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**COMMISSION STAFF WORKING DOCUMENT**

**MID-TERM EVALUATION**

**of the**

**European Globalisation Adjustment Fund (EGF)**

*Accompanying the document*

**REPORT FROM THE COMMISSION**

**Report from the Commission on the mid-term evaluation of the European Globalisation Adjustment Fund (EGF)**

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## **List of acronyms and abbreviations**

**BRG** Better Regulation Guidelines

**EGF** European Globalisation Adjustment Fund

**ERM** European Restructuring Monitor (Eurofound)

**ESF** European Social Fund

**ESIF** European Structural and Investment Funds

**ICT** Information and Communication Technology

**ISG** Interservice Steering Group

**OPC** Internet-based open public consultation

**PES** Public employment services

**QFR** EU Quality Framework for Anticipation of Change and Restructuring

**SMEs** Small and medium enterprises

**SWD** Staff Working Document

**YEI** Youth Employment Initiative

## 1. INTRODUCTION

The European Globalisation Adjustment Fund (EGF) is one of the European Union's (EU) instruments to tackle the employment and social dimensions of the challenges of structural change. It was set up to show solidarity with, and provide support to, workers made redundant as a result of major structural changes in world trade patterns due to globalisation, or as a result of the global financial and economic crisis. In line with the EU's Europe 2020 strategy, the EGF co-finances active labour market policy measures organised by the Member States to help redundant workers re-position themselves on the labour market and find sustainable employment. There are many eligible measures, such as personal guidance counselling, tailor-made training measures or mobility allowances. The EGF is operating under an overall budgetary ceiling of EUR 1.05 billion over a seven-year time span (2014-2020).

### 1.1. Purpose of the mid-term evaluation

In compliance with Article 20 of the EGF Regulation<sup>1</sup>, the Commission carried out a mid-term evaluation of the EGF to assess how and to what extent it reaches its objectives.

The EGF Regulation applies to all applications submitted until 31 December 2020. The findings of the mid-term evaluation will thus play a role in the possible development of a subsequent Regulation or other programmes in the area of employment and social affairs.

Findings of the evaluation also feed into discussions of a possible extension of the derogation clause in Article 6(2) of the current Regulation. This clause allows Member States to include young people 'Not in Education, Employment, or Training (NEET)' under certain circumstances in EGF applications until the end of 2017.

The evaluation also indirectly serves accountability purposes through contributing to biennial reports<sup>2</sup>.

The results of the evaluation will therefore be sent to the European Parliament and the Council<sup>3</sup> for information purposes.

### 1.2. Scope of the mid-term evaluation

The effectiveness, sustainability, efficiency, coherence, relevance and EU-added value of the results achieved have been assessed.

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<sup>1</sup> [Regulation \(EU\) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund \(2014-2020\) and repealing Regulation \(EC\) No 1927/2006](#)

<sup>2</sup> In accordance with Article 19 of [Regulation \(EU\) No 1309/2013](#), the Commission has to present comprehensive, quantitative and qualitative reports on the EGF's activities to the European Parliament and to the Council by 1 August of every second year, from 2015 onwards. The [most recent report](#), covering the activities in 2015 and 2016, has been published 31 October 2017.

<sup>3</sup> It will also be made available to other institutions and bodies indirectly involved in the design of future legislations, such as the Court of Auditors, the European Economic and Social Committee, the Committee of the Regions, and the social partners. The findings will also be made available online for the wider public to use.

The mid-term evaluation covers all EGF cases whose applications were received in 2014 and 2015, the cut-off date being 31 December 2015<sup>4</sup>. An overview of the cases covered is included in Annex IV.

Furthermore, the evaluation analyses the EGF's institutional design as an instrument to provide assistance to redundant workers.

It is important to note that the EGF Regulation lists effectiveness and sustainability as the only criteria to be examined. In order to have a comprehensive assessment at instrument and case levels, the other criteria have been added by the European Commission.

More detailed information can be found in the evaluation's roadmap<sup>5</sup>.

### **1.3. Purpose and evidence base of present Staff Working Document (SWD)**

The purpose of the present SWD is to summarise and present critical judgements on the findings of the evaluation process and to set-out to which extent the commitments made in the roadmap could be fulfilled or to explain why this was not possible. The SWD thus is the key deliverable of the evaluation process. The findings of the SWD will be used as a basis for future follow-up plans.

In accordance with the reporting requirements set out in Article 20 of the EGF Regulation, a Report from the Commission on the mid-term evaluation of the EGF will be transmitted to the legislator, other EU institutions or stakeholders. The SWD accompanies the report.

The SWD primarily builds on a study provided by external consultants, including the main work of the evaluation research and extensive stakeholder consultations (see below chapter 3). Wherever it was useful, the SWD is enriched by further evidence from previous reports, evaluations, and general experience in the management of the EGF.

## **2. BACKGROUND TO THE INITIATIVE**

### **2.1. Context**

Traditionally, production in the most industrialised nations was organised inside factories and industrial regions within these countries. Even though there was an international exchange of intermediate goods and services, this happened among the most industrialised countries, and only very little input was sourced internationally. Innovation stayed in these countries, as costs of moving ideas fell less than the costs of trading goods. Due to the high costs of coordinating complex production processes,

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<sup>4</sup> This cut-off date has been set taking into consideration the timeframe of the EGF application procedures and the duration of EGF cases. Decisions on applications received at the end of 2015 are only taken in the second half of 2016.

<sup>5</sup> Please see [http://ec.europa.eu/smart-regulation/roadmaps/docs/2015\\_empl\\_022\\_mid-term\\_evaluation\\_egf\\_en.pdf](http://ec.europa.eu/smart-regulation/roadmaps/docs/2015_empl_022_mid-term_evaluation_egf_en.pdf).

most of the production was clustered locally. **Globalisation** was primarily associated with removing trade barriers and the resulting increase in international trade flows<sup>6</sup>.

