EUROPEAN PARLIAMENT

2009 - 2014

Committee on Employment and Social Affairs

2011/0269(COD)

6.6.2012

***I
DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council on the European Globalisation Adjustment Fund (2014 - 2020)
(COM(2011)0608 – C7-0319/2011 – 2011/0269(COD))

Committee on Employment and Social Affairs

Rapporteur: Marian Harkin

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.)

Amendments to a draft act

In amendments by Parliament, amendments to draft acts are highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the draft act which may require correction when the final text is prepared – for instance, obvious errors or omissions in a language version. Suggested corrections of this kind are subject to the agreement of the departments concerned.

The heading for any amendment to an existing act that the draft act seeks to amend includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend. Passages in an existing act that Parliament wishes to amend, but that the draft act has left unchanged, are highlighted in **bold**. Any deletions that Parliament wishes to make in such passages are indicated thus: **[...]**.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council on the European Globalisation Adjustment Fund (2014 - 2020)
(COM(2011)0608 – C7-0319/2011 – 2011/0269(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2011)0608),

– having regard to Article 294(2) and Articles 175, 42 and 43 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0319/2011),

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

– having regard to the reasoned opinion submitted, within the framework of the Protocol (No 2) on the application of the principles of subsidiarity and proportionality, by the the Riksdag of the Kingdom of Sweden, by the Senate and the House of Representatives of the Kingdom of the Netherlands and by the Senate of the Republic of Poland, asserting that the draft legislative act does not comply with the principle of subsidiarity,

– having regard to the opinion of the European Economic and Social Committee of 23 February 2012[1],

– having regard to the opinion of the Committee of the Regions of 3 May 2012[2],

– having regard to Rules 55 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, the Committee on Agriculture and Rural Development, and the Committee of Women's Rights and Gender Equality (A7-0000/2012),

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

2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;

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

[1] OJ C 143, 22.5.2012, p. 42.
[2] Not yet published in the Official Journal.

Amendment 1
Proposal for a regulation
Citation 1

Text proposed by the Commission	*Amendment*
Having regard to the Treaty on the Functioning of the European Union, and in particular the third paragraph of Article 175***, as well as Articles 42 and 43 thereof***,	Having regard to the Treaty on the Functioning of the European Union, and in particular the third paragraph of Article 175,

Or. en

Justification

Articles 42 and 43 give a legal basis for the inclusion of farmers under delegated actsI propose to include farmers and all self employed workers under the same conditions in this Regulation.Therefore there is no need for a seperate legal basis.

Amendment 2
Proposal for a regulation
Recital 4

Text proposed by the Commission	*Amendment*
(4) The scope of Regulation (EC) No 1927/2006 was broadened in 2009 by Regulation (EC) No 546/2009 of the European Parliament and of the Council[21] as part of the European Economic Recovery plan to include workers made redundant as a result of the global financial and economic crisis. In ***order*** to enable the EGF to intervene in future crisis situations, its scope should cover redundancies resulting from a serious economic disruption when caused by an unexpected crisis ***comparable to the financial and economic crisis that hit the economy from 2008 onwards***.	(4) The scope of Regulation (EC) No 1927/2006 was broadened in 2009 by Regulation (EC) No 546/2009 of the European Parliament and of the Council[21] as part of the European Economic Recovery plan to include workers made redundant as a result of the global financial and economic crisis. ***Despite strong support from the European Commission and the European Parliament the continuation of the "crisis derogation" was blocked by the European Council.*** In ***light of the fact that 82% of all applications*** to ***the EGF in 2009/2010 were based on "crisis derogation" criteria, it is necessary to*** enable the EGF to intervene in future crisis situations, its scope should cover redundancies resulting from a serious economic disruption when

caused by an unexpected crisis.

Or. en

Justification

It is important to emphasise the support within the European Parliament and the European Commission for an extension of the crisis derogation and to highlight the need for a continuing crisis intervention mechanism by using the available statistics to support this argument.

Amendment 3
Proposal for a regulation
Recital 5

Text proposed by the Commission	*Amendment*
(5) In compliance with the Communication on 'A Budget for Europe 2020', the scope of the EGF should be broadened to facilitate the adaptation of farmers to a new market situation resulting from international trade agreements in the agricultural sector and leading to a change or a significant adjustment in the agricultural activities of the affected farmers so as to assist them to become structurally more competitive or to facilitate their transition to non-agricultural activities.	***deleted***

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 4
Proposal for a regulation
Recital 6

Text proposed by the Commission	*Amendment*
(6) In order to maintain the European	(6) In order to maintain the European

nature of the EGF, an application for support should be triggered when the number of redundancies reaches a minimum threshold. In small labour markets, such as small Member States or remote regions, and in exceptional circumstances, applications may be submitted for a lower number of redundancies***. As regards farmers, the necessary criteria should be determined by the Commission in relation to the consequences of each trade agreement***.	nature of the EGF, an application for support should be triggered when the number of redundancies reaches a minimum threshold. In small labour markets, such as small Member States or remote regions, and in exceptional circumstances, applications may be submitted for a lower number of redundancies.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 5
Proposal for a regulation
Recital 7

Text proposed by the Commission	*Amendment*
(7) Redundant workers should have equal access to the EGF independently of their type of employment contract or employment relationship. Therefore, workers with fixed term contracts and temporary agency workers made redundant as well as owner-managers of micro, small and medium-sized enterprises ***and*** self-employed workers ***who cease their activities*** and farmers who ***change*** or ***adjust*** their activities ***to a new market situation following trade agreements***, should be regarded as redundant workers for the purposes of this Regulation.	(7) Redundant workers should have equal access to the EGF independently of their type of employment contract or employment relationship. Therefore, workers with fixed term contracts and temporary agency workers made redundant as well as owner-managers of micro, small and medium-sized enterprises***,*** self-employed workers***,*** and farmers***,*** who ***cease*** or ***change*** their ***current*** activities, should be regarded as redundant workers for the purposes of this Regulation.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 6
Proposal for a regulation
Recital 8

