation of change and restructuring’ is the Union policy instrument that sets the framework of best practice for anticipating and dealing with corporate restructuring. It offers a comprehensive framework on how the challenges of economic adjustment and

Amendment

(8) Globalisation and technological change is likely to further increase the interconnectedness and interdependence of world economies. Labour reallocation is an integral part of such economic change. If the benefits of change are to be distributed fairly, offering assistance to displaced workers and those threatened by displacement or cessation of activity is of utmost importance. The ‘EU Quality Framework for anticipation of change and restructuring’ is the Union policy instrument that sets the framework of best practice for anticipating and dealing with corporate restructuring. It offers a comprehensive framework on how the challenges of economic adjustment and
restructuring and their employment and social impact should be addressed by adequate policy means. It also calls upon Member States to use EU and national funding in a way to ensure that the social impact of restructuring, especially the adverse effects on employment, can be cushioned more effectively. The main Union instruments to assist workers affected are the European Social Fund Plus (ESF+), which is designed to offer assistance in an anticipatory way, and the EGF, which is designed to offer assistance in the case of unexpected major restructuring events in a reactive manner.

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Justification

Following EP’s resolution (P8_TA(2018)0363), the EGF contributed to the project of a social plan for redundancies of Dutch banks’ employees. It is strange that the banks did not contribute to this, since there is a role for businesses themselves reserved. Although the banks in the Netherlands made billions of profits, they did not contribute to a social plan for redundant bank employees.

Amendment 2

Proposal for a regulation
Recital 12

Text proposed by the Commission

(12) The Commission carried out a mid-term evaluation of the EGF to assess how and to what extent the EGF achieves its objectives. The EGF proved to be

Amendment

(12) The Commission carried out a mid-term evaluation of the EGF to assess how and to what extent the EGF achieves its objectives. The EGF proved to be
effective, attaining a higher reintegration rate of displaced workers than in the previous programming period. The evaluation also found that the EGF generated European added value. This is particularly true in terms of its volume effects, meaning that EGF assistance not only increases the number and variety of services offered, but also their level of intensity. Moreover, EGF interventions have high visibility and demonstrate the EU added value of the intervention directly to the general public. However, several challenges were identified. **On the one hand,** the mobilisation procedure was considered to be too long. **Furthermore,** many Member States reported problems putting together the extensive background analysis of the event that triggered the redundancies. The main reason that keeps Member States that would have had a potential EGF case from applying are financial and institutional capacity problems. **On the one hand, it could simply be a lack of manpower** – Member States currently can ask for technical assistance only if they implement an EGF case. Since redundancies can happen unexpectedly, it would be important that Member States are ready to react immediately and can submit an application without any delays. **Furthermore, in certain Member States, more profound institutional capacity building efforts seem necessary in order to ensure an efficient and effective implementation of EGF cases.** The threshold of 500 displaced jobs was criticized as being too high, especially in lesser populated regions.26
important that Member States are ready to react immediately and can submit an application without any delays. The threshold of 500 displaced jobs was criticized as being too high, especially in lesser populated regions\textsuperscript{26}.


\textit{Justification}

- The EGF has a cohesion function, meaning that a contribution from the fund must go to the poorest and most affected regions. - It often happens that businesses receive subsidy three times: once as a business, secondly, when they close a profitable business, and also when there is a resettlement elsewhere in the EU.

\textbf{Amendment 3}

\textbf{Proposal for a regulation}

\textbf{Recital 15}

\textit{Text proposed by the Commission}

(15) In order to express Union solidarity with displaced workers and self-employed persons whose activity has ceased, the co-funding rate of the cost of the package of personalised services and its implementation should \textit{equal that} of the ESF+ in the respective Member State concerned.

\textit{Amendment}

(15) In order to express Union solidarity with displaced workers and self-employed persons whose activity has ceased, the co-funding rate of the cost of the package of personalised services and its implementation should \textit{be 70\% of the total estimated costs}.

\textbf{Amendment 4}

\textbf{Proposal for a regulation}

\textbf{Recital 18}

\textit{Text proposed by the Commission}

(18) Displaced workers and self-employed persons whose activity has ceased should have equal access to the EGF independently of their type of employment contract or employment relationship. Therefore, displaced workers

\textit{Amendment}

(18) Displaced workers and self-employed persons whose activity has ceased should have equal access to the EGF independently of their type of employment contract or employment relationship. Therefore, displaced workers,
as well as self-employed persons whose activity has ceased should be regarded as possible EGF beneficiaries for the purposes of this Regulation.

**Amendment 5**

**Proposal for a regulation**

**Recital 19**

*Text proposed by the Commission*

(19) Financial contributions from the EGF should be primarily directed at active labour market measures aimed at reintegrating beneficiaries rapidly into sustainable employment, either within or outside their initial sector of activity. Measures should reflect the prospected needs of the local or regional labour market. However, whenever relevant, the mobility of displaced workers should also be supported in order to help find new employment elsewhere. A particular focus shall be laid on the dissemination of skills required in the digital age. The inclusion of pecuniary allowances in a coordinated package of personalised services should be restricted. Companies *could* be encouraged to participate in the national co-funding for the EGF-supported measures.

*Amendment*

(19) Financial contributions from the EGF *should be without prejudice to the social responsibility of the businesses concerned* and should be primarily directed at active labour market measures aimed at reintegrating beneficiaries rapidly into sustainable employment, either within or outside their initial sector of activity, *but should also seek to promote enterprise creation, including through the establishment of cooperatives*. Measures should reflect the prospected needs of the local or regional labour market. However, whenever relevant, the mobility of displaced workers should also be supported in order to help find new employment elsewhere. A particular focus shall be laid on the dissemination of skills required in the digital age. The inclusion of pecuniary allowances in a coordinated package of personalised services should be restricted. Companies *should* be encouraged to participate in the national co-funding for the EGF-supported measures.

**Amendment 6**

**Proposal for a regulation**

**Recital 21 a (new)**
(21a) In the period between March 2007 and March 2017, the Commission received 148 applications for co-financing from the EGF from 21 Member States, for a total of almost EUR 600 million to help 138,888 displaced workers and 2,944 people not in employment, education or training (NEETs).

Amendment 7
Proposal for a regulation
Recital 21 b (new)

(21b) In the period between 2007 and 2017, seven Member States did not make use of the available EGF support. All cases where regulatory or administrative capacity or other barriers have obstructed EGF participation should be therefore examined, and action proposed to remove such obstacles.

Amendment 8
Proposal for a regulation
Recital 22

(22) In order to support beneficiaries effectively and rapidly, Member States should do their utmost to submit complete applications for a financial contribution from the EGF. In case the Commission requires further information for the assessment of an application, the provision of additional information should be limited in time.

(22) In order to support beneficiaries effectively and rapidly, it is important for cooperation between the Member States and the Commission to be optimal in order to meet the deadlines for examining applications for a financial contribution from the EGF. Member States should do their utmost to submit complete applications for a financial contribution from the EGF. In case the Commission requires further information for the assessment of an application, the provision
of additional information should be limited in time.

Amendment 9
Proposal for a regulation
Recital 24

Text proposed by the Commission

(24) In compliance with the principle of sound financial management, financial contributions from the EGF should not replace but should, where possible, complement support measures which are available for beneficiaries within the Union funds or other Union policies or programmes.

Amendment

(24) In compliance with the principle of sound financial management, financial contributions from the EGF should not replace but should complement support measures businesses concerned are required to take within the context of a social plan, and measures national or regional authorities can fund themselves as well as measures which are available for beneficiaries within the Union funds or other Union policies or programmes. Situations in which businesses first receive Union subsidies for their activities, such as for innovation, and then close down profit-making establishments should be avoided. Especially in those cases, contributions from the EGF should be made conditional upon co-funding by the businesses concerned.

Amendment 10
Proposal for a regulation
Recital 31

Text proposed by the Commission

(31) In order to enable political scrutiny by the European Parliament and continuous monitoring by the Commission of results obtained with EGF assistance, Member States should submit a final report on the implementation of the EGF.

Amendment

(31) In order to enable political scrutiny by the European Parliament and continuous monitoring by the Commission of results obtained with EGF assistance, Member States should submit a final report on the implementation of the EGF every two years.
Amendment 11

Proposal for a regulation
Recital 37

Text proposed by the Commission

(37) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25% of the EU budget expenditures supporting climate objectives. Relevant actions will be identified during the fund's preparation and implementation, and reassessed in the context of its evaluation.

Amendment

(37) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Programme will contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 30% of the Union budget expenditures supporting climate objectives. Relevant actions will be identified during the fund's preparation and implementation, and reassessed in the context of its evaluation.

Amendment 12

Proposal for a regulation
Article 2 – paragraph 1

Text proposed by the Commission

The EGF shall contribute to a better distribution of the benefits of globalisation and technological advance by helping displaced workers adapt to structural change. As such, the EGF shall contribute to the implementation of the principles defined under the European Pillar of Social Rights and enhance social and economic cohesion among regions and Member States.