Since the early 1990s, technological developments led to the revolution in Information and Communications Technology (ICT), drastically lowering the costs of moving ideas. The ICT revolution enabled companies to separate out production stages and to offshore certain stages to developing countries in order to cut costs<sup>7</sup>.

The knowledge transfer from industrialised to developing nations resulted in the erosion of the industrial base of the industrialised nations. Manufacturing was by far the most exposed to such offshoring activities. Offshoring and outsourcing of manufacturing activities meant job losses for lower skilled workers. The reorganisation of international production happened at sector level, resulting in the downturn of whole sectors in the industrialised countries<sup>8</sup>.

The process also led to the rapid rise of a few newly industrialising nations, resulting in significant income growth and the evolution of highly competitive industries in these countries. While the seven largest economies (G7) made up 65 % of world manufacturing in 1990, this share dropped to 47 % in 2010<sup>9</sup>.

While in the past 10 years, offshoring slowed down<sup>10</sup>, globalisation entered a new phase. ICT enabled the internationalisation of service activities<sup>11</sup>. Furthermore, the international organisation of production evolved into true global value chains, which often implies that products cross borders several times throughout the process. However, these global value chains are highly distinct and differ from company to company, also within the same sector. In the new phase of globalisation, workers with similar skill sets are increasingly being affected differently by offshoring, depending on whether or not they work in a production stage that was offshored<sup>12</sup>.

Even though it is easy to describe the multifaceted ways of organising globalised production networks, measuring them is far more complex. Companies make highly specific decisions regarding the relocating of certain production processes abroad and they are often unwilling to disclose the reasons for their restructuring activities. This lack of transparency has led to widely varying views on the extent and the consequences of globalisation<sup>13</sup>.

The rise of a few industrialising countries, in particular highly populated countries such as India and China, has lifted the living standards of half of the world's population. This

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<sup>6</sup> Baldwin, Richard E. (2016): *The Great Convergence: Information Technology and the new Globalisation*, Cambridge (Mass.), p. 142 ff.

<sup>7</sup> Baldwin (2016), p. 219.

<sup>8</sup> OECD (2007): [Moving Up the Value Chain: Staying Competitive in the Global Economy](#), p. 6f and 14f; Baldwin (2016), p. 165f.

<sup>9</sup> Slide 2 of a presentation held at the Peterson Institute for International Economics, Washington, D.C., by Richard Baldwin on 15 November 2016, found at <https://piie.com/system/files/documents/baldwin20161115ppt.pdf>

<sup>10</sup> Eurofound (2016), [ERM annual report 2016. Globalisation slowdown? Recent evidence of offshoring and reshoring in Europe](#), p. 30.

<sup>11</sup> [OECD \(2007\), p.9.](#)

<sup>12</sup> Baldwin (2016), p. 165ff.

<sup>13</sup> [OECD \(2007\), p. 6.](#)

not only meant the opening of huge new markets, but also the rise of new economic competitors. As a result, world production output rose drastically, while production levels were redistributed among a growing number of countries, increasing the competitive pressure to specialise<sup>14</sup>. This led to the need for reskilling the workforces of the sectors negatively affected.

While it is widely acknowledged that the effects of globalisation are positive overall and offer significant benefits and opportunities, adjusting economic structures inevitably leads to adverse effects, as production factors must move from activities that are not competitive anymore to those that are. Jobs are lost in less competitive activities, although new jobs might be created elsewhere.

Whereas regions with a higher concentration of now less competitive industries experience economic downturns, other regions with more competitive industries experience an economic boom. This is also true for the services sector, which follows the global trend of urbanisation, concentrating activities in certain specialised urban centres.

The further opening and interconnectedness of economies can lead to an unequal redistribution of gains and losses. The resulting asymmetry between the benefits and the adverse effects, often concentrated in specific regions, also intensifies public concerns regarding the openness of economies.

For workers, globalisation could mean that major re- and upskilling efforts are needed when knowledge and skills become obsolete. Communities impacted by job losses are facing tremendous challenges. They have to re-design their industrial and employment policies, and try to offer support to workers threatened by redundancy or who are already made redundant. The local or national authorities need to overcome the challenges of structural economic change while minimising its social costs<sup>15</sup>.

In the late 2000s, the adverse effects of finance-related globalisation became evident when the **financial crisis** spread like fire from one country to another. The resulting worldwide economic disruptions led to an economic crisis that cost thousands of jobs. Workers made redundant had to find new jobs. Therefore retraining or upskilling efforts are regularly needed so workers can find jobs in sectors less affected by the crisis, and/or be ready for times of economic recovery. Regions most affected by the crisis are facing similar challenges to those adversely impacted by trade-related globalisation, especially regarding the support of workers facing redundancy or who are made redundant<sup>16</sup>. Even though the economic situation now is more stable, unemployment is

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<sup>14</sup> [OECD \(2007\), p. 19.](#)

<sup>15</sup> The challenges of adjusting to structural changes in world trade patterns have in particular been analysed in the Commission Staff Working Document (SWD) SEC(2006)274 *European Globalisation adjustment Fund (EGF) – Impact Assessment*, especially pages 3-6 thereof. A wealth of research is available on the evolution of trade-related globalisation. A recent example is Baldwin (2016), p. 79ff (on urbanisation, p.212).