Text proposed by the Commission	*Amendment*
(8) Regarding farmers, the scope of the EGF should include beneficiaries affected by bilateral agreements concluded by the Union in accordance with Article XXIV of the GATT or multilateral agreements concluded within the World Trade Organisation. This covers farmers changing or adjusting their previous agricultural activities within a period starting upon initialling of such trade agreements and ending three years after their full implementation.	***deleted***

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 7
Proposal for a regulation
Recital 9

Text proposed by the Commission	*Amendment*
(9) Financial contributions from the EGF should be primarily directed at active labour market measures aimed at reintegrating redundant workers rapidly into employment, either within or outside their initial sector of activity, including the agricultural sector. The inclusion of pecuniary allowances in a coordinated package of personalised services should	(9) Financial contributions from the EGF should be primarily directed at active labour market measures aimed at reintegrating redundant workers rapidly into employment, either within or outside their initial sector of activity, including the agricultural sector. The inclusion of pecuniary allowances in a coordinated package of personalised services should

therefore be restricted.	therefore be restricted. ***The pecuniary allowances should be in addition to any financial obligations that are the responsibility of Member States or companies by virtue of national law or collective agreements.***

Or. en

Justification

The EGF should deliver added value on a number of levels, including financial added value. If Member States have financial obligations to redundant workers in the form of pecuniary allowances, those obligations should be met by the Member State. Member States can of course top up the pecuniary allowances and this would provide extra incentives to workers. This amendment also helps to ensure that EGF money doesn't simply end up financing all of the Member States obligations.

Amendment 8
Proposal for a regulation
Recital 10

Text proposed by the Commission	*Amendment*
(10) 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 redundant workers. Member States should strive towards the reintegration into employment or new activities of at least 50 % of the ***targeted*** workers ***within 12 months of*** the ***date*** of ***application***.	(10) 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 redundant workers. ***The measures should also be designed taking into account the objectives of the Europe 2020 strategy and their implementation in the national and regional strategies.*** Member States should strive towards the reintegration into employment or new activities of at least 50 % of the workers ***participating in*** the ***measures. The rate should be measured at the end*** of ***the implementation period***.

Or. en

Justification

Part of the added value of the EGF is that it can complement and enhance other European

initiatives. While the EGF should deliver tailor-made personalised packages to workers, these packages should also be oriented towards achieving the objectives of the European 2020 strategy and a balance needs to be found between the two demands.

Amendment 9
Proposal for a regulation
Recital 11

Text proposed by the Commission	*Amendment*
(11) In order to support redundant workers effectively and rapidly, Member States should do their utmost to submit complete applications. The provision of supplementary information should be exceptional and limited in time.	(11) In order to support redundant workers effectively and rapidly, Member States should do their utmost to submit complete applications. ***This can be facilitated by bilateral proactive interaction and clear communication between the Commission and the national managing authorities.*** The provision of supplementary information should be exceptional and limited in time.

Or. en

Justification

One of the ongoing problems in regard to the functioning of the EGF is its timeliness. Delays cause frustration for all involved, in particular the workers who may lose out because Member States may not be in a position to start the package of personalised services until money has been provided by the Fund. Therefore every effort should be made to speed up the process and this can be achieved by facilitating proactive interaction between all the partners.

Amendment 10
Proposal for a regulation
Recital 13

Text proposed by the Commission	*Amendment*
(13) Special provisions should be included for information and communication activities on EGF cases and outcomes. In addition, to bring about greater efficiency in communication to the public at large and stronger synergies between the communication activities undertaken at the	(13) Special provisions should be included for information and communication activities on EGF cases and outcomes. In addition, to bring about greater efficiency in communication to the public at large and stronger synergies between the communication activities undertaken at the

initiative of the Commission, the resources allocated to communication actions under this Regulation ***should*** also contribute to covering the corporate communication of the political priorities of the Union provided that these are related to the general objectives of this Regulation.

initiative of the Commission, the resources allocated to communication actions under this Regulation ***could*** also contribute to covering the corporate communication of the political priorities of the Union provided that these are related to the general objectives of this Regulation.

Or. en

Justification

Corporate communication of political priorities of the Union is important but I don't think it should be mandatory, it should be optional and may or may not form part of the overall package.

Amendment 11
Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) In order to ensure that the Union's expression of solidarity with workers is not hampered by a lack of Member State co-funding resources, the co-funding rate should be modulated, with a maximum 50 % contribution to the cost of the package and its implementation as the norm, ***and the possibility to raise this rate to up to*** 65 % in the case of applications submitted by ***those*** Member ***States*** on the territory of which at least one region at NUTS II level ***is eligible*** under the ***'Convergence' objective*** of the ***Structural Funds***.

Amendment

(14) In order to ensure that the Union's expression of solidarity with workers is not hampered by a lack of Member State co-funding resources, the co-funding rate should be modulated, with a maximum 50 % contribution to the cost of the package and its implementation as the norm, ***a maximum*** 65 % in the case of applications submitted by ***a*** Member ***State*** on the territory of which at least one region at NUTS II level ***belongs to the category of 'Less developed region' as laid down in Regulation XX/XXXX and a maximum 75 % in the case of applications submitted by a Member State receiving financial assistance*** under ***one of*** the ***conditions as laid down in Article 77*** of ***Regulation (EC) No 1083/2006*** [1]***or from*** the ***European Financial Stability Facility***.