Amendment

The EGF shall contribute to a better distribution of the benefits of globalisation and technological advance by helping displaced workers adapt to structural change. As such, the EGF shall contribute to the implementation of the principles defined under Article 151 TFEU, the European Pillar of Social Rights and enhance social and economic cohesion among regions and Member States.

Amendment 13

Proposal for a regulation
Article 3 – paragraph 2

Text proposed by the Commission

2. The specific objective of the EGF is

Amendment

2. The specific objective of the EGF is
to offer assistance in case of unexpected major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of digitisation or automation. Particular emphasis shall lie on measures that help the most disadvantaged groups.

to offer assistance in case of unexpected major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of technological change. Particular emphasis shall lie on measures that help the most disadvantaged groups and on Member States and regions that have been hardest hit and where the national and regional authorities lack adequate resources for taking the necessary measures. The assistance from the EGF is without prejudice to the social responsibilities of the companies concerned, in particular regarding their contribution to the social plans for displaced workers.

Amendment 14

Proposal for a regulation
Article 4 – paragraph 1 – point a

Text proposed by the Commission

(a) ‘displaced worker’ means a worker whose employment is ended prematurely by redundancy, or whose contract is not renewed, due to economic reasons;

Amendment

(a) ‘displaced worker’ means a worker whose employment is ended prematurely by redundancy, or whose contract is not renewed, due to an unexpected major restructuring event;

Amendment 15

Proposal for a regulation
Article 4 – paragraph 1 – point c

Text proposed by the Commission

(c) ‘beneficiary means’ a person participating in EGF co-funded measures.

Amendment

(c) ‘beneficiary’ means a person participating in EGF co-funded measures;
Amendment 16

Proposal for a regulation
Article 4 – paragraph 1 – point d

Text proposed by the Commission

(d) ‘irregularity’ means any breach of applicable law, resulting from an act or omission by an economic operator involved in the implementation of the EGF, which has, or would have, the effect of prejudicing the budget of the Union by charging unjustified expenditure to that budget.

Amendment

(d) ‘irregularity’ means any breach of applicable law, resulting from an act or omission by an economic operator involved in the implementation of the EGF, which has, or would have, the effect of prejudicing the financial interests of the Union by charging unjustified expenditure to the budget of the Union.

Amendment 17

Proposal for a regulation
Article 5 – paragraph 2 – point b

Text proposed by the Commission

(b) the cessation of activity of more than 250 displaced workers or self-employed persons, over a reference period of six months, particularly in SMEs, where all operate in the same economic sector defined at NACE Revision 2 division level and located in one region or two contiguous regions defined at NUTS 2 level or in more than two contiguous regions defined at NUTS 2 level provided that there are more than 250 workers or self-employed persons affected in two of the regions combined;

Amendment

(b) the cessation of activity of more than 250 displaced workers or self-employed persons, over a reference period of six months, particularly in SMEs, where all operate in the same economic sector defined at NACE Revision 2 division level and located in one region or two contiguous regions defined at NUTS 2 level in the same or neighbouring Member States or in more than two contiguous regions defined at NUTS 2 level in the same or neighbouring Member States provided that there are more than 250 workers or self-employed persons affected in two of the regions combined;

Amendment 18

Proposal for a regulation
Article 5 – paragraph 4 a (new)

Text proposed by the Commission

Amendment
4a. Whenever the cessation of activity concerns a profit-making enterprise, the company concerned shall contribute to the reintegration of displaced workers, preferably in the context of a social plan. Any financial contribution from the EGF shall be made conditional upon such a contribution.

Amendment 19
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 5

Text proposed by the Commission

The investments for self-employment, starting an own business or for employee take-overs may not exceed EUR 20 000 per displaced worker.

Amendment

The investments for self-employment, starting an own business or for employee take-overs, in particular through the establishment of cooperatives, may not exceed EUR 20 000 per displaced worker.

Amendment 20
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 6

Text proposed by the Commission

The design of the coordinated package of personalised services shall anticipate future labour market perspectives and required skills. The coordinated package shall be compatible with the shift towards a resource-efficient and sustainable economy, and shall also focus on the dissemination of skills required in the digital industrial age and take into account the demand on the local labour market.

Amendment

The design of the coordinated package of personalised services shall anticipate future labour market perspectives and required skills. The coordinated package shall be compatible with the shift towards a resource-efficient and sustainable economy, and shall focus on the dissemination of skills required in the digital industrial age.

Amendment 21
Proposal for a regulation
Article 8 – paragraph 2 – subparagraph 2

Text proposed by the Commission

The investments for self-employment, starting an own business or for employee take-overs may not exceed EUR 20 000 per displaced worker.

Amendment

The investments for self-employment, starting an own business or for employee take-overs, in particular through the establishment of cooperatives, may not exceed EUR 20 000 per displaced worker.
The measures supported by the EGF shall not substitute passive social protection measures.

The measures supported by the EGF shall not substitute passive social protection measures nor active labour market measures.

Amendment 22

Proposal for a regulation
Article 9 – paragraph 5 – point b

Text proposed by the Commission

(b) the confirmation that, where the dismissing enterprise has continued its activities after the lay-offs, it has complied with its legal obligations governing the redundancies;

Amendment

(b) the confirmation that, where the dismissing enterprise has continued its activities after the lay-offs, it has complied with its legal obligations governing the redundancies, as well as with those resulting from collective agreements or negotiations on a social plan;

Amendment 23

Proposal for a regulation
Article 9 – paragraph 5 – point b a (new)

Text proposed by the Commission

(b a) a clear indication of the activities already undertaken by the Member States for the assistance of displaced workers and of the complementary nature of the requested funds from the EGF due to lack of resources available to national or regional authorities;

Amendment

Amendment 24

Proposal for a regulation
Article 9 – paragraph 5 – point b b (new)

Text proposed by the Commission

(b b) an overview of Union funds the dismissing enterprise already benefitted
from in the five years preceding the collective redundancies;

Amendment 25

Proposal for a regulation
Article 9 – paragraph 5 – point i

Text proposed by the Commission
(i) for evaluation purposes, indicative case specific targets defined by the Member State regarding the re-employment rate of beneficiaries 6 months after the end of the implementation period;

Amendment
(i) for evaluation purposes, indicative case specific targets and indicators defined by the Member State regarding the re-employment rate of beneficiaries six months after the end of the implementation period;

Amendment 26

Proposal for a regulation
Article 9 – paragraph 5 – point l

Text proposed by the Commission
(l) a statement of compliance of the requested EGF support with the procedural and material Union rules on State aid as well as a statement outlining why the coordinated package of personalised services does not replace measures that are the responsibility of companies by virtue of national law or collective agreements;

Amendment
(l) a statement of compliance of the requested EGF support with the procedural and material Union rules on State aid as well as a statement outlining why the coordinated package of personalised services does not replace measures that are the responsibility of companies by virtue of national law or collective agreements and measures to be provided by competent authorities for active labour market measures and passive social protection measures;

Amendment 27

Proposal for a regulation
Article 11 – title

Text proposed by the Commission
Equality between men and women and non-discrimination

Amendment
Equality between the genders and non-discrimination
Justification

There's more to gender than just men and women.

Amendment 28
Proposal for a regulation
Article 11 – paragraph 1

Text proposed by the Commission
The Commission and the Member States shall ensure that equality between men and women and the integration of the gender perspective are an integral part of, and are promoted during, the various stages of the implementation of the financial contribution from the EGF.

Amendment
The Commission and the Member States shall ensure that equality between the genders and the integration of the gender perspective are an integral part of, and are promoted during, the various stages of the implementation of the financial contribution from the EGF.

Amendment 29
Proposal for a regulation
Article 12 – paragraph 1 a (new)

Text proposed by the Commission

1a. Should the Commission implement technical assistance under indirect management, it shall ensure the transparency of the procedure fordesignating the third party responsible for carrying out the tasks assigned to it and shall inform all EGF stakeholders, including the European Parliament, of the sub-contractor selected for that purpose.

Amendment

Amendment 30
Proposal for a regulation
Article 13 – paragraph 3 – subparagraph 1

Text proposed by the Commission
The Commission shall implement information and communication activities

Amendment
The Commission shall implement information and communication activities
on EGF cases and outcomes based on its experience with the aim of improving the effectiveness of the EGF and ensuring that Union citizens and workers know about the EGF.

Amendment 31

Proposal for a regulation
Article 14 – paragraph 2

Text proposed by the Commission

2. The co-financing rate of the EGF for the measures offered shall be aligned with the highest co-financing rate of the ESF+ in the respective Member State.

Amendment

2. The co-financing rate of the EGF for the measures offered shall not exceed 70% of the total estimated costs referred to in Article 9.

Amendment 32

Proposal for a regulation
Article 16 a (new)

Text proposed by the Commission

Article 16 a

In exceptional cases and if the remaining financial resources available in the Fund in the year of the occurrence of the major restructuring event are not sufficient to cover the amount of assistance deemed necessary by the budgetary authority, the Commission may propose that the difference be financed through the next year's Fund. The annual budgetary ceiling of the Fund in the year of the occurrence of the major restructuring event and in the following year shall under all circumstances be respected.