<sup>16</sup> An analysis of the financial and resulting economic crisis is given in the European Commission's [COM\(2008\)800 final Communication from the Commission to the European Council: A European Economic Recovery Plan](#), which also offers different avenues to tackle the consequences of the crisis.

still high in many parts of the EU, and the effects of recovery vary widely across society and regions. It is still a priority to level out the consequences of the crisis<sup>17</sup>.

About 1 500 large restructuring events (involving more than 100 job gains or job losses) occur within the EU28 (and Norway) on a yearly basis based on the data captured in Eurofound's European Restructuring Monitor (ERM). During the crisis, job losses far outnumbered job gains. In 2015 (between the first quarter of 2015 and the second quarter of 2016), job gains outnumbered job losses by a small margin (407 000 versus 387 000). Manufacturing accounts for the largest share of restructuring events, even though its share has decreased from 41 % (during the period 2002-2007) to currently 29 % (2015-2016). Manufacturing also still accounts for the largest share of job losses due to offshoring (82%<sup>18</sup>). Overall, offshoring accounts for around 10 % of manufacturing job losses within the EU arising from large-scale restructuring<sup>19</sup>. It is interesting to note that more than half of the jobs offshored in the EU actually stay within the EU, the EU-13 (made up of the most recent members to join the EU since 2004) being the major destination for offshoring<sup>20</sup>.

However, it should be noted that the vast majority of larger restructuring cases are not triggered by trade-related globalisation, but by technological advance, especially automation. Even though automation is not a new phenomenon, the accelerating pace of technological advance is offering new opportunities in implementing technologies in a combinatorial way, triggering many job losses as production technologies evolve. Both the scope and the rate of automation are increasing. Recent data show that about 80% of job losses can be attributed to automation. The consequences are similar to those caused by trade-related globalisation: as skills become obsolete, major re- and up-skilling efforts are needed in order to cushion the adverse effects the adjustment processes have on the workforce<sup>21</sup>. However, technological advance such as digitisation or automation can lead to adverse short-term effects on the labour market, it will also be an important source of growth. Investment in digital skills will therefore be of utmost importance in order to ensure industrial competitiveness. Those negatively affected by changes in the work place will be left behind if no help is being offered to them to master the transition to the digital age<sup>22</sup>.

In many parts of the EU, **youth unemployment** is a significant problem. As a result of the economic crisis the situation worsened, and the EU's youth unemployment rates peaked at 23.7 % in 2013. For the young people concerned, experiencing longer periods of unemployment at the beginning of their careers is demotivating and can have severe impacts on future employment prospects. Therefore, one of the greatest challenges is to provide NEETs with the appropriate skills for the job market<sup>23</sup>. In areas of major

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<sup>17</sup> European Commission (2017), [White Paper on the Future of Europe – Reflections and scenarios for the EU27 by 2025](#), p. 9.

<sup>18</sup> [Eurofound \(2016\), p. 16ff.](#)

<sup>19</sup> [Eurofound \(2016\), p.25.](#)

<sup>20</sup> Jobs offshored in the EU13 for the greatest part also stay within the EU. Please see [Eurofound \(2016\), p. 28f.](#)

<sup>21</sup> OECD (2017), [The next production revolution: implications for governments and businesses](#), p. 26ff.

<sup>22</sup> European Commission, DG CONNECT (2017), [A concept paper on digitisation, employability and inclusiveness – the role of Europe](#), p. 10ff.

<sup>23</sup> For an analysis of the challenges of youth unemployment, and information on EU policies to tackle the problem, please see, among other things, *Commission Staff Working Document* [\(SWD\)\(2016\)323 final](#)



structural disruptions, these young people face even bigger problems finding a job, as they are competing with experienced people who are facing job loss or have already lost their jobs.

## 2.2. Baseline

Tackling the above challenges to the workforce is the regular task of national public employment services (PES). However, such challenges might occur so quickly, and might have such a significant impact that these regular systems are pushed to their limits in dealing with the scale and level of urgency.

Experience has shown that adjustment measures should be targeted and have time limits with clear exit strategies in place. The main objective should be to ensure the re-integration of displaced workers into the job market, optimally reallocating workers towards higher productivity employment<sup>24</sup>.

In accordance with the *principle of subsidiarity*, the EU may promote the objective of solidarity. The *principle of proportionality* restricts EU actions so they do not go beyond whatever is necessary. The EU's main solidarity response to the challenges described above are the structural funds<sup>25</sup> and the Cohesion Fund, which aim to support economic and social cohesion within the EU. In the area of employment, the European Social Fund (ESF) is the main instrument. The ESF, like the other structural funds, uses a multi-annual strategic approach and is geared towards long-term anticipative action. Offering reactive short-term help in cases of sudden major urgencies would require the re-programming of long-term assistance, and would therefore not be efficient. Without a policy change, additional short-term assistance would hardly be possible. Workers made redundant would have to rely fully on possible regular measures offered by national instruments.

Member States experiencing major disruptions build up their own mechanisms to tackle the restructuring challenges resulting from globalisation or the crisis, even without further EU assistance. However, the extent of these mechanisms would depend on the economic means and the institutional and governance framework of a Member State, resulting in adverse effects on the EU's economic and social cohesion.

The absence of further help might also lead to negative public opinion on globalisation, as workers might feel they are being left to fight alone against economic forces they perceive as a threat.

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[The Youth Guarantee and Youth Employment Initiative three years on](#). See also European Commission (2017), [White Paper on the Future of Europe – Reflections and scenarios for the EU27 by 2025](#), p. 9.

<sup>24</sup> See *Commission SWD SEC(2006)274 European Globalisation adjustment Fund (EGF) – Impact Assessment*, p. 18, which bases its analyses on the *OECD's Trade and Structural Adjustment: Recommendations for Good Practice (2005)*. The Commission later designed its own framework to tackle the challenges of restructuring, the EU Quality Framework for anticipation of change and restructuring (QFR), see [Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. COM\(2013\)882 final](#).