[1] ***OJ L 210, 31.7.2006, p. 25.***

Or. en

Justification

Co-financing is a major issue for many Member States and indeed some Member States do not apply for the EGF because of the low co-financing rate. For that reason I have included an extra tier where certain Member States can benefit from a higher co-financing rate. This, I believe, will help to ensure a greater uptake of the fund and assist workers in Member States in financial distress.

Amendment 12
Proposal for a regulation
Recital 15

Text proposed by the Commission	*Amendment*
(15) To facilitate the implementation of this Regulation, expenditure should be eligible either from the date on which a Member State incurs administrative expenditure for implementing the EGF or from the date on which a Member State starts to provide personalised services ***or, in the case of farmers, from the date set in a Commission act in accordance with Article 4(3)***.	(15) To facilitate the implementation of this Regulation, expenditure should be eligible either from the date on which a Member State incurs administrative expenditure for implementing the EGF or from the date on which a Member State starts to provide personalised services.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 13
Proposal for a regulation
Article 1 – paragraph 2

Text proposed by the Commission	*Amendment*
The aim of the EGF shall be to contribute to economic growth and employment in the Union by enabling the Union to show solidarity towards workers made redundant as a result of major structural changes in world trade patterns due to globalisation, ***trade agreements affecting agriculture,*** or an unexpected crisis, and to provide	The aim of the EGF shall be to contribute to economic growth and employment in the Union by enabling the Union to show solidarity towards workers made redundant as a result of major structural changes in world trade patterns due to globalisation, or an unexpected crisis, and to provide financial support for their rapid

financial support for their rapid reintegration into employment**,** or for changing ***or adjusting*** their ***agricultural*** activities.	reintegration into employment or for changing their activities.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 14
Proposal for a regulation
Article 1 – paragraph 3

Text proposed by the Commission	*Amendment*
Actions benefiting from financial contributions by the Fund pursuant to Article 2(a) and (b) shall aim to ensure that a minimum of 50 % of workers participating in these actions find ***stable*** employment ***within a year from*** the ***date*** of ***application***.	Actions benefiting from financial contributions by the Fund pursuant to Article 2(a) and (b) shall aim to ensure that a minimum of 50 % of workers participating in these actions find ***sustainable*** employment ***by*** the ***end*** of ***the implementation period***.

Or. en

Justification

I believe that one year from the date of application is too soon to measure the re-integration rate as first of all some Member States do not start some or all of the measures until approval is given. Secondly those workers who are attending courses of duration one year or longer will not be included. The end of the implementation period ie. two years from the date of application will give a more accurate figure particularly in regard to sustainable employment.

Amendment 15
Proposal for a regulation
Article 2 – point b

Text proposed by the Commission	*Amendment*
(b) workers made redundant as a result of a serious disruption of the local, regional or	(b) workers made redundant as a result of a serious disruption of the local, regional or

national economy caused by an unexpected crisis, provided that a direct and demonstrable link can be established between the redundancies and that crisis;	national economy caused by an unexpected crisis ***including economic and financial crises***, provided that a direct and demonstrable link can be established between the redundancies and that crisis;

Or. en

Justification

It is important to include economic and financial crises within the scope of this Regulation. Obviously the word crisis means any type of crisis but given the blocking minority in Council to the extension of the current derogation for the financial crisis, I think it is putting down a marker to specifically include the words "economic" and "financial".

Amendment 16
Proposal for a regulation
Article 2 – point c

Text proposed by the Commission	*Amendment*
(c) workers changing or adjusting their previous agricultural activities during a period starting upon initialling of the trade agreement by the Union containing trade liberalisation measures for the relevant agricultural sector and ending three years after the full implementation of these measures and provided that these trade measures lead to a substantial increase in Union imports of an agricultural product or products accompanied by a significant decrease in prices of such products at the Union or, where relevant, the national or regional level.	***deleted***

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 17
Proposal for a regulation
Article 3 – point d

Text proposed by the Commission	*Amendment*
(d) 'a worker' means owner-managers of micro, small and medium-sized enterprises and self-employed workers (including farmers) and all members of the household active in the business***, provided that, if farmers, they were already producing the output affected by the relevant trade agreement before the measures concerning the specific sector were implemented***.	(d) 'a worker' means owner-managers of micro, small and medium-sized enterprises and self-employed workers (including farmers) and all members of the household active in the business.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 18
Proposal for a regulation
Article 4 – paragraph 3

Text proposed by the Commission	*Amendment*
3. As regards farmers, when, after a trade agreement is initialled and on the basis of the information, data and analyses available to it, the Commission considers that the conditions for support in accordance with Article 2(c) are likely to be met for a significant number of farmers, it shall adopt delegated acts in accordance with Article 24 designating the eligible sectors or products, defining the affected geographical areas where appropriate, setting a maximum amount for potential support at Union level, setting reference periods and eligibility conditions for farmers and eligibility dates for expenditure as well as establishing the	***deleted***

deadline by which applications must be submitted and, if necessary, the content of these applications in accordance with Article 8(2).