Amendment 33

Proposal for a regulation
Article 19 a (new)
Article 19a

The beneficiary survey referred to in point (d) of Article 20(1) shall be based on the model which shall be established by the Commission by means of an implementing act. The Commission shall adopt an implementing act establishing the model to be used for the beneficiary survey in accordance with the advisory procedure referred to in Article 26(2) in order to ensure uniform conditions for the implementation of this Article.

Amendment 34
Proposal for a regulation
Article 20 – paragraph 1 – point d

Text proposed by the Commission

(d) the results of a beneficiary survey conducted six months after the end of the implementation period, which shall cover the perceived change in the employability of beneficiaries, or for those who already found employment, more information on the quality of employment found, such as the change in working hours, level of responsibility or change of salary level in comparison to previous employment, and the sector in which the person found employment and break down this information by gender, age group and education level;

Amendment

(d) the results of a beneficiary survey conducted within six months of the end of the implementation period, which shall cover the perceived change in the employability of beneficiaries, or for those who already found employment, more information on the quality of employment found, such as the change in working hours, level of responsibility or change of salary level in comparison to previous employment, and the sector in which the person found employment and break down this information by gender, age group and education level;

Amendment 35
Proposal for a regulation
Article 20 – paragraph 2

Text proposed by the Commission

2. Not later than at the end of the nineteenth month after the expiry of the

Amendment

2. Not later than at the end of the nineteenth month after the expiry of the
period specified in Article 15(3), the Member State concerned shall submit the
simple dataset informing on the longer-
term result indicator specified in point (3)
of the Annex.

Amendment 36

Proposal for a regulation
Article 21 – paragraph 1

Text proposed by the Commission

1. By 1 August 2021 and every two
years thereafter, the Commission shall
present to the European Parliament and to
the Council a comprehensive, quantitative
and qualitative report on the activities
under this Regulation and Regulation (EU)
No 1309/2013 in the previous two years.
The report shall focus mainly on the results
achieved by the EGF and shall in particular
contain information relating to applications
submitted, decisions adopted, measures
funded, including statistics on the
indicators set out in the Annex, and the
complementarity of such measures with
measures funded by other Union funds, in
particular ESF+, and information relating
to the winding-up of financial contributions
made and shall also document those
applications that have been rejected or
reduced owing to a lack of sufficient
appropriations or to non-eligibility.

Amendment

1. By 1 August 2021 and every two
years thereafter, the Commission shall
present to the European Parliament and to
the Council a comprehensive, quantitative
and qualitative report on the activities
under this Regulation and Regulation (EU)
No 1309/2013 in the previous two years.
The report shall focus mainly on the
performance and results achieved by the
EGF against the objectives set out, and
shall in particular contain information
relating to sound financial management,
applications submitted, decisions adopted,
measures funded, including statistics on the
indicators set out in the Annex, and the
complementarity of such measures with
measures funded by other Union funds, in
particular ESF+, and information relating
to the winding-up of financial contributions
made and shall also document those
applications that have been rejected or
reduced owing to a lack of sufficient
appropriations or to non-eligibility.

Amendment 37

Proposal for a regulation
Article 22 – paragraph 1

Text proposed by the Commission

1. Every four years the Commission
shall carry out on its own initiative and in

Amendment

1. The Commission shall carry out
every four years, on its own initiative and
close cooperation with the Member States, an evaluation of the EGF financial contributions. That evaluation shall in particular contain information on the performance, the EU added value and sound financial management of the EGF financial contributions.
### PROCEDURE – COMMITTEE ASKED FOR OPINION

<table>
<thead>
<tr>
<th>Title</th>
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<td>EMPL</td>
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<tr>
<td>Date announced in plenary</td>
<td>11.6.2018</td>
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<td>11.6.2018</td>
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<tr>
<td>Rapporteur</td>
<td>Gilles Pargneaux</td>
</tr>
<tr>
<td>Date appointed</td>
<td>11.7.2018</td>
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<tr>
<td>Date adopted</td>
<td>15.11.2018</td>
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<tr>
<td>Result of final vote</td>
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<td>Substitutes present for the final vote</td>
<td>Caterina Chinnici, Marian-Jean Marinescu, Andrey Novakov, Julia Pitera, Richard Sulík</td>
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## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

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Key to symbols:
+ : in favour
- : against
0 : abstention
OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on Employment and Social Affairs


Rapporteur for opinion: Tamás Deutsch

SHORT JUSTIFICATION

The European Globalisation Adjustment Fund (EGF) was originally established in 2007 in order to counteract negative consequences for the most vulnerable and least qualified workers which are affected by redundancies resulting from changes in world trade patterns. Through the co-funding of active labour market policy measures, the EGF aims to facilitate the re-integration into employment or self-employment of workers - in particular, disadvantaged, older and young unemployed persons - in areas and sectors suffering from serious economic disruption. The proven added value of the EGF as an EU social policy instrument lies in the fact that it provides a visible, targeted, financial support for personalised programmes for the reskilling and re-integration into employment of workers affected by collective redundancies.

Your Rapporteur welcomes the Commission proposal to continue the EGF measures after 2020. It shows a political will to further strengthen people’s right to quality and inclusive education, training and life-long learning so they can maintain and acquire skills that enable them to participate fully in society and to successfully manage transitions in the labour market.

He welcomes especially the widening of the scope of the EGF to other motives for disruptions, such as automation and digitalisation for instance, to take into account new challenges on the labour market. Therefore, he believes that the the name of this fund is not appropriate since it does not address only the effects of globalisation and renaming should be considered.

Your Rapporteur also highlights the need to further reduce processing time for the applications and simplify procedures so as to ensure the smooth and fast adoption of decisions on the mobilisation of the EGF, so that the support can reach more rapidly those who have lost their jobs.
Finally, in order to increase the possibility for smaller groups of redundant workers to benefit from the European Globalisation Adjustment Fund and reduce the administrative obstacles preventing a Member State from applying, your Rapporteur suggests lowering the threshold for applications to 150 redundancies instead of the proposed 250: large-scale dismissals are less frequent and SMEs provide a significant part of today’s jobs. Therefore, this change could have a positive effect for the potential beneficiaries and could increase the re-employment possibilities in all regions of the European Union.

AMENDMENTS

The Committee on Regional Development calls on the Committee on Employment and Social Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) Horizontal principles as set out in Article 3 of the Treaty on the European Union ('TEU') and in Article 10 TFEU, including principles of subsidiarity and proportionality as set out in Article 5 TEU should be respected in the implementation of the Funds, taking into account the Charter of Fundamental Rights of the European Union. Member States and the Commission should aim at eliminating inequalities and at promoting equality between men and women and integrating the gender perspective, as well as at combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. The objectives of the Funds should be pursued in the framework of sustainable development and the Union's promotion of the aim of preserving, protecting and improving the quality of the environment as set out in Articles 11 and 191(1) TFEU, taking into account the polluter pays principle.

Amendment

(1) Horizontal principles as set out in Article 3 of the Treaty on the European Union ('TEU') and in Article 9 and 10 TFEU, including principles of non-discrimination, subsidiarity and proportionality as set out in Article 5 TEU should be respected in the implementation of the Funds, taking into account the Charter of Fundamental Rights of the European Union. Member States and the Commission should aim at eliminating inequalities and at promoting equality between men and women and integrating the gender perspective, as well as at combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. The objectives of the Funds should be pursued in the framework of sustainable development, UN Sustainable Development Goals (SDGs) and the Union's commitment to the 2015 Paris Agreement on climate change following the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (the "Paris Agreement"), promotion of the aim of
preserving, protecting and improving the quality of the environment as set out in Articles 11 and 191(1) TFEU, taking into account the polluter pays principle.

Amendment 2
Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) On 20 June 2017, the Council endorsed the Union response\textsuperscript{16} to the ‘UN 2030 Agenda for Sustainable Development’\textsuperscript{17} — a sustainable European future. The Council underlined the importance of achieving sustainable development across the three dimensions (economic, social and environmental), in a balanced and integrated way. It is vital that sustainable development is mainstreamed in the European policy framework, and that the Union is ambitious in the policies it uses to address global challenges. The Council welcomed the Commission Communication on ‘Next steps for a sustainable European future’ of 22 November 2016 as a first step in mainstreaming the Sustainable Development Goals and applying sustainable development as an essential guiding principle for all Union policies, including through its financing instruments.

Amendment

(3) On 20 June 2017, the Council endorsed the Union response\textsuperscript{16} to the ‘UN 2030 Agenda for Sustainable Development’\textsuperscript{17} — a sustainable European future. The Council underlined the importance of achieving sustainable development across the three dimensions (economic, social and environmental), \textbf{including culture}, in a balanced and integrated way. It is vital that sustainable development is mainstreamed in the European policy framework, and that the Union is ambitious in the policies it uses to address global challenges. The Council welcomed the Commission Communication on ‘Next steps for a sustainable European future’ of 22 November 2016 as a first step in mainstreaming the Sustainable Development Goals and applying sustainable development as an essential guiding principle for all Union policies, including through its financing instruments.