<sup>25</sup> The structural funds include the European Regional Development Fund (ERDF) and the European Social Fund (ESF)

## 2.3. Description of the initiative and its objectives

### 2.3.1. Subject area

The EGF was designed as a means of reconciling the overall long-term benefits of open trade in terms of growth and employment with the short-term adverse effects which globalisation may have, particularly on the employment of the most vulnerable and lowest-skilled workers. In line with the European Economic Recovery Plan, the rules were amended in 2009<sup>26</sup> to respond more effectively to the global financial and economic crisis. This provision was maintained and now support can also be given to workers made redundant as a result of the global financial and economic crisis<sup>27</sup>.

Due to the high youth unemployment rates in many parts of the EU, a derogation clause was introduced under the EGF Regulation (Article 6(2)), allowing Member States with high youth unemployment rates to include, under certain circumstances, the same number of NEETs as workers made redundant in EGF applications<sup>28</sup>.

The EGF co-finances active labour market policy measures organised by the Member States to help the redundant workers re-position themselves on the labour market and find new jobs. The EGF supplements national labour market measures in situations where sudden collective redundancy processes — due to their large scale and their impact on the local economy<sup>29</sup> — put the public employment services under extraordinary pressure. The EGF can provide a more personalised and targeted approach to the most vulnerable redundant workers.

### 2.3.2. Objectives of the intervention

The EGF aims to contribute to smart, inclusive and sustainable economic growth and to promote sustainable employment in the EU. It aims to express solidarity with and provide support to workers made redundant and self-employed persons whose activity ceased due to globalisation or the global financial and economic crisis (see above).

The EGF's objectives thus have two different dimensions: it has been designed to act as a **solidarity** as well as an **emergency relief instrument**.

The solidarity aspect relates to the EU's opportunity to express solidarity with workers made redundant by offering one-off support to enable their re-integration into the labour market. A particular focus is put on targeting the most vulnerable groups of dismissed workers.

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<sup>26</sup> Initially, the EGF was temporarily enlarged to also support workers made redundant as a result of the economic and financial crisis. The crisis criterion applied to all applications received from 1 May 2009 to 30 December 2011. The crisis criterion was then re-introduced in the current Regulation for the 2014-2020 period.

<sup>27</sup> As addressed in [Regulation \(EC\) No 546/2009](#). [Regulation \(EU\) No 1309/2013](#) is not only covering the continuation of the global financial and economic crisis, but also possible future crises.

<sup>28</sup> This derogation is permitted provided that at least some of the redundancies within the meaning of Article 3 occur in NUTS 2 level regions eligible under the Youth Employment Initiative. The support may be rendered to NEETs under the age of 25, or where Member States so decide under the age of 30, in those NUTS 2 level regions eligible under the Youth Employment Initiative.

<sup>29</sup> In accordance with the subsidiarity principle, EU support can only be mobilised if objectives can be better reached at EU level than at national level. In the case of the EGF this means that a mobilisation is possible for unexpected large-scale redundancies that have a significant impact on the local, regional or national economy.

The emergency aspect relates to the intention of providing quick support in urgent cases to workers made redundant during unexpected mass redundancies.

**Main Objectives of the EGF:**

- demonstrate *solidarity* towards workers made redundant
- offer assistance to workers made redundant to *re-integrate into the job market*, finding high quality employment within 6 months after the end of EGF assistance.

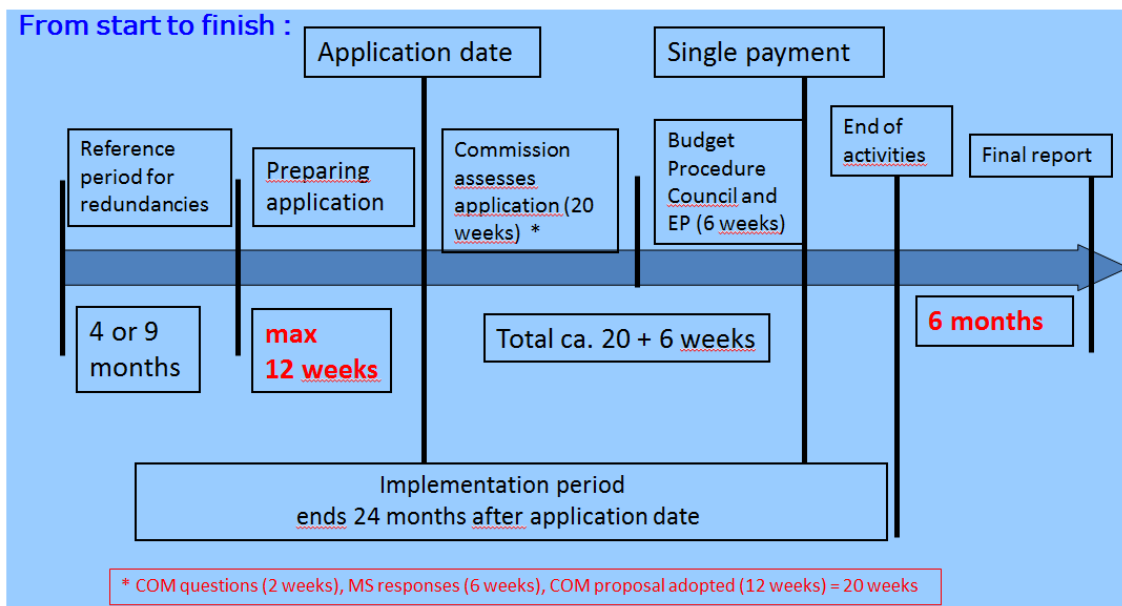
### 2.3.3. Delivery mechanism

EGF assistance is provided through projects which support redundant workers - the beneficiaries of EGF funding. However, potential beneficiaries cannot apply directly. Only Member States can submit an application. A combination of several projects in an application from a Member State is known as a case. Cases are implemented through coordinated packages of active labour market policy measures aimed to support the dismissed workers. The EGF can co-finance a range of services for the redundant workers, from personalised guidance and training courses to assistance in setting up a business. These services help the workers to regain employment as quickly as possible by enabling them to update their knowledge and skills. Workers can also benefit from a range of other suitable means, e.g. mobility allowances.