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 19
Proposal for a regulation
Article 4 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Where owner-managers of micro, small and medium-sized enterprises and self-employed workers change ***or, in the case of farmers, adjust*** their previous activities, such situations shall be considered as redundancies for the purposes of this Regulation.	4. Where owner-managers of micro, small and medium-sized enterprises and self-employed workers ***(including farmers)*** change their previous activities, such situations shall be considered as redundancies for the purposes of this Regulation.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 20
Proposal for a regulation
Article 5 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) For owner-managers of micro, small and medium-sized enterprises and self-employed workers (including farmers), the redundancy shall be counted either from the date of cessation of the activities caused by any of the conditions set out in	(c) For owner-managers of micro, small and medium-sized enterprises and self-employed workers (including farmers), the redundancy shall be counted either from the date of cessation ***or change*** of the activities caused by any of the conditions

Article 2, and determined in accordance with national law or administrative provisions***, or from the date specified by the Commission in the delegated act adopted in accordance with the Article 4(3)***.	set out in Article 2, and determined in accordance with national law or administrative provisions.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 21
Proposal for a regulation
Article 6 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) all workers being made redundant in accordance with Article 5, within the period provided for in Article 4(1)***,*** (2***) or (3***),	(a) all workers being made redundant in accordance with Article 5, within the period provided for in Article 4(1) ***or*** (2),

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 22
Proposal for a regulation
Article 6 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) farmers changing ***or adjusting*** their previous agricultural activities ***following the initialling by the Union of a trade agreement referred to in the delegated act taken in accordance with Article 4(3)***.	***deleted***

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 23
Proposal for a regulation
Article 7 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
A financial contribution 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 redundant workers into employment or self-employment or***, in the case of farmers,*** to change ***or adjust*** their previous activities. The coordinated package of personalised services may include in particular:	A financial contribution 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 redundant workers into employment or self-employment or to change their previous activities. The coordinated package of personalised services may include in particular:

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 24
Proposal for a regulation
Article 7 – paragraph 1 – subparagraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) job-search assistance, occupational guidance, advisory services, mentoring, outplacement assistance, entrepreneurship promotion, aid for self-employment and business start-up or for changing ***or adjusting*** activity (including investments in physical assets), co-operation activities, tailor-made training and re-training,	(a) job-search assistance, occupational guidance, advisory services, mentoring, outplacement assistance, entrepreneurship promotion, aid for self-employment and business start-up or for changing activity (including investments in physical assets), co-operation activities, tailor-made training and re-training, including information and

including information and communication technology skills and certification of acquired experience;	communication technology skills and certification of acquired experience;

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 25
Proposal for a regulation
Article 7 – paragraph 1 – subparagraph 3

Text proposed by the Commission	*Amendment*
The cost of investments in physical assets for self-employment and business start-up or for changing or adjusting activity may not exceed EUR ***35*** 000.	The cost of investments in physical assets for self-employment and business start-up or for changing or adjusting activity may not exceed EUR ***25*** 000.

Or. en

Justification

I have decreased the proposed amount from €35,000 to €25,000 because of equity concerns. The EGF budget available for workers will be approximately €400 million per annum. If €400 million had been distributed in 2011 the average amount per worker would have worked out at €23,710. In 2010 it would have been €14,888. Therefore the figure of €35,000 could mean that some workers would not be treated equitably. It is, I think, reasonable to align this figure with the proposal on microfinance.

Amendment 26
Proposal for a regulation
Article 7 – paragraph 2 - point a a (new)

Text proposed by the Commission	*Amendment*
	(aa) special time-limited measures, as listed in paragraph 1(b), which replace measures that are the responsibility of Member States by virtue of national law;

Or. en

Justification

The EGF should deliver added value on a number of levels, including financial added value. If Member States have financial obligations to redundant workers in the form of pecuniary allowances, those obligations should be met by the Member State. Member States can of course top up the pecuniary allowances and this would provide extra incentives to workers. This amendment also helps to ensure that EGF money doesn't simply end up financing all of the Member States obligations.

Amendment 27
Proposal for a regulation
Article 7 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. The co-ordinated package of personalised services shall be drawn up in consultation with the social partners, the targeted workers or their representatives.

Or. en

Justification

The Mid-Term Review of the EGF stressed that intense personalised support to redundant workers was a key factor in ensuring the best outcomes. In that context, workers or their representatives must be included in the consultation when the package of measures is being drawn-up. In cases where this has not happened expectations have been raised and then dashed and also outcomes have not been positive.

Amendment 28
Proposal for a regulation
Article 7 – paragraph 3

Text proposed by the Commission	*Amendment*
3. At the initiative of the applicant Member State, a financial contribution may be made for the preparatory, management, information and publicity, control and reporting activities.	3. At the initiative of the applicant Member State, a financial contribution ***of a maximum of 7 % of the requested EGF support for the coordinated package of personalised services*** may be made ***available*** for the preparatory, management, information and publicity, control and

reporting activities.

Or. en

Justification

The success of the EGF depends to a significant extent on the package for workers and also on the timeliness of the Fund. Each application is different and with infrequent applications Member States may not necessarily have the expertise in place when needed. This can increase costs. Also for the initial applications there will have to be extra effort in ensuring full cooperation between all the partners. As Member States become more expert, lower financial contributions will be required.

Amendment 29
Proposal for a regulation
Article 8 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The Member State shall submit a complete application to the Commission within a period of 12 weeks from the date on which the criteria set in Article 4(1) or (2) are met ***or, where applicable, before the deadline set by the Commission in accordance with Article 4(3)***. In exceptional and duly justified circumstances the application may be supplemented with additional information by the applicant Member State within ***six*** months from the date of application, following which the Commission shall assess the application on the basis of the available information. The Commission shall complete its assessment of the application within twelve weeks of the date of receipt of a complete application or (in the case of an incomplete application) ***six*** months after the date of the initial application, whichever is the earlier.	1. The Member State shall submit a complete application to the Commission within a period of 12 weeks from the date on which the criteria set in Article 4(1) or (2) are met. In exceptional and duly justified circumstances the application may be supplemented with additional information by the applicant Member State within ***five*** months from the date of application, following which the Commission shall assess the application on the basis of the available information. The Commission shall complete its assessment of the application within twelve weeks of the date of receipt of a complete application or (in the case of an incomplete application) ***five*** months after the date of the initial application, whichever is the earlier.