\textsuperscript{17} https://sustainabledevelopment.un.org/post2015/transformingourworld.
Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) In its ‘Reflection Paper on Harnessing Globalisation’ the Commission identifies the combination of trade related globalisation and technological change as the major drivers of an increased demand for skilled labour and a reduced number of jobs that require lower qualifications. Despite the overall tremendous advantages of more open trade and further integration of world economies, these negative side effects need to be tackled. As the current benefits of globalisation are already unequally distributed among people and regions, causing a significant impact on those adversely affected, there is a danger that the ever faster evolving technological advances will further fuel these effects. Therefore, in line with the principles of solidarity and sustainability, it will be necessary to ensure that the benefits of globalisation will be shared more fairly by reconciling economic opening and technological advance with social protection.

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Amendment

(6) In its ‘Reflection Paper on Harnessing Globalisation’ the Commission identifies the combination of trade related globalisation and technological change as the major drivers of an increased demand for skilled labour and a reduced number of jobs that require lower qualifications. Despite the overall tremendous advantages of more open trade and further integration of world economies, these negative side effects need to be tackled. As the current benefits of globalisation are already unequally distributed among people, regions and states, causing a significant impact on those adversely affected, there is a danger that the ever faster evolving technological advances will further fuel these effects. Therefore, in line with the principles of solidarity and sustainability, it will be necessary to ensure that the effects of globalisation are better anticipated, and its prospective benefits are shared more fairly by reconciling economic opening and technological advance with strong re-employment and social protection.

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Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) In its ‘Reflection Paper on the Future of Union Finances’ the Commission underlines the need to reduce

Amendment

(7) In its ‘Reflection Paper on the Future of Union Finances’ the Commission underlines the need to reduce
economic and social divergences between and within Member States. Therefore, a key priority is to invest in equality, social inclusion, education and training as well as health.

_________________

Amendment 5
Proposal for a regulation
Recital 8

Text proposed by the Commission

(8) Globalisation and technological change is likely to further increase the interconnectedness and interdependence of world economies. Labour reallocation is an integral and inevitable part of such economic change. If the benefits of change are to be distributed fairly, offering assistance to displaced workers and those threatened by displacement is of utmost importance. The ‘EU Quality Framework for anticipation of change and restructuring’\(^\text{22}\) is the Union policy instrument that sets the framework of best practice for anticipating and dealing with corporate restructuring. It offers a comprehensive framework on how the challenges of economic adjustment and restructuring and their employment and social impact should be addressed by adequate policy means. It also calls upon Member States to use EU and national funding in a way to ensure that the social impact of restructuring, especially the adverse effects on employment, can be cushioned more effectively. The main Union instruments to assist workers affected are the European Social Fund Plus (ESF+), which is designed to offer assistance in an anticipatory way, and the EGF, which is designed to offer assistance

Amendment

(8) Globalisation and technological change, as well as climate change, are likely to further increase the interconnectedness and interdependence of world economies. Labour reallocation is an integral and inevitable part of such economic change. If the benefits of change are to be distributed fairly, offering assistance to displaced workers and those threatened by displacement is of utmost importance. The ‘EU Quality Framework for anticipation of change and restructuring’\(^\text{22}\), is the Union policy instrument that sets the framework of best practice for anticipating and dealing with corporate restructuring. It offers a comprehensive framework on how the challenges of economic adjustment and restructuring and their employment and social impact should be addressed by adequate policy means. It also calls upon Member States to use EU and national funding in a way to ensure that the social impact of restructuring, especially the adverse effects on employment, and the impact on the regions in question can be cushioned more effectively. The main Union instruments to assist workers affected are the European Social Fund Plus (ESF+), which is designed to offer
in the case of unexpected major restructuring events in a reactive manner.

As part of a more proactive approach, the EGF may be used to help workers who are still employed but will be displaced within a certain period of time.

Amendment 6
Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) The Commission underlines the continuing importance of the role of the EGF as a flexible fund to support workers who lose their jobs in large-scale restructuring events and to help them to find another job as rapidly as possible. The Union should continue to provide specific, one-off support to facilitate the reintegration into employment of displaced workers in areas, sectors, territories or labour markets suffering a shock of serious economic disruption. Considering the interplay and mutual effects of open trade, technological change or other factors like the transition to a low carbon economy, and therefore considering that it is increasingly difficult to single out a specific factor that causes job displacements, the mobilisation of the EGF shall in the future only be based on the significant impact of a restructuring event.

Amendment

(13) The Commission underlines the continuing importance of the role of the EGF as a flexible fund to support workers who lose their jobs in large-scale restructuring events and to help them to find another job as rapidly as possible. The Union should continue to provide specific, one-off support to facilitate the reintegration into quality and sustainable employment (such as green jobs) of displaced workers in areas, sectors, territories or labour markets suffering a shock of serious economic disruption. Considering the interplay and mutual effects of open trade, technological change or other factors like the planned transition to a low carbon economy, particularly in regions affected by the phasing-out of coal, and therefore considering that it is increasingly difficult to single out a specific factor that causes job
Given its purpose, which is to provide support in situations of urgency and unexpected circumstances, complementing the more anticipatory assistance offered by the ESF+, the EGF shall remain a flexible and special instrument outside the budgetary ceilings of the Multiannual Financial Framework, as set out in the Commission's communication. 'A Modern Budget for a Union that Protects, Empowers and Defends - The Multiannual Financial Framework for 2021 – 2027' and its annex 27. 

Amendment 7
Proposal for a regulation
Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) The decline in coal mining and the switch to alternative energy sources, which is partly required by European climate change policy, presents major challenges in certain regions where coal has hitherto been mined. Particularly for coal mining regions, the phasing-out of coal will be an economic burden and a threat to jobs. This structural change needs to be cushioned, supported and made tolerable in terms of employment.

Amendment 8
Proposal for a regulation
Recital 14

Text proposed by the Commission

Amendment

(14) As stated, in order to maintain the...
European nature of the EGF, an application for support should be triggered when a major restructuring event causes a significant impact on the local or regional economy. Such an impact should be defined by a minimum number of job displacements within a specific reference period. Taking into account the findings of the mid-term evaluation, the threshold shall be set at 250 jobs displacement within a reference period of four months (or 6 months in sectoral cases). Taking into account that waves of dismissals in different sectors but the same region have an equally significant impact on the local labour market, regional applications shall be possible as well. In small labour markets, such as small Member States or remote regions, including the outermost regions as referred in Article 349 of the TFEU, or in exceptional circumstances, applications could be submitted in case of a lower number of job displacements.

Amendment 9

Proposal for a regulation
Recital 18

Text proposed by the Commission

(18) Displaced workers and self-employed persons whose activity has ceased should have equal access to the EGF independently of their type of employment contract or employment relationship. Therefore, displaced workers as well as self-employed persons whose activity has ceased should be regarded as possible EGF beneficiaries for the purposes of support.

Amendment

(18) Displaced workers and self-employed persons whose activity has ceased should have equal access to the EGF independently of their type of employment contract or employment relationship. Therefore, displaced workers, be they under fixed-term or open-ended contracts, or temporary agency workers, as well as self-employed persons –
of this Regulation.

including owner-managers of micro and small enterprises – whose activity has ceased should be regarded as possible EGF beneficiaries for the purposes of this Regulation.

Amendment 10
Proposal for a regulation
Recital 19

Text proposed by the Commission

(19) Financial contributions from the EGF should be primarily directed at active labour market measures aimed at reintegrating beneficiaries rapidly into sustainable employment, either within or outside their initial sector of activity. Measures should reflect the prospected needs of the local or regional labour market. However, whenever relevant, the mobility of displaced workers should also be supported in order to help find new employment elsewhere. A particular focus shall be laid on the dissemination of skills required in the digital age. The inclusion of pecuniary allowances in a coordinated package of personalised services should be restricted. Companies could be encouraged to participate in the national co-funding for the EGF-supported measures.

Amendment

(19) Financial contributions from the EGF should be primarily directed at active labour market measures and personalised services aimed at reintegrating beneficiaries rapidly into quality and sustainable employment, either within or outside their initial sector of activity through inclusion in retraining and skilling programmes. Measures should reflect the prospected needs of the local, regional, or national labour market. However, whenever relevant, the voluntary and fair mobility of displaced workers should also be supported in order to help find new employment elsewhere or in other regions. A particular focus shall be laid on the dissemination of skills required in the digital age and on access to digital technology. The inclusion of pecuniary allowances in a coordinated package of personalised services should be strongly restricted. The financial contributions should be an added value, and not a replacement to any financial obligations that are the responsibility of Member States or companies by virtue of law or collective agreements. Companies should be encouraged to contribute to the national co-founding of the measures.

Amendment 11
Proposal for a regulation
Recital 20
When drawing up the coordinated package of active labour market policy measures, Member States should favour measures that will significantly contribute to the employability of the beneficiaries. Member States should strive towards the reintegration into sustainable employment of the largest possible number of beneficiaries participating in these measures as soon as possible within the six-month period before the final report on the implementation of the financial contribution is due.

Amendment 12
Proposal for a regulation
Recital 21

When drawing up the coordinated package of active labour market policy measures, Member States should favour measures that will significantly contribute to the employability of the beneficiaries. Member States should strive towards the reintegration into sustainable, high-quality employment of the largest possible number of beneficiaries participating in these measures as soon as possible within the six-month period before the final report on the implementation of the financial contribution is due.