The EGF is implemented under shared management, meaning that the Member States are responsible for implementing the assistance granted and for ensuring national or third-party co-financing.

Due to its role as an emergency relief instrument, it was decided that the EGF should stay outside the Multi-Annual Financial Framework (MFF). This implies that for each EGF application, the Commission needs to propose the mobilising of the EGF to the European Parliament and the Council, who then decide on its mobilisation.

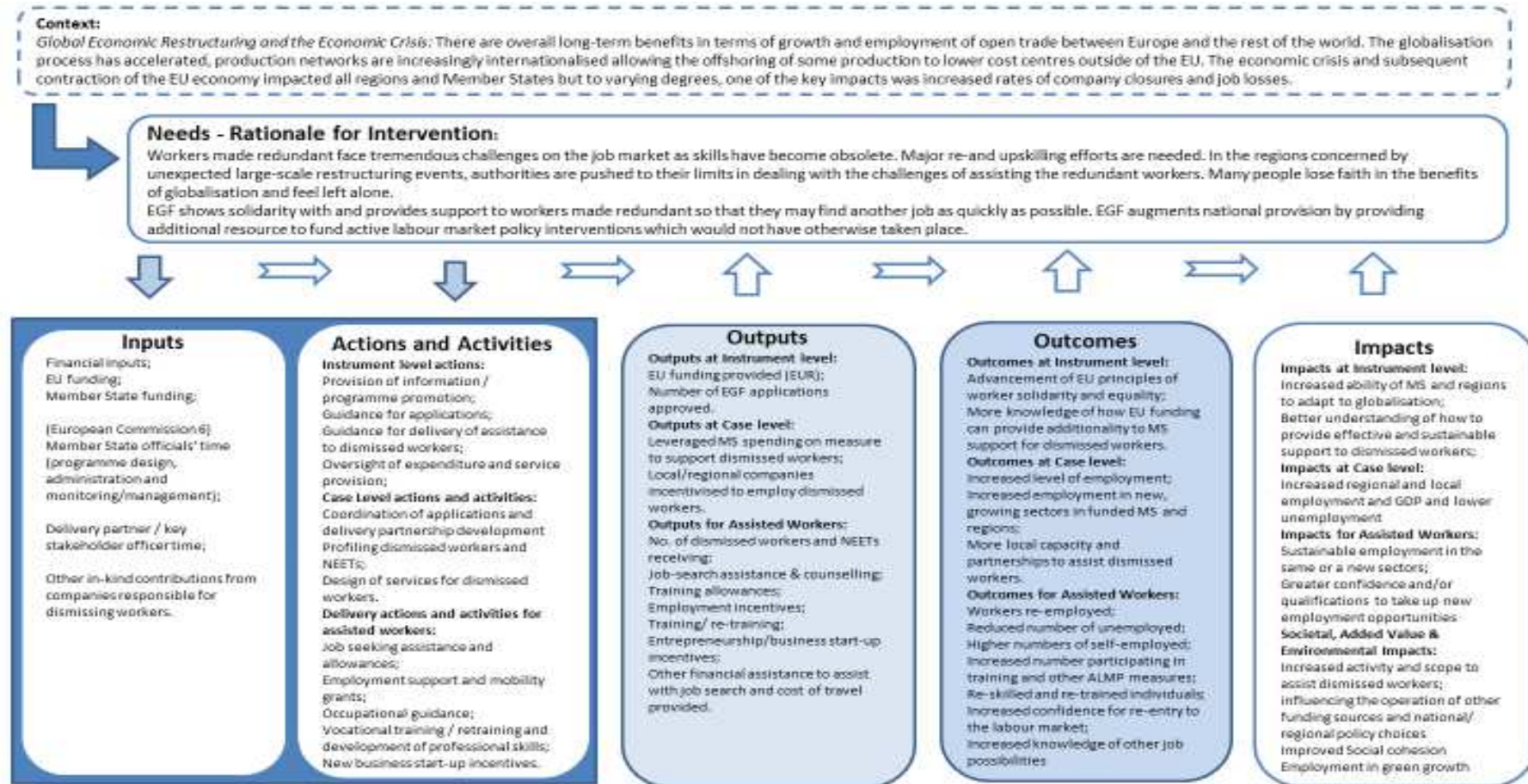
The timeline of an EGF case from start to finish is set out in Figure 1 below.



Source: own elaboration.

The overall intervention logic of the EGF is summarised in Figure 2 on the following page.

Figure 2: Intervention Logic of the EGF



Source: based on ICF International Consulting (2016), Mid-term evaluation of the European Globalisation Adjustment Fund — Final Report, p. 6.



#### 2.3.4. Framework and key specificities of the intervention

The EGF was established at the end of 2006 with the first EGF Regulation<sup>30</sup> applying from January 2007.

Initially, in the 2007-2013 funding period, the EGF was operating under an annual maximum threshold of EUR 500 million, and was targeting large-scale redundancy events in which a minimum of 1 000 workers were made redundant. Case implementation took place over a 12-month timeframe. The EGF was co-financing measures at a rate of 50 %.