Or. en

Justification

Given that timeliness is so important, Member States need to make every effort to ensure that their application is submitted in the shortest possible time. To assist in this I have already suggested a higher level of financial contribution for the Member States alongside the strong suggestion that proactive co-operation should be the norm between Member States and the Commission.

Amendment 30
Proposal for a regulation
Article 8 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) a reasoned analysis of the link between the redundancies and the major structural changes in world trade patterns, or the serious disruption of the local, regional or national economy caused by an unexpected crisis***, or the new market situation in the agricultural sector in the Member State and resulting from the effects of a trade agreement initialled by the European Union in accordance with Article XXIV of the GATT or a multilateral agreement initialled within the World Trade Organisation as per Article 2(c)***. This analysis shall be based on statistical and other information at the most appropriate level to demonstrate the fulfilment of the intervention criteria set out in Article 4;	(a) a reasoned analysis of the link between the redundancies and the major structural changes in world trade patterns, or the serious disruption of the local, regional or national economy caused by an unexpected crisis. This analysis shall be based on statistical and other information at the most appropriate level to demonstrate the fulfilment of the intervention criteria set out in Article 4;

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 31
Proposal for a regulation
Article 8 – paragraph 2 – point e

Text proposed by the Commission	*Amendment*
(e) the estimated budget ***for each*** of the	(e) the estimated budget ***and description*** of

components of the coordinated package of personalised services in support of the targeted workers;	the components of the coordinated package of personalised services in support of the targeted workers;

Or. en

Justification

As well as the budget itself, the application should also contain a description of the components of the package of personalised services. This will give greater clarity both for the E.U. institutions and for the workers themselves. It will also facilitate a better final assessment in that the outcomes can be benchmarked against the application.

Amendment 32
Proposal for a regulation
Article 8 – paragraph 2 – point e a (new)

Text proposed by the Commission	*Amendment*
	(ea) a description of how the measures in the co-ordinated package help to meet the objectives of the Europe 2020 Strategy at national or regional level;

Or. en

Justification

The EGF should contribute to E.U. added value. A balance between the personalised package of measures for workers and the objectives of the E.U. 2020 Strategy would help to deliver that added value.

Amendment 33
Proposal for a regulation
Article 8 – paragraph 2 – point g

Text proposed by the Commission	*Amendment*
(g) the procedures followed for consulting the social partners or other relevant organisations as applicable;	(g) the procedures followed for consulting the social partners***, targeted workers*** or other relevant organisations as applicable;

Or. en

Justification

The Mid-Term Review of the EGF stressed that intense personalised support to redundant workers was a key factor in ensuring the best outcomes. In that context, workers or their representatives must be included in the consultation when the package of measures is being drawn-up. In cases where this has not happened expectations have been raised and then dashed and outcomes have not been positive.

Amendment 34
Proposal for a regulation
Article 8 – paragraph 2 – point h

Text proposed by the Commission	*Amendment*
(h) a statement of compliance of the requested EGF support with the procedural and material Union rules on state aid as well as a statement that the personalised services do not replace measures that are the responsibility of companies ***by virtue of national law or collective agreements***;	(h) a statement of compliance of the requested EGF support with the procedural and material Union rules on state aid as well as a statement that the personalised services do not replace measures that are the responsibility of ***Member States as laid down in point (aa) of Article 7(2) or*** companies ***as laid down in point (b) of Article 7(2)***;

Or. en

Justification

The EGF should deliver added value on a number of levels, including financial added value. If Member States have financial obligations to redundant workers in the form of pecuniary allowances, those obligations should be met by the Member State. Member States can of course top up the pecuniary allowances and this would provide extra incentives to workers. This amendment also helps to ensure that EGF money doesn't simply end up financing all of the Member States obligations.

Amendment 35
Proposal for a regulation
Article 8 – paragraph 2 – point i

Text proposed by the Commission	*Amendment*
(i) the sources of national co-funding;	(i) the sources of national co-funding ***and other co-funding if applicable***;

Or. en

Justification

If companies or enterprises are involved in co-funding any of the measures this should be clarified.

Amendment 36
Proposal for a regulation
Article 8 – paragraph 2 – point j

Text proposed by the Commission	*Amendment*
(j) if applicable, any further requirements which may have been laid down in the delegated act taken in accordance with Article 4(3).	***deleted***

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 37
Proposal for a regulation
Article 9 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Support for redundant workers shall complement actions of the Member States at national, regional and local level.	1. Support for redundant workers shall complement actions of the Member States at national, regional and local level ***including those financed by Union funds***.

Or. en

Justification

The EGF and the ESF are complementary policy measures and synergies between the two funds can help ensure European added value.

Amendment 38
Proposal for a regulation
Article 10

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 promoted during the various stages of the implementation of the financial contribution. The Commission and the Member State shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age, sexual orientation and type of contract of employment or employment relationship in access to and during the various stages of the implementation of the financial contribution.	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 fully*** promoted during the various stages of the implementation of the financial contribution. The Commission and the Member State shall take ***all*** appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age, sexual orientation and type of contract of employment or employment relationship in access to and during the various stages of the implementation of the financial contribution.

Or. en

Justification

Equality between men and women should be an integral part of this Fund. It is not sufficient just to promote the gender perspective, it should be fully promoted. Furthermore there should be no question of discrimination in accessing the Fund.