Amendment 13
Proposal for a regulation
Recital 22

Member States should pay particular attention to disadvantaged beneficiaries, including young and older unemployed persons and those at risk of poverty, when designing the coordinated package of active labour market policy measures, given that those groups experience particular problems in re-entering the labour market. Notwithstanding, the principles of gender equality and of non-discrimination, which are among the Union’s core values and are enshrined in the European Pillar of Social Rights, should be respected and promoted when implementing the EGF.

(21) Member States should pay particular attention to disadvantaged beneficiaries, including young and older unemployed persons and those at risk of poverty, when designing the coordinated package of active labour market policy measures, given that those groups experience particular problems in re-entering the labour market. Notwithstanding, the principles of gender equality and of non-discrimination, which are among the Union’s core values and are enshrined in the European Pillar of Social Rights, should be respected and promoted when implementing the EGF.
(22) In order to support beneficiaries effectively and rapidly, Member States should do their utmost to submit complete applications for a financial contribution from the EGF. In case the Commission requires further information for the assessment of an application, the provision of additional information should be limited in time.

Amendment

Proposal for a regulation
Recital 25

Text proposed by the Commission

(25) Special provisions should be included for information and communication activities on EGF cases and outcomes.

Amendment

(25) Special provisions should be included for information and communication activities on EGF cases and outcomes. Reports on each EGF case should be made available and should be standardised in terms of measures undertaken and outcomes. This would have the additional advantage of making cases comparable so that member states can share good practices.

Amendment 14

Proposal for a regulation
Recital 29

Text proposed by the Commission

(29) In the interest of the beneficiaries, assistance should be made available as quickly and efficiently as possible. The Member States and the Union institutions involved in the EGF decision-making process should do their utmost to reduce processing time and simplify procedures so

Amendment

(29) In the interest of the beneficiaries, assistance should be delivered quickly and efficiently. The Member States and the Union institutions involved in the EGF decision-making process should do their utmost to reduce processing time and simplify and adapt procedures to specific
as to ensure the smooth and rapid adoption of decisions on the mobilisation of the EGF. Therefore, the Budgetary Authority shall in the future decide on transfer requests submitted by the Commission, not requiring a Commission Proposal for the mobilisation of the EGF anymore.

Amendment 16

Proposal for a regulation
Article 2 – paragraph 1

Text proposed by the Commission

The EGF shall contribute to a better distribution of the benefits of globalisation and technological advance by helping displaced workers adapt to structural change. As such, the EGF shall contribute to the implementation of the principles defined under the European Pillar of Social Rights and enhance social and economic cohesion among regions and Member States.

Amendment

The EGF shall contribute to a better distribution of the benefits of globalisation and technological advance by helping displaced workers adapt to structural change, ushered in by globalisation and technological change as well as transition to a climate friendly, circular, energy- and resource-efficient economy, in order to find a new employment. As such, the EGF shall contribute to the implementation of the principles defined under the European Pillar of Social Rights and enhance social, economic and territorial cohesion among all regions and Member States and be complementary to measures financed by the European Social Fund.

Amendment 17

Proposal for a regulation
Article 3 – paragraph 1

Text proposed by the Commission

1. The general objective of the programme is to demonstrate solidarity with and offer support to displaced workers and self-employed persons whose activity has ceased in the course of unexpected needs so as to ensure the smooth and rapid adoption of decisions on the mobilisation of the EGF. Therefore, the Budgetary Authority shall in the future decide on transfer requests submitted by the Commission, not requiring a Commission Proposal for the mobilisation of the EGF anymore.

Amendment

1. The general objective of the programme is to demonstrate solidarity with and offer financial support for measures towards the swiftest possible labour market re-entry of displaced
major restructuring events, referred to in Article 5.

workers with fixed-term or open-ended contracts, temporary agency workers and self-employed persons whose activity has ceased in the course of major restructuring events, referred to in Article 5.

Amendment 18

Proposal for a regulation
Article 3 – paragraph 2

Text proposed by the Commission

2. The specific objective of the EGF is to offer assistance in case of unexpected major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of digitisation or automation. Particular emphasis shall lie on measures that help the most disadvantaged groups.

Amendment

2. The specific objective of the EGF is to offer assistance in case of major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, restructuring or disappearance of economic sectors, competing with non-EU competitors who are in privileged position in relation to EU competition rules, trade disputes between the EU and third countries, financial or economic crises, the transition to low-carbon economy, particularly in regions affected by the phasing-out of coal, or as a consequence of digitisation or automation. Particular emphasis shall lie on measures that help the most disadvantaged groups. *Actions benefiting from financial contributions by the Fund shall aim to ensure that all workers participating in these actions find quality and sustainable employment within six months from the date of application.*

Amendment 19

Proposal for a regulation
Article 4 – paragraph 1 – point a

Text proposed by the Commission

(a) 'displaced worker' means a worker whose employment is ended prematurely by redundancy, or whose contract is not

(a) 'displaced worker' means a worker, *including a temporary agency worker,* whose employment is ended prematurely
renewed, due to economic reasons; by redundancy, or whose contract is not renewed, due to economic reasons;

Amendment 20
Proposal for a regulation
Article 4 – paragraph 1 – point b

Text proposed by the Commission

(b) 'self-employed person' means a person who employed fewer than 10 workers;

Amendment

(b) 'self-employed person' means a person, including the owner-manager of a business, who employed fewer than 15 workers;

Amendment 21
Proposal for a regulation
Article 4 – paragraph 1 – point d a (new)

Text proposed by the Commission

(da) ‘restructuring’ means any labour market phenomenon producing redundancies which have a significant impact on the economy of a given territory.

Amendment

Amendment 22
Proposal for a regulation
Article 5 – paragraph 2 – point a

Text proposed by the Commission

(a) the cessation of activity of more than 250 displaced workers or self-employed persons, over a reference period of four months, in an enterprise in a Member State, including where that cessation applies in its suppliers or downstream producers;

Amendment

(a) the cessation of activity of at least 150 displaced workers or self-employed persons, over a reference period of six months, in an enterprise in a Member State or cross-border regions of neighbouring Member States, including where that cessation applies in its suppliers or downstream producers;
Amendment 23

Proposal for a regulation
Article 5 – paragraph 2 – point b

_text proposed by the commission_

(b) the cessation of activity of **more than 250** displaced workers or self-employed persons, over a reference period of six months, particularly in SMEs, where all operate in the same economic sector defined at NACE Revision 2 division level and located in one region or two contiguous regions defined at NUTS 2 level provided that there are more than **250** workers or self-employed persons affected in two of the regions combined;

**Amendment**

(b) the cessation of activity of **at least 150** displaced workers or self-employed persons, over a reference period of six months, particularly in SMEs, where all operate in the same economic sector defined at NACE Revision 2 division level and located in one region or two contiguous regions defined at NUTS 2 level provided that there are more than **150** workers or self-employed persons affected in two of the regions combined;

Amendment 24

Proposal for a regulation
Article 5 – paragraph 2 – point c

_text proposed by the commission_

(c) the cessation of activity of **more than 250** displaced workers or self-employed persons, over a reference period of **four** months, particularly in SMEs, operating in the same or different economic sectors defined at NACE Revision 2 division level and located in the same region defined at NUTS 2 level.

**Amendment**

(c) the cessation of activity of **at least 150** displaced workers or self-employed persons, over a reference period of **six** months, particularly in SMEs, operating in the same or different economic sectors defined at NACE Revision 2 division level and located in the same region defined at NUTS 2 level.

Amendment 25

Proposal for a regulation
Article 5 – paragraph 3

_text proposed by the commission_

3. In small labour markets or in

**Amendment**

3. In small labour markets or in
exceptional circumstances, in particular with regard to applications involving SMEs, where duly substantiated by the applicant Member State, an application for a financial contribution under this Article may be considered admissible even if the criteria laid down in points (a), (b) or (c) of paragraph 1 are not entirely met, when the redundancies have a serious impact on employment and the local or regional economy. The applicant Member State shall specify which of the intervention criteria set out in points (a), (b) or (c) of paragraph 1 are not entirely met. The aggregated amount of contributions in exceptional circumstances may not exceed 15% of the annual ceiling of the EGF.

Amendment 26
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 1

Text proposed by the Commission

A financial contribution from the EGF may be made for active labour market measures that form part of a coordinated package of personalised services, designed to facilitate the re-integration of the targeted beneficiaries and, in particular, the most disadvantaged among the displaced workers, into employment or self-employment.

Amendment

A financial contribution from the EGF may be made for active labour market measures that form part of a coordinated package of personalised services, designed to facilitate the re-integration of the targeted beneficiaries and, in particular, the most disadvantaged among the displaced workers, into quality and sustainable employment or self-employment.

Amendment 27
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The dissemination of skills required in the digital industrial age is a mandatory horizontal element of any package of

Amendment

The dissemination of skills required in the digital industrial age in a circular, energy and resource-efficient economy is a
personalised services offered. The level of training shall be adapted to the qualifications and the needs of the respective beneficiary.

mandatory horizontal element of any package of personalised services offered. The level of training shall be adapted to the qualifications and the needs of the respective beneficiary.