Based on the experiences made during the 2007-2013 funding period, several changes were introduced in the 2014-2020 period in order to improve the effectiveness and efficiency of EGF and to adapt it to the economic situation within the EU.

The main **new elements**<sup>31</sup> in the **EGF Regulation for 2014-2020** are:

1. The **re-introduction of the crisis criterion** which, in addition to workers made redundant by trade related globalisation, also allows the fund to support workers made redundant because of the economic crisis.
2. The possibility to include **new categories of workers** such as fixed-term and temporary workers, as well as self-employed persons.
3. The inclusion of the provision of **support to NEETs** in regions of high youth unemployment under a derogation clause running until the end of 2017.
4. The **intervention criteria** have been changed to allow a **lower threshold** of effected redundancies. Whereas the threshold during the former period was 1 000 redundancies effected, the threshold now is 500.
5. The **time given to implement measures** was extended from 12 to 24 months.
6. The EGF Regulation now imposes **time limitations** on the Commission, the European Parliament and the Council. This **shortens the procedures** used to mobilise funding, while also requiring Member States from the outset to present the Commission with applications containing all the relevant information for an assessment.
7. The **co-funding rate** has been **raised to 60 %** (from 50 %<sup>32</sup>).

Since the beginning of 2014, the EGF is operating with a considerably lower **maximum budget** than that of the previous period. The overall ceiling for the 2014-2020 period is EUR 1.05 billion (which equates to EUR 150 million per year in

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<sup>30</sup> [Regulation \(EC\) No 1927/2006](#)

<sup>31</sup> The decision on these changes was largely based on the [EGF's mid-term evaluation for the period 2007-2013](#). They were later re-confirmed by the [EGF ex-post evaluation 2007-2013](#), the [European Court of Auditors' special report No 7 \(2013\) on the EGF](#), and the [European Parliament's European Implementation Assessment of the EGF 2007-2014](#).

<sup>32</sup> Along with the crisis criterion, the co-funding rate was raised from 50 % up to 65 % from 1 May 2009 to 30 December 2011.

2011 prices). The threshold during the previous funding period was EUR 500 million per year. The maximum amount ever used in a given year was EUR 132.1 million.

The below Figure 5 shows the evolution of the key specifics of the EGF since 2007:

	Regulation (EC) No 1927/2006	Regulation (EC) No 1927/2006 amended by Regulation (EC) No 546/2009.	Regulation (EC) No 1927/2006 amended by Regulation (EC) No 546/2009.	Regulation (EU) No 1309/2013 (repealing Regulation 1927/2006)
Applicability period	2007-2009	2009-2011	2012-2013	2014-2020
Co-funding rate (max.)	50% co-funding rate	65% co-funding rate until 31 December 2011	50% co-funding rate	60% co-funding rate
Scope	globalisation	globalisation or financial and economic crises  (crisis derogation).	globalisation  No crisis derogation.	globalisation or financial and economic crises  (broadened scope <i>permanently</i> reintroducing the crisis criterion)  (further modifications include new categories of beneficiaries (NEETs, as well as previously self-employed people) and new measures (supporting beneficiaries to start their own business or support for employee take overs (max. €15000))
Minimum redundancies	1000+ redundancies over a period of 4 months in a Member State  or  9 months, particularly in small or medium-sized enterprises.  If conditions not entirely met, intervention remains admissible when redundancies have <b>serious impact on employment and the local economy.</b>	500+ redundancies over a period of 4 months in a Member State  or  9 months, particularly in small or medium-sized enterprises.  If conditions not entirely met, intervention remains admissible when redundancies have <b>serious impact on employment and the local economy.</b>	500+ redundancies over a period of 4 months in a Member State  or  9 months, particularly in small or medium-sized enterprises.  If conditions not entirely met, intervention remains admissible when redundancies have <b>serious impact on employment and the local economy.</b>	500+ workers being made redundant or self-employed persons' activity ceasing, over a period of 4 months, in an enterprise in a Member State  or  9 months, particularly in SMEs, all operating in the same economic sector.  Projects in small labour markets or exceptional circumstances may be considered if conditions not entirely met, intervention remains admissible when redundancies have <b>serious impact on employment and the local economy.</b>
Funding period	12-month period	24-month period	24-month period	24-month period

Source: own elaboration, based on [European Parliament \(2016\), European Implementation Assessment: The European Globalisation Adjustment Fund between 2007 and 2014; p. 10.](#)

### 3. METHOD/PROCESS FOLLOWED

#### 3.1. Process/methodology

The first preparations of the evaluation started in March 2015. The Commission decided to contract out an evaluation study to an external consultant on which the Commission could draw conclusions and develop this Staff Working Document (SWD). The evaluation study provided by the contractors covers the whole range of evaluation work, including the different kind of stakeholder consultations according to a predefined

stakeholder consultation strategy<sup>33</sup>. The external evaluators carried out the evaluation research throughout 2016. The details on procedural information and the methodology used are set out in Annexes I and III, respectively.

The most important research methods used were:

- desk research
- targeted as well as open stakeholder consultations
- quantitative analyses (limited data availability).

### 3.2. Limitations

The legislator had set a deadline of 30 June 2017 to conduct the evaluation, also in order to take findings into consideration regarding a possible extension of the derogation clause for the NEETs. This timing turned out to be a challenge as the implementation cycle had not progressed enough in time to produce a meaningful base of cases to conduct quantitative analyses especially considering the extended duration of 24 months to implement EGF cases. Thus, only a few final results were available<sup>34</sup>.