Amendment 39
Proposal for a regulation
Article 11 – paragraph 4

Text proposed by the Commission	*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. The Commission ***may*** also provide information on using the EGF to the European and national social partners.	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 on using the EGF to the European and national social partners.

Or. en

Justification

Given that the Social Partners are part of the consultation process it is therefore necessary to ensure that information on using, monitoring and evaluating the Fund is also provided to the Social Partners.

Amendment 40
Proposal for a regulation
Article 12 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The Commission shall ***set up*** an Internet site, ***available*** in all Union languages, to provide information on the EGF, guidance on the submission of applications, and information on accepted and rejected applications***, highlighting*** the role of the budgetary authority.	2. The Commission shall ***maintain and update regularly*** an Internet site, ***accessible*** in all Union languages, to provide information on the EGF, guidance on the submission of applications, and information on accepted and rejected applications ***and on*** the role of the budgetary authority.

Or. en

Justification

There is already an EGF internet site but the Commission needs to maintain and regularly update this site.

Amendment 41
Proposal for a regulation
Article 13 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The Commission shall, on the basis of the assessment carried out in accordance with Article 8(3), particularly taking into account the number of targeted workers, the proposed actions and the estimated costs, evaluate and propose as quickly as possible the amount of a financial contribution, if any, that may be made within the limits of the resources available. The amount may not exceed 50 % of the total of the estimated costs referred to in Article 8(2)(e) or ***65 % of these costs in***	1. The Commission shall, on the basis of the assessment carried out in accordance with Article 8(3), particularly taking into account the number of targeted workers, the proposed actions and the estimated costs, evaluate and propose as quickly as possible the amount of a financial contribution, if any, that may be made within the limits of the resources available. The amount may not exceed***:***

the case of applications submitted by a Member State on the territory of which at least one region at NUTS II level is eligible under the 'Convergence' objective of the Structural Funds. The Commission, in its assessment of such cases, will decide whether the 65 % co-funding rate is justified.

(a) 50 % of the total of the estimated costs referred to in Article 8(2)(e) or

Or. en

Justification

Co-financing is a major issue for many Member States and indeed some Member States do not apply for the EGF because of the low co-financing rate. For that reason I have included an extra tier where certain Member States can benefit from a higher co-financing rate. This, I believe, will help to ensure a greater uptake of the fund and assist workers in Member States in financial distress.

Amendment 42
Proposal for a regulation
Article 13 – paragraph 1 - point b (new)

Text proposed by the Commission	*Amendment*
	(b) 65 % of these costs in the case of applications submitted by a Member State on the territory of which at least one region at NUTS II level belongs to the category of 'Less developed regions' as laid down in Regulation XX/XXXX or

Or. en

Amendment 43
Proposal for a regulation
Article 13 – paragraph 1 - point 1 c (new)

Text proposed by the Commission	*Amendment*
	(c) 75 % of these costs in the case of applications submitted by a Member State

receiving financial assistance under one of the conditions as laid down in Article 77 of Regulation (EC) No 1083/2006 as [1] or from the European Financial Stability Facility;

[1] OJ L 210, 31.7.2006, p. 25.

Or. en

Amendment 44
Proposal for a regulation
Article 14

Text proposed by the Commission	*Amendment*
Expenditure shall be eligible for a financial contribution from the dates set out in Article 8(2)(***h***) on which the Member State starts the personalised services to the targeted workers or the administrative expenditure to implement the EGF in accordance with Article 7(1) and (3) respectively***. In the case of farmers, expenditure shall be eligible for a contribution from the date set in the delegated act taken in accordance with Article 4(3)***.	Expenditure shall be eligible for a financial contribution from the dates set out in Article 8(2)(***f***) on which the Member State starts the personalised services to the targeted workers or the administrative expenditure to implement the EGF in accordance with Article 7(1) and (3) respectively.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 45
Proposal for a regulation
Article 16 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Following the entry into force of a	1. Following the entry into force of a

Decision on a financial contribution in accordance with Article 15(4) the Commission shall pay the financial contribution to the Member State in ***form of*** a ***pre-financing of at least 50 % of the Union's financial contribution to the Member State***, in principle within 15 days***, followed where necessary in form of intermediate and final payments. The pre-financing shall be cleared when the financial contribution is wound up in accordance with Article 18(3)***.	Decision on a financial contribution in accordance with Article 15(4) the Commission shall pay the financial contribution to the Member State in a ***single instalment***, in principle within 15 days.

Or. en

Justification

The current mechanism for disbursement of the financial contribution is working well and while some Member States have to return funds, others do not. The withholding of 50% of the Union's financial contribution could put Member States under severe financial pressure and might well contribute to a slower start in delivering the package of personalised services.

Amendment 46
Proposal for a regulation
Article 16 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Detailed terms of financing, in particular the rate of pre-financing and the modalities of intermediate and final payments shall be determined by the Commission in the Decision on a financial contribution referred to in Article 15(4).	***deleted***
Intermediate payments shall be made in order to reimburse the expenditure incurred by the Member States in carrying out the eligible actions, subject to presentation to the Commission of a declaration of expenditure signed by a representative of an accredited public body pursuant to Article 21.	

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 47
Proposal for a regulation
Article 16 – paragraph 4

Text proposed by the Commission	*Amendment*
4. The Member State shall carry out the eligible actions set out in Article ***6*** as soon as possible, but not later than 24 months after the date of the application, pursuant to Article 8(1).	4. The Member State shall carry out the eligible actions set out in Article *7* as soon as possible, but not later than 24 months after the date of the application, pursuant to Article 8(1). ***However, where a redundant worker accesses an educational or training course whose duration is two years or longer, the fees/tuition costs for two years will be covered when the redundant worker accesses the course at the next available semester provided that is not later than one year after the date of the application***.