Amendment 28

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 3 – point b

Text proposed by the Commission

(b) special time-limited measures, such as job-search allowances, employers’ recruitment incentives, mobility allowances, training or subsistence allowances, including allowances for carers.

Amendment

(b) special time-limited measures, such as job-search allowances, employers’ recruitment incentives, mobility and meal allowances, training or subsistence allowances, including allowances for carers. These actions are conditional on the active participation of the targeted beneficiaries in job-search or training activities.

Amendment 29

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 6

Text proposed by the Commission

The design of the coordinated package of personalised services shall anticipate future labour market perspectives and required skills. The coordinated package shall be compatible with the shift towards a resource-efficient and sustainable economy, and shall also focus on the dissemination of skills required in the digital industrial age and take into account the demand on the local labour market.

Amendment

The design of the coordinated package of personalised services shall anticipate future labour market perspectives and required skills. The coordinated package shall be compatible with the shift towards a climate-friendly, circular, resource-efficient and sustainable economy, phasing-out coal regions, and shall also focus on the dissemination of skills required in the digital industrial age and take into account the demand on the local labour market.

Amendment 30

Proposal for a regulation
Article 8 – paragraph 3

Text proposed by the Commission

3. The coordinated package of services shall be drawn up in consultation with the targeted beneficiaries or their representatives, or the social partners.

Amendment

3. The coordinated package of services shall be drawn up in consultation with the targeted beneficiaries or their representatives and the social partners.

Amendment 31

Proposal for a regulation
Article 9 – paragraph 2

Text proposed by the Commission

2. Within ten working days of the date of submission of the application, or, where applicable, of the date on which the Commission is in possession of the translation of the application, whichever is the later, the Commission shall inform the Member State of any additional information it requires in order to assess the application.

Amendment

2. Within ten working days of the date of submission of the application, or, where applicable, of the date on which the Commission is in possession of the translation of the application, whichever is the later, the Commission shall acknowledge receipt of the application and inform the Member State of any additional information it requires in order to assess the application.

Amendment 32

Proposal for a regulation
Article 9 – paragraph 4

Text proposed by the Commission

4. On the basis of the information provided by the Member State, the Commission shall complete its assessment of the application’s compliance with the conditions for providing a financial contribution, within 60 working days of the receipt of the complete application or, where applicable, of the translation of the application. Where the Commission is unable, exceptionally, to comply with that deadline, it shall provide a written explanation setting out the reasons for the

Amendment

4. On the basis of the information provided by the Member State, the Commission shall complete its assessment of the application’s compliance with the conditions for providing a financial contribution, within 45 working days of the receipt of the complete application or, where applicable, of the translation of the application. Where the Commission is unable, exceptionally, to comply with that deadline, it shall provide a written explanation setting out the reasons for the
delay. delay and comply within a 20-day extension of that deadline.

Amendment 33

Proposal for a regulation
Article 9 – paragraph 5 – point d

Text proposed by the Commission

(d) the identification, where applicable, of the dismissing enterprises, suppliers or downstream producers, sectors, and the categories of targeted beneficiaries broken down by gender, age group and educational level;

Amendment

(d) the identification, where applicable, of the dismissing enterprises, suppliers or downstream producers, sectors, and the categories of targeted beneficiaries broken down by gender, age and educational level;

Amendment 34

Proposal for a regulation
Article 9 – paragraph 5 – point e

Text proposed by the Commission

(e) the expected impact of the redundancies as regards the local, regional or national economy and employment;

Amendment

(e) the expected impact of the redundancies as regards the local, regional, national or, where appropriate, cross-border economy and employment;

Amendment 35

Proposal for a regulation
Article 9 – paragraph 5 – point f

Text proposed by the Commission

(f) a detailed description of the coordinated package of personalised services and related expenditure, including, in particular, any measures in support of employment initiatives for disadvantaged, older and young beneficiaries;

Amendment

(f) a detailed description of the coordinated package of personalised services and related expenditure, including, in particular, any measures in support of employment initiatives for disadvantaged, low-skilled, older and young beneficiaries, and those from disadvantaged areas;
Amendment 36

Proposal for a regulation
Article 9 – paragraph 5 – point m a (new)

Text proposed by the Commission

Amendment

(m a) a statement that proposed actions will be complementary with actions funded by the Structural Funds and that any double financing will be prevented.

Amendment 37

Proposal for a regulation
Article 10 – paragraph 2

Text proposed by the Commission

Amendment

2. Support for targeted beneficiaries shall complement measures of the Member States at national, regional and local level including those co-financed by Union funds, in line with the recommendations set out in the EU Quality Framework for anticipation of change and restructuring.

Amendment 38

Proposal for a regulation
Article 10 – paragraph 4

Text proposed by the Commission

Amendment

4. In accordance with their respective responsibilities, the Commission and the applicant Member State shall ensure the coordination of the assistance from Union funds.

Amendment 39

Proposal for a regulation
Article 13 – paragraph 2

PE625.202v02-00 120/142 RR\1171678EN.docx
Text proposed by the Commission

2. The Commission shall maintain and update regularly an online presence, accessible in all official languages of the institutions of the Union, to provide updated information on the EGF, guidance on the submission of applications, as well as information on accepted and rejected applications and on the role of the European Parliament and the Council in the budgetary procedure.

Amendment

2. The Commission shall maintain and update regularly an online presence, accessible in all official languages of the institutions of the Union, to provide updated information on the EGF, guidance on the submission of applications, as well as information on accepted and rejected applications accompanied by justification and on the role of the European Parliament and the Council in the budgetary procedure.

Amendment 40

Proposal for a regulation
Article 13 – paragraph 4 a (new)

Text proposed by the Commission

(4a) EGF recipients and managing authorities shall be required to release information in order to increase the visibility of the fund.

Amendment

(4a) EGF recipients and managing authorities shall be required to release information in order to increase the visibility of the fund.

Amendment 41

Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 9 and in particular taking into account the number of targeted beneficiaries, the proposed measures and the estimated costs, evaluate and propose as quickly as possible the amount of a financial contribution from the EGF, if any, that may be made within the limits of the resources available.

Amendment

1. The Commission shall, on the basis of the assessment carried out in accordance with Article 9 and in particular taking into account the number of targeted beneficiaries, the proposed measures and the estimated costs, evaluate and propose, within 15 working days after the completion of the assessment of the application’s compliance with the conditions for providing a financial contribution, the amount of a financial contribution from the EGF, if any, that may
be made within the limits of the resources available.

Amendment 42
Proposal for a regulation
Article 14 – paragraph 4

Text proposed by the Commission

4. Where, on the basis of the assessment carried out in accordance with Article 9, the Commission concludes that the conditions for a financial contribution under this Regulation are not met, it shall immediately notify the applicant Member State.

Amendment

4. Where, on the basis of the assessment carried out in accordance with Article 9, the Commission concludes that the conditions for a financial contribution under this Regulation are not met, it shall immediately notify the applicant Member State, together with proper justification.

Amendment 43
Proposal for a regulation
Article 15 – paragraph 4

Text proposed by the Commission

4. Where a beneficiary accesses an education or training course the duration of which is two years or more, the expenditure for such a course shall be eligible for EGF co-funding up to the date when the final report referred to in Article 20(1) is due, provided that the relevant expenditure have been incurred before that date.

Amendment

4. Where a beneficiary accesses an education or training course for the purpose of retraining or business start-up, the duration of which is two years or more, the expenditure for such a course shall be eligible for EGF co-funding up to the date when the final report referred to in Article 20(1) is due, provided that the relevant expenditure have been incurred before that date.

Amendment 44
Proposal for a regulation
Article 20 – paragraph 1 – point d

Text proposed by the Commission

(d) the results of a beneficiary survey conducted six months after the end of the implementation period, which shall cover

Amendment

(d) the results of a beneficiary survey conducted six months after the end of the implementation period, which shall cover
the perceived change in the employability of beneficiaries, or for those who already found employment, more information on the quality of employment found, such as the change in working hours, level of responsibility or change of salary level in comparison to previous employment, and the sector in which the person found employment and break down this information by gender, age group and education level;

Amendment 45

Proposal for a regulation
Article 21 – paragraph 1

1. By 1 August 2021 and every two years thereafter, the Commission shall present to the European Parliament and to the Council a comprehensive, quantitative and qualitative report on the activities under this Regulation and Regulation (EU) No 1309/2013 in the previous two years. The report shall focus mainly on the results achieved by the EGF and shall in particular contain information relating to applications submitted, decisions adopted, measures funded, including statistics on the indicators set out in the Annex, and the complementarity of such measures with measures funded by other Union funds, in particular ESF+, and information relating to the winding-up of financial contributions made and shall also document those applications that have been rejected or reduced owing to a lack of sufficient appropriations or to non-eligibility.