Finding suitable comparators continued to be difficult as already identified in the 2007-2013 ex-post evaluation. Also, a comparison with data from the 2007-2013 funding period is only of limited usefulness, due to the several changes in the instrument's design shown in figure 5 above, especially the extended duration of implementation of EGF cases<sup>35</sup>.

Further limiting factors were the relatively small number of EGF applications received during the period covered by the evaluation (please also see Section 5 below), as well as a general lack of comparative data to conduct counterfactual analyses. In certain cases, monitoring systems in place were not able to produce the required case data on time.

The EGF Regulation<sup>36</sup> and the corresponding Commission decisions on a financial contribution only stipulate basic reporting requirements, such as overall re-integration rates, and beneficiary statistics broken-down by gender and by age groups.

The available data therefore is very limited and does not allow further statistical analyses of the categories of beneficiaries, or a further break-down of beneficiaries to the type of dismissing enterprise (e.g. the principal enterprise, or suppliers or downstream producers; or especially in the case of sectoral applications also SMEs or self-employed). This problem had already been identified by the European Court of

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<sup>33</sup> Please see <http://ec.europa.eu/social/BlobServlet?docId=14431&langId=en>.

<sup>34</sup> The first final reports of cases covered under this evaluation were received in August 2016 only. By the end of 2016, 9 final reports were received. However, case data could be taken into account to a varying degree, depending on data made available by national authorities in the course of the case research.

<sup>35</sup> It should be noted here that the *ex-post* evaluation 2007-2013 had also considered the identification of comparators as a major challenge. See [Ex-post evaluation of the European Globalisation Adjustment Fund \(EGF\)- final report \(2015\)](#), p. 90ff. In general, attributing single outcomes to specific policy intervention is a common challenge in scientific evaluations.

<sup>36</sup> See Article 18 of the EGF Regulation



Auditors (ECA) during the audit of the EGF 2007-2013<sup>37</sup> and in the course of the mid-term and ex-post evaluations of the EGF 2007 - 2013<sup>38</sup>.

Due to the small number of cases – 29 cases in 21 different sectors, it was not possible to conduct sectoral analyses. Whenever available, possible findings by the Member State concerned are set out in replies to the evaluation questions. Overview tables on case profile data sorted by country and by sector can be found in Annex IV<sup>39</sup>.

Despite all efforts by the external contractor, the Commission and the national EGF Contact Persons, there were low participation rates in some of the stakeholder consultations, especially the internet-based *open public consultation (OPC)*, but also the *beneficiary survey*. The data therefore have to be taken with caution. In certain cases, it wasn't clear whether the respondent's judgement was influenced by possible previous experience with the EGF during the 2007-2013 funding period, or if reflections were fully based on the current funding period.

More information is set out in Annex III.

Despite these limitations, analyses based on a combination of methods ('triangulation') ensure the reliability of findings. Triangulation consisted primarily of the combinatory use of qualitative data, desk research, stakeholder consultations and case studies. Wherever further limitations persist, this is specified (in Annex I).

#### **4. IMPLEMENTATION STATE OF PLAY (RESULTS and ACTIVITIES)**

Since the EGF's inauguration, the number of applications has been highly cyclical, responding with an evident delay to economic developments<sup>40</sup>.

Under the first EGF Regulation 2007-2013, a total of 128 applications were received, out of which 15 were withdrawn and one was rejected. The successful applications were submitted by 20 Member States, concerned 39 sectors and requested some EUR 478 million to help more than 105 000 workers.

The second EGF Regulation for 2014-2020 entered into effect on 1 January 2014 and immediately applied to all new submissions. Applications made under the first Regulation continue to be implemented and wound up under the first Regulation. These cases are not subject to this evaluation, however.

During the current funding period 2014-2020, 38 applications have been submitted (state of play 31 December 2016) out of which 3 were later withdrawn. The other 35 applications met the funding criteria and therefore resulted in the EGF being mobilised.

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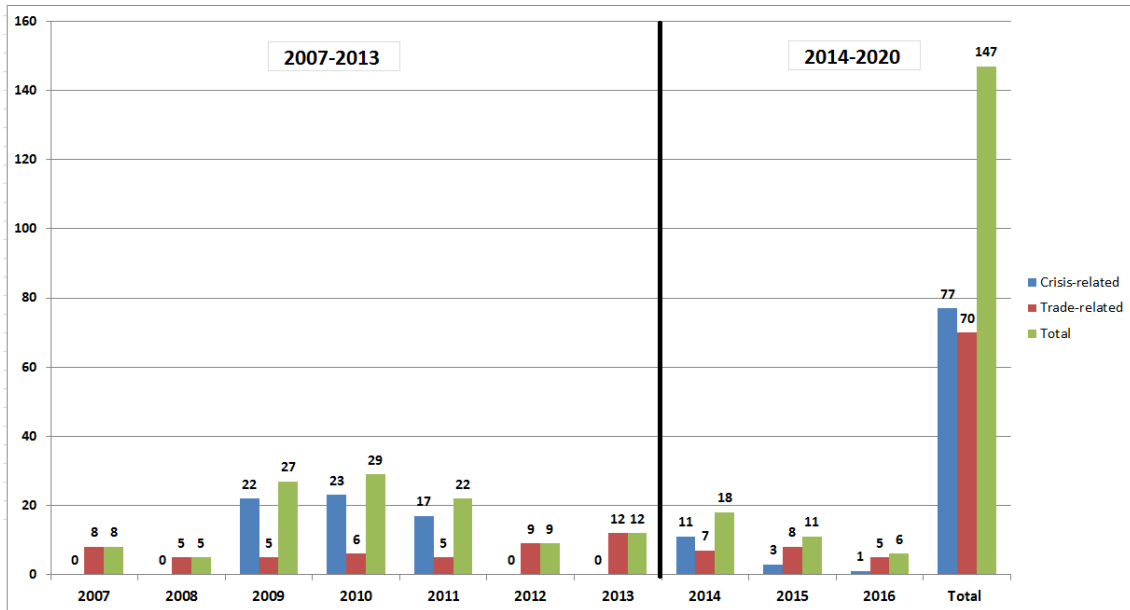
<sup>37</sup> [European Court of Auditors \(ECA\) \(2013\), Special Report No 7: Has the European Globalisation Adjustment Fund delivered EU added value in reintegrating redundant workers?, p. 28.](#)

<sup>38</sup> [European Commission \(2011\), p. 52](#) and [European Commission \(2015\), p. 121.](#)

<sup>39</sup> According to Article 20 (3) of the [EGF Regulation](#), evaluations 'shall include the figures showing the number of applications and shall cover the performance of the EGF by country and by sector, so as to assess whether the EGF is reaching its targeted recipients'.

<sup>40</sup> Regarding the cyclical advent of job displacements, also see OECD (2013), *Back to work: Re-employment, earnings and skill use after job displacement*, p. 13.

Figure 3: State of Play: Number of applications received (without withdrawn and rejected applications) 2007-2016 (based on EGF Database)



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Crisis-related	0	0	22	23	17	0	0	11	3	1	77
Trade-related	8	5	5	6	5	9	12	7	8	5	70
Total	8	5	27	29	22	9	12	18	11	6	147
% of total	5%	3%	18%	20%	15%	6%	8%	12%	7%	4%	100%

Source: EGF Database

Figure 4: State of play: number of applications received and funding requested by Member State (without withdrawn and rejected applications) 2007 - 2016

*EGF applications (without rejected and withdrawn applications)  
by Member State  
up to 31 December 2016*

Member States which have applied for EGF funding	Number of applications	EGF contribution (€ million)	Number of targeted beneficiaries	Average amount requested per beneficiary
<b>AT</b>	6	27.998.089	1.952	14.343,28
<b>BE</b>	12	34.600.057	14.562	2.376,05
<b>CZ</b>	1	323.820	460	703,96
<b>DE</b>	9	52.887.448	14.517	3.643,14
<b>DK</b>	10	63.680.782	6.298	10.111,27
<b>EE</b>	1	1.131.358	800	1.414,20
<b>EL</b>	7	38.010.100	6.799	5.590,54
<b>ES</b>	21	47.779.871	14.468	3.302,45
<b>FI</b>	8	30.605.338	10.161	3.012,04
<b>FR</b>	8	89.760.859	17.586	5.104,11
<b>IE</b>	10	67.720.204	11.209	6.041,59
<b>IT</b>	13	60.537.811	12.786	4.734,70
<b>LT</b>	5	2.861.618	3.013	949,76
<b>MT</b>	1	681.207	675	1.009,20
<b>NL</b>	17	28.974.321	8.792	3.295,53
<b>PL</b>	5	2.575.712	1.806	1.426,20
<b>PT</b>	5	8.632.111	4.367	1.976,67
<b>RO</b>	2	6.513.830	2.416	2.696,12
<b>SE</b>	5	25.371.716	4.968	5.107,03
<b>SI</b>	1	2.247.940	2.554	880,16
<b>Total</b>	<b>147</b>	<b>592.894.192</b>	<b>140.189</b>	<b>4.229,25</b>

Source: EGF Database

During the period 2014-2015 covered by the evaluation study, a total of 30 applications were submitted, one of which had been withdrawn and later resubmitted (still during the timeframe observed). The 29 funded cases were submitted by 10 different Member States (6 by Greece, 5 by Belgium, 4 by France, 3 by Finland and Ireland, 2 by Germany, Spain, and Italy, 1 by the Netherlands and Sweden). The cases cover 21 different sectors, with the automotive sector (4 cases) and retail sector (3 cases) being the sectors most often subject to EGF applications during the time period observed.

Of the cases studied, 15 were submitted under the trade-related globalisation-criterion and 14 under the economic and financial crisis criterion.

The total EGF contribution granted for the 29 cases was almost EUR 100 million (out of a theoretical ceiling of EUR 300 million over the 2014-2015 period), targeting about 35 000 workers made redundant<sup>41</sup>.

None of the funded cases under the 2014-2020 Regulation have been subject to any infringement procedures.

In order to promote the exchange of best practice models and discuss about latest EGF-related developments, the Commission organises biannual EGF Contact Persons' Meetings<sup>42</sup>, and biannual EGF Networking Seminars (aimed at EGF implementers). Activities in 2017 take place in light of the EGF's 10th anniversary.

## 5. ANSWERS TO THE EVALUATION QUESTIONS

The evaluation questions that guide the evaluation process are set out in the evaluation roadmap<sup>43</sup>. No further sub-questions have been formulated by the Commission, nor have sub-questions been added by the external contractor<sup>44</sup>.

### 5.1. Effectiveness

The effectiveness criterion analyses how successful the EGF has been in achieving its objectives. This is done in particular by analysing the extent to which EGF manages to ensure sustainable re-integration of redundant workers, what case specific aims have been defined, the availability of monitoring data, the factors hindering the application for EGF assistance and its use. It also provides information on the use of the derogation for support to NEETs and the complementarity to national measures.

#### **Re-integration rates**

In each case, the main aim was to bring workers made redundant back into work as quickly as possible. In 13 out of 29 cases analysed, the implementation period had ended and data were available in time for the contractor's report. The re-integration rate

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<sup>41</sup> Please also see financial tables in Annex IV.

<sup>42</sup> Contact Persons' are the Member States' representatives responsible for managing the EGF