Or. en

Justification

Some workers who had accessed the EGF have been prohibited from using these funds to access further education or training where the course duration is longer than two years. Sometimes because some courses only start in September and because Member States do not always fund from the date of application, this means that only one year of the course can be funded. As redundant workers do not usually have access to funds or loans this restriction in effect prohibits their accessing such courses.

Amendment 48
Proposal for a regulation
Article 16 – paragraph 6

Text proposed by the Commission	*Amendment*
6. Expenditure pursuant to Article 7(3) shall be eligible until the deadline for	6. Expenditure pursuant to Article 7(3) shall be eligible until the deadline for

submission of the report.	submission of the ***final*** report.

Or. en

Justification

It is important to clarify that this is the final report as opposed to the interim report.

Amendment 49
Proposal for a regulation
Article 18 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
1. No later than ***15*** months after the date of the application pursuant to Article 8(1) ***or by*** the ***date laid down in the delegated act taken in accordance with Article 4(3) the*** Member State shall present an interim report to the Commission on the implementation of the financial contribution, including on the funding, timing and type of actions already carried out and on the rate of reintegration into employment or new activities achieved ***12*** months after the date of the application.	1. No later than ***18*** months after the date of the application pursuant to Article 8(1) the Member State shall present an interim report to the Commission on the implementation of the financial contribution, including on the funding, timing and type of actions already carried out and on the rate of reintegration into employment or new activities achieved ***15*** months after the date of the application.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers. Also the time period suggested is too short to give an accurate picture of the re-integration rate in particular. This is especially so where Member States do not start the implementation measures until approval for the Fund is given from the institutions.

Amendment 50
Proposal for a regulation
Article 19 – title

Text proposed by the Commission	*Amendment*
Biennial report	***Annual*** report

Or. en

Justification

An annual report is more appropriate than a biennial report in that it allows genuine ongoing assessment of the workings of the Fund. It contributes to learning at all levels and to the implementation of best practice and in the case of the EGF this has been shown to be crucial.

Amendment 51
Proposal for a regulation
Article 19 – paragraph 1

Text proposed by the Commission	*Amendment*
1. By 1 ***August*** of every ***second*** year ***year***, and for the first time in 2015, the Commission shall present to the European Parliament and to the Council a quantitative and qualitative report on the activities under this Regulation and Regulation 1927/2006 ***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, actions funded, including their complementarity with actions funded by other Union Funds, notably the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD), and the winding-up of financial contributions made. It should also document those applications that have been rejected or reduced owing to a lack of sufficient appropriations or to non-eligibility.	1. By 1 ***June*** of every year, and for the first time in 2015, the Commission shall present to the European Parliament and to the Council a quantitative and qualitative report on the activities under this Regulation and Regulation 1927/2006. The report shall focus mainly on the results achieved by the EGF and shall in particular contain information relating to applications submitted, decisions adopted, actions funded, including their ***impact in terms of reintegration rates and their*** complementarity with actions funded by other Union Funds, notably the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD), and the winding-up of financial contributions made. It should also document those applications that have been rejected or reduced owing to a lack of sufficient appropriations or to non-eligibility.

Or. en

Justification

An annual report is more appropriate than a biennial report in that it allows genuine ongoing assessment of the workings of the Fund. It contributes to learning at all levels and to the implementation of best practice and in the case of the EGF this has been shown to be crucial. Also the report should indicate how actions taken contributed to reintegration rates.

Amendment 52
Proposal for a regulation
Article 23 – paragraph 1

Text proposed by the Commission	*Amendment*
By way of derogation from Articles 21 and 22, support for farmers shall be managed and controlled in accordance with Regulation (EC) No…… on the financing, management and monitoring of the common agricultural policy.	***deleted***

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

Amendment 53
Proposal for a regulation
Article 24

Text proposed by the Commission	*Amendment*
Article 24	***deleted***
Exercise of the delegation	
1. The powers to adopt delegated acts are conferred on the Commission subject to the conditions laid down in this Article.	
2. The delegations of power referred to in this Regulation shall be conferred for an indeterminate period of time from the date of entry into force of this Regulation.	
3. The delegations of power referred to in Article 4 may be revoked at any time by the European Parliament or by the Council.	
A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European	

Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

5. A delegated act adopted pursuant to Article 4(3) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of 2 months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by 2 months at the initiative of the European Parliament or the Council.

Or. en

Justification

Farmers are included in this regulation under the same conditions as all other redundant workers.

EXPLANATORY STATEMENT

The EGF was established to provide the EU with an instrument to demonstrate solidarity with, and give support to, workers made redundant as a result of major structural changes in world trade patterns caused by globalisation. It was subsequently extended to include workers made redundant as a direct result of the global financial and economic crisis. In this context it is very regrettable that the "crisis derogation" was not renewed due to a blocking minority in Council, despite strong support for its continuation from the Commission and the European Parliament. During the period 2009-2010, 82% of applications to the EGF were based on the "crisis derogation" criteria, and in that same period 10% of redundant workers in the EU accessed the Fund. Therefore, the Commission's proposal to include an unexpected crisis within the scope of the Regulation is to be welcomed as it allows the Fund to respond to the real needs of redundant workers.

Some of the Commission proposals respond to the concerns and recommendations highlighted in the mid-term evaluation of the EGF and should therefore bring added value to its functioning. There are however some gaps, and also an inappropriate attempt to make the EGF respond to trade agreements which could have a significant negative impact on agricultural output.