Amendment 46

Proposal for a regulation
Article 21 – paragraph 2

1. By 1 August 2021 and every two years thereafter, the Commission shall present to the European Parliament and to the Council a comprehensive, quantitative and qualitative report on the activities under this Regulation and Regulation (EU) No 1309/2013 in the previous two years. The report shall focus mainly on the results achieved by the EGF and shall in particular contain information relating to applications submitted, speed of their processing and potential deficiencies in existing rules, decisions adopted, measures funded, including statistics on the indicators set out in the Annex, and the complementarity of such measures with measures funded by other Union funds, in particular ESF+, and information relating to the winding-up of financial contributions made and shall also document those applications that have been rejected or reduced owing to a lack of sufficient appropriations or to non-eligibility.
2. The report shall be transmitted for information to the Court of Auditors, the European Economic and Social Committee, the Committee of the Regions and the social partners.

Amendment 47

Proposal for a regulation
Annex I – point 1 – paragraph 1 – indent 9 a (new)

Text proposed by the Commission

- with less than 2 years of professional experience,
- with between 2 and 10 years of professional experience,
- with over 10 years of professional experience.

Amendment
**PROCEDURE – COMMITTEE ASKED FOR OPINION**

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<thead>
<tr>
<th>Title</th>
<th>European Globalisation Adjustment Fund (EGF)</th>
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<tr>
<td>Date announced in plenary</td>
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<td>11.6.2018</td>
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<td>11.6.2018</td>
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<td>Rapporteur</td>
<td></td>
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<tr>
<td>Date appointed</td>
<td>Tamás Deutsch</td>
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<td>20.6.2018</td>
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<td>Discussed in committee</td>
<td>27.9.2018</td>
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<td>Date adopted</td>
<td>25.10.2018</td>
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**FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION**

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Key to symbols:
+ : in favour
- : against
0 : abstention
POSITION IN THE FORM OF AMENDMENTS
OF THE COMMITTEE ON WOMEN’S RIGHTS AND GENDER EQUALITY

for the Committee on Employment and Social Affairs


Rapporteur: Vilija Blinkevičiūtė

AMENDMENTS

The Committee on Women's Rights and Gender Equality presents the following amendments to the Committee on Employment and Social Affairs, as the committee responsible:

Amendment 1

Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) Horizontal principles as set out in Article 3 of the Treaty on the European Union ('TEU') and in Article 10 TFEU, including principles of subsidiarity and proportionality as set out in Article 5 TEU should be respected in the implementation of the Funds, taking into account the Charter of Fundamental Rights of the European Union. Member States and the Commission should aim at eliminating inequalities and at promoting equality between men and women and integrating the gender perspective, as well as at

Amendment

(1) Horizontal principles as set out in Article 3 of the Treaty on the European Union ('TEU') and in Article 10 TFEU, including principles of subsidiarity and proportionality as set out in Article 5 TEU should be respected in the implementation of the Funds, taking into account the Charter of Fundamental Rights of the European Union. In accordance with Article 8 TFEU, Member States and the Commission should aim at eliminating inequalities, promoting equality between men and women and integrating the gender
combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. The objectives of the Funds should be pursued in the framework of sustainable development and the Union's promotion of the aim of preserving, protecting and improving the quality of the environment as set out in Articles 11 and 191(1) TFEU, taking into account the polluter pays principle.

Amendment 2
Proposal for a regulation
Recital 17

Text proposed by the Commission

(17) The European Monitoring Centre on Change, based in the European Foundation for the Improvement of Living and Working Conditions (Eurofound) in Dublin, assists the Commission and the Member States with qualitative and quantitative analyses in order to help in the assessment of trends of globalisation, restructuring and the use of the EGF. Such analyses should, where appropriate, include the assessment of the gender perspective of these trends, in order for the EGF as well as other relevant tools to combat gender inequalities more efficiently.

Amendment

(17) The European Monitoring Centre on Change, based in the European Foundation for the Improvement of Living and Working Conditions (Eurofound) in Dublin, assists the Commission and the Member States with qualitative and quantitative analyses in order to help in the assessment of trends of globalisation, restructuring and the use of the EGF. Such analyses should, where appropriate, include the assessment of the gender perspective of these trends, in order for the EGF as well as other relevant tools to combat gender inequalities more efficiently.

Amendment 3
Proposal for a regulation
Recital 19

Text proposed by the Commission

(19) Financial contributions from the

Amendment

(19) Financial contributions from the
EGF should be primarily directed at active labour market measures aimed at reintegrating beneficiaries rapidly into sustainable employment, either within or outside their initial sector of activity. Measures should reflect the prospected needs of the local or regional labour market. However, whenever relevant, the mobility of displaced workers should also be supported in order to help find new employment elsewhere. A particular focus shall be laid on the dissemination of skills required in the digital age. The inclusion of pecuniary allowances in a coordinated package of personalised services should be restricted. Companies could be encouraged to participate in the national co-funding for the EGF-supported measures.

Justification

It is important to specify that the sustainable employment forms where the beneficiaries will be reintegrated should also provide for the full array of work-life balance options according to the national laws and the forthcoming EU directive, thus contributing to gender equality in employment as well as private life.

Amendment 4

Proposal for a regulation
Recital 19

Text proposed by the Commission

(19) Financial contributions from the EGF should be primarily directed at active labour market measures aimed at reintegrating beneficiaries rapidly into sustainable employment, either within or outside their initial sector of activity. Measures should reflect the prospected needs of the local or regional labour market. However, whenever relevant, the mobility of displaced workers should also be supported in order to help find new employment elsewhere. A particular focus shall be laid on the dissemination of skills required in the digital age. The inclusion of pecuniary allowances in a coordinated package of personalised services should be restricted. Companies could be encouraged to participate in the national co-funding for the EGF-supported measures.

Amendment

(19) Financial contributions from the EGF should be primarily directed at active labour market measures aimed at reintegrating beneficiaries rapidly into sustainable employment, either within or outside their initial sector of activity. Measures should reflect the prospected needs of the local or regional labour market. However, whenever relevant, the mobility of displaced workers should also be supported in order to help find new employment elsewhere. A particular focus shall be laid on the dissemination of skills required in the digital age. The inclusion of pecuniary allowances in a coordinated package of personalised services should be restricted. Companies could be encouraged to participate in the national co-funding for the EGF-supported measures.
employment elsewhere. A particular focus shall be laid on the dissemination of skills required in the digital age. The inclusion of pecuniary allowances in a coordinated package of personalised services should be restricted. Companies could be encouraged to participate in the national co-funding for the EGF-supported measures.

Amendment 5

Proposal for a regulation
Recital 19 a (new)

When implementing and designing coordinated package of personalised services, Member States should exploit and better target the aims of the Digital Agenda and the Digital Single Market Strategy with a view to addressing the serious gender gap within the ICT and science, technology, engineering and mathematics (STEM) sectors by promoting re-training and re-qualification of women into ICT and STEM sectors. When implementing and designing coordinated package of personalised services, Member States should additionally avoid perpetuating the domination of one gender in those industries and sectors where this has traditionally been the case. Increasing the representation of the less represented gender in different sectors, such as finance, ICT and STEM, would contribute towards the reduction of gender pay and pension gap.

Justification

The previous experiences of EGF implementation have shown that women are generally being requalified in the traditionally female-dominated sectors which are less paid, thereby
perpetuating the gender gap in pay and pension.

Amendment 6
Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) Member States should pay particular attention to disadvantaged beneficiaries, including young and older unemployed persons and those at risk of poverty, when designing the coordinated package of active labour market policy measures, given that those groups experience particular problems in re-entering the labour market.

Amendment

(21) Member States should pay particular attention to disadvantaged beneficiaries, including young and older unemployed persons and those at risk of poverty, as well as to take into account the need to combat women’s discrimination in employment, when designing the coordinated package of active labour market policy measures, given that those groups experience particular problems in re-entering the labour market.

Notwithstanding, the principles of gender equality and of non-discrimination, which are among the Union’s core values and are enshrined in the European Pillar of Social Rights, should be respected and promoted when implementing the EGF.

The implementation of the EGF should aim to contribute to the promotion of sustainable employment that guarantees equal opportunities, respects the principle of equal pay for work of equal value and supports work life balance measures that foster gender equality.

Amendment 7
Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) Member States should pay particular attention to disadvantaged beneficiaries, including young and older unemployed persons and those at risk of poverty, when designing the coordinated

Amendment

(21) Member States should pay particular attention to disadvantaged beneficiaries, including young and older unemployed persons, persons with disabilities, persons with dependent
package of active labour market policy measures, given that those groups experience particular problems in re-entering the labour market. Notwithstanding, the principles of gender equality and of non-discrimination, which are among the Union’s core values and are enshrined in the European Pillar of Social Rights, should be respected and promoted when implementing the EGF.

Amendment 8

Proposal for a regulation
Recital 25 a (new)

Amendment

(25a) In light of the principle of equality, Member States should ensure effective access to information about the EGF throughout their territory, including rural areas.

Amendment 9

Proposal for a regulation
Recital 31

(31) In order to enable political scrutiny by the European Parliament and continuous monitoring by the Commission of results obtained with EGF assistance, Member States should submit a final report on the implementation of the EGF which should respond to clear monitoring requirements and contain a follow up of the beneficiaries and a gender equality impact assessment.
Amendment 10

Proposal for a regulation
Recital 39

_text proposed by the Commission_

(39) Considering the fact that the digital transformation of the economy requires a certain level of digital competence of the workforce, the dissemination of skills required in the digital age should be a mandatory horizontal element of any coordinated package of personalised services offered.

_amendment_

(39) Considering the fact that the digital transformation of the economy requires a certain level of digital competence of the workforce, the dissemination of skills required in the digital age should be a mandatory horizontal element of any coordinated package of personalised services offered and should incorporate the aim of increasing the participation of women in STEM professions.

Amendment 11

Proposal for a regulation
Article 3 – paragraph 2

_text proposed by the Commission_

2. The specific objective of the EGF is to offer assistance in case of unexpected major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of digitisation or automation. Particular emphasis shall lie on measures that help the most disadvantaged groups.

_amendment_

2. The specific objective of the EGF is to offer assistance in case of unexpected major restructuring events, particularly those caused by globalisation-related challenges, such as changes in world trade patterns, trade disputes, financial or economic crises, the transition to low-carbon economy or as a consequence of digitisation or automation. Particular emphasis shall lie on measures that help the most disadvantaged groups and the promotion of gender equality.

Amendment 12

Proposal for a regulation
Article 4 – paragraph 1 – point c a (new)

_text proposed by the Commission_

(ca) ‘the principle of equal treatment between women and men’ means that
there shall be no direct nor indirect discrimination on the grounds of sex in various stages of the implementation of the financial contribution, in particular when selecting target groups, establishing criteria, indicators and beneficiaries;

Justification

The definition of the principle of equal treatment between women and men should be added in view of strengthening the gender dimension of the regulation. Furthermore, indirect discrimination should be explicitly mentioned since it is usually this type (unintentional) of discrimination that occurs within the implementation of various programmes.

Amendment 13

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 1

Text proposed by the Commission

A financial contribution from the EGF may be made for active labour market measures that form part of a coordinated package of personalised services, designed to facilitate the re-integration of the targeted beneficiaries and, in particular, the most disadvantaged among the displaced workers, into employment or self-employment.

Amendment

A financial contribution from the EGF may be made for active labour market measures that form part of a coordinated package of personalised services, designed to facilitate the re-integration of the targeted beneficiaries and, in particular female and the most disadvantaged among the displaced workers, into employment or self-employment.

Amendment 14

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 3 – point a

Text proposed by the Commission

(a) tailor-made training and retraining, including in information and communication technology and other skills required in the digital age, certification of acquired experience, job-search assistance, occupational guidance, advisory services, mentoring, outplacement assistance, entrepreneurship promotion, aid for self-employment, business start-ups and

Amendment

(a) tailor-made training and retraining, including in information and communication technology and other skills required in the digital age, information about life-long learning, certification of acquired experience, job-search assistance, occupational guidance, advisory services, mentoring, outplacement assistance, entrepreneurship promotion, aid for self-
employee take-overs, and cooperation activities;

employment, business start-ups and employee take-overs, and cooperation activities; Those activities shall be implemented on the basis of the principle of equal treatment between women and men, with a particular focus on keeping women active in the labour market;

Amendment 15

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 3 – point a

Text proposed by the Commission

(a) tailor-made training and retraining, including in information and communication technology and other skills required in the digital age, certification of acquired experience, job-search assistance, occupational guidance, advisory services, mentoring, outplacement assistance, entrepreneurship promotion, aid for self-employment, business start-ups and employee take-overs, and cooperation activities;

Amendment

(a) tailor-made training and retraining, including in information and communication technology and other skills required in the digital age, certification of acquired experience, job-search assistance, occupational guidance, advisory services, mentoring, women’s empowerment, self-confidence and motivation modules, outplacement assistance, entrepreneurship promotion, aid for self-employment, business start-ups and employee take-overs, and cooperation activities;

Amendment 16

Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 3 – point b

Text proposed by the Commission

(b) special time-limited measures, such as job-search allowances, employers’ recruitment incentives, mobility allowances, training or subsistence allowances, including allowances for carers.

Amendment

(b) special time-limited measures, such as job-search allowances, employers’ recruitment incentives, mobility allowances, training or subsistence allowances, including work-life balance allowances for working parents and carers.

Justification

The scope of beneficiaries should be clarified since it corresponds to the forthcoming legislative act. Furthermore, since the definition of carer does not exist in the EU law there is...
a risk that working parents would not be covered in case the provision would refer to carers only.

Amendment 17
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 3 – point b a (new)

Text proposed by the Commission

Amendment

(ba) measures to stimulate in particular the disadvantaged workers, those at the higher risk of poverty or older workers to remain in or return to the labor market.

Amendment 18
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 4

Text proposed by the Commission

Amendment

The costs of the measures referred to in point (b) may not exceed 35% of the total costs for the coordinated package of personalised services listed in this paragraph.

The costs of the measures referred to in point (b) may not exceed 50% of the total costs for the coordinated package of personalised services listed in this paragraph.

Amendment 19
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 6

Text proposed by the Commission

Amendment

The design of the coordinated package of personalised services shall anticipate future labour market perspectives and required skills. The coordinated package shall be compatible with the shift towards a resource-efficient and sustainable economy, and shall also focus on the dissemination of skills required in the digital industrial age and take into account the demand on the local labour market.

The design of the coordinated package of personalised services shall anticipate future and sustainable labour market perspectives and required skills. The coordinated package shall be compatible with the shift towards a resource-efficient and sustainable economy, and shall also focus on the dissemination of skills required in the digital industrial and in sustainable green sectors and jobs, and taking into account the demand on the
local labour market and the need to eliminate gender gaps in employment.

Amendment 20
Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 6 a (new)

Text proposed by the Commission

Amendment

When designing coordinated package of personalised services, aimed to facilitate the re-integration of the targeted beneficiaries into the labor market, Member States shall aim to address the gender gap in information, communication, science, mathematics and technology sectors by promoting retraining and requalification of women in traditionally male-dominated sectors, such as finances, ICT and STEM.

Amendment 21
Proposal for a regulation
Article 11 – paragraph 1

Text proposed by the Commission

Amendment

The Commission and the Member States shall ensure that equality between men and women and the integration of the gender perspective are an integral part of, and are promoted during, the various stages of the implementation of the financial contribution from the EGF.

The Commission and the Member States shall ensure that equality between men and women and the integration of the gender perspective are an integral part of, and are promoted during, the various stages of the implementation of the financial contribution from the EGF in particular when selecting target groups, establishing criteria and indicators as well as designing coordinated package of personalised services for beneficiaries.
Amendment 22

Proposal for a regulation
Article 11 – paragraph 1

Text proposed by the Commission

The Commission and the Member States shall ensure that equality between men and women and the integration of the gender perspective are an integral part of, and are promoted during, the various stages of the implementation of the financial contribution from the EGF.

Amendment

The Commission and the Member States shall ensure that equality between men and women and the integration of the gender perspective are an integral part of, and are promoted during all appropriate stages of the implementation of the financial contribution from the EGF.

Amendment 23

Proposal for a regulation
Article 13 – paragraph 3 – subparagraph 1

Text proposed by the Commission

The Commission shall implement information and communication activities on EGF cases and outcomes based on its experience with the aim of improving the effectiveness of the EGF and ensuring that Union citizens and workers know about the EGF.

Amendment

The Commission shall implement information and communication activities on EGF cases and outcomes based on its experience with the aim of improving the effectiveness of the EGF and ensuring that Union citizens and workers know about the EGF, including citizens and workers in rural areas with difficult access to information.

Amendment 24

Proposal for a regulation
Article 20 – paragraph 1 – introductory part

Text proposed by the Commission

1. Not later than at the end of the seventh month after the expiry of the period specified in Article 15(3), the Member State concerned shall present a final report to the Commission on the implementation of the financial contribution, including information on:

Amendment

1. Not later than at the end of the seventh month after the expiry of the period specified in Article 15(3), the Member State concerned shall present a final report with publicly available and gender-disaggregated data to the Commission on the implementation of the financial contribution, including
information on:

Amendment 25
Proposal for a regulation
Article 20 – paragraph 1 – point d a (new)

Text proposed by the Commission

Amendment
(da) a separate gender equality impact assessment on the reporting cases;

Amendment 26
Proposal for a regulation
Article 22 – paragraph 1

Text proposed by the Commission

Amendment
1. Every four years the Commission shall carry out on its own initiative and in close cooperation with the Member States, an evaluation of the EGF financial contributions, which shall be gender-responsive;
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<th>3.9.2018</th>
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INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION
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<tr>
<th>Title</th>
<th>European Globalisation Adjustment Fund (EGF)</th>
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<td>Date submitted to Parliament</td>
<td>30.5.2018</td>
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<tr>
<td>Rapporteurs</td>
<td>Maria Arena</td>
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<tr>
<td>Date appointed</td>
<td>31.5.2018</td>
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<tr>
<td>Discussed in committee</td>
<td>6.9.2018  9.10.2018</td>
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<tr>
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<td>Result of final vote</td>
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## FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

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Key to symbols:
+ : in favour
- : against
0 : abstention