Further Proposals

The EGF needs to be made more attractive and user friendly to Member States. In this context every effort must be made to improve communication and co-operation between:

(a) The Commission and the National/Regional/Local bodies responsible for managing the Fund, and

(b) at a national level, between the responsible national authorities, the social partners, the individual workers and the different agencies involved. The Commission should ensure that Member States have the opportunity to learn from best practice and be offered the necessary advice and guidance where needed.

Given the utmost importance of the well planned and efficient management of the Fund, Member States and the Commission need an adequate budget. Higher-than-expected costs can occur when applying for a Fund on a one-off or occasional basis and especially with initial applications. The mid-term evaluation recommends that "the smooth functioning of the process requires a significant amount of well organised communication, co-ordination and joined working". This can prove costly but it is a worthwhile investment as it has been shown to deliver better outcomes.

Flexibility in amending the list of personalised services will enhance the Fund’s effectiveness by making it more responsive to the needs of workers, to the prevailing economic situation and to any skills gap in the economy.
The issue of co-financing is paramount for Member States and the 50% level proved to be a deterrent to greater usage of the Fund. I support the current proposal to extend the co-

financing rate to 65% for certain Member States but I would also propose an automatic 75% co-financing rate for Member States receiving financial assistance under one of the conditions as laid down in article 77 of Regulation (EC) No. 1083/2006 as amended by Regulation (EU) No. 1311/2011 or from the European Financial Stability Facility.

One of the most frequent criticisms of the EGF is that it responds too slowly. Despite the design of the Fund, I think it is still possible to improve its time-efficiency by further limiting the timelines. Member States should make every effort to ensure they respond to planned or announced redundancies as soon as possible and start the implementation of the measures as soon as they apply for the Fund. If there is an issue in regard to resources an appropriate course of action for Member States might be to commence the less costly measures first.

I would encourage Member States to make greater use of the derogation in Article 4(2), which allows all Member States - but, crucially and especially, smaller Member States or Regions - to access the EGF where all of the intervention criteria are not met. Given that, up to now, there has been a poor uptake under these criteria I suggest that the Commission would provide specific guidance documents and relevant information on the criteria that will be applied in such circumstances. Uncertainty puts Member States off as they do not wish to raise the hopes of redundant workers or waste time on inadmissible applications.

If the EGF is to provide real added value, then it should go well beyond what is already required by national law, collective agreements etc. This will ensure added benefits for workers and additional visibility and legitimacy for the Fund. Member States where possible should use the EGF as an opportunity to develop new, innovative and dynamic approaches to assisting workers re-enter the workplace.

The mid-term evaluation of the EGF emphasised that a key success factor in maximising its impact and added value was the delivery of a personalised and more intensive package of measures. This necessitates mandatory and ongoing consultation with workers or their mandated representatives from the very start. Furthermore some flexibility is needed if workers wish to access courses whose duration is two or more years. The EGF should guarantee that two full years of tuition costs are paid where workers start the course at the beginning of the next available semester, which cannot be later than one year after the date of initial application by the Member State.

The maximum amount proposed for the 7 year period (2014-2020) is €3 billion with an annual maximum drawdown of €429 million. In the explanatory memorandum a ceiling of €2.5 billion has been suggested for Agriculture but this is just a ceiling, not a fixed amount. Amounts paid to all beneficiaries will depend entirely on the number of applications in a given year. This will also be subject to the annual maximum drawdown and the requirement that at least one quarter of the annual maximum of the EGF shall remain available until September 1st of each year in order to cover needs arising until the end of the year. Further clarification is needed from the Commission as to how monies will be allocated in the event of applications for the Fund exceeding the annual maximum drawdown, and where an application for assistance from the Fund before September 1st in any given year proposes to use up all or most of the allocation up to that date.

The proposal includes fixed term workers, temporary agency workers, owner-managers of

micro, small and medium sized enterprises and self-employed workers (including farmers) and all members of the household active in the business/enterprise. It is important that all workers be treated equitably and have access to the EGF under the same conditions, and therefore the proposal to introduce delegated acts on the inclusion of farmers is not a suitable way to proceed.

From an agricultural perspective the proposed amounts would be totally inadequate to compensate for any significant trade agreement. According to a detailed impact assessment carried out by DG AGRI, the most ambitious multilateral liberalisation negotiations with all WTO members would involve a €7.75 billion loss to farmers. Even if this figure was cut by 50%, the amount of money that might be available under EGF would still be inadequate. Given that the proposed period during which farmers could access the Fund starts from the initialling of the agreement and ends three years after its full implementation, this limits the amount for any single trade deal. Along with the annual drawdown being capped at €429 million and with no certainty as to the amounts that may be available, this further highlights the fact that the EGF is inadequate to compensate for the real projected losses in the Agriculture sector. I believe that farmers were included under delegated acts simply to provide cover for the Commission and to make it easier to conclude a trade deal that was unacceptable for Agriculture. If such an agreement were signed, the EU would need to put in place a separate tailor-made instrument with an adequate budget. Anything less would significantly damage the Agriculture sector.

The EU needs a return to growth with a programme for dynamic job creation, otherwise we may experience a jobless recovery. The EGF can help attain those objectives by supporting redundant workers when they are seeking employment, upskilling/retraining or pursuing self-employment in line with the 2020 Strategy. The evaluation of the Fund reported a re-employment rate of 48.1% and in the majority of cases this rate increased in the medium term. It also reported that EGF assisted some of the hardest-to-help groups of workers. Furthermore, it indicated that many beneficiaries significantly increased their self-confidence, renewed and improved job search skills as well as other skills and capacities, and while not all beneficiaries were successful in gaining employment, it increased their employability. The evaluation also indicated that EGF co-financed measures appear to contribute to avoiding a worsening of the unemployment situation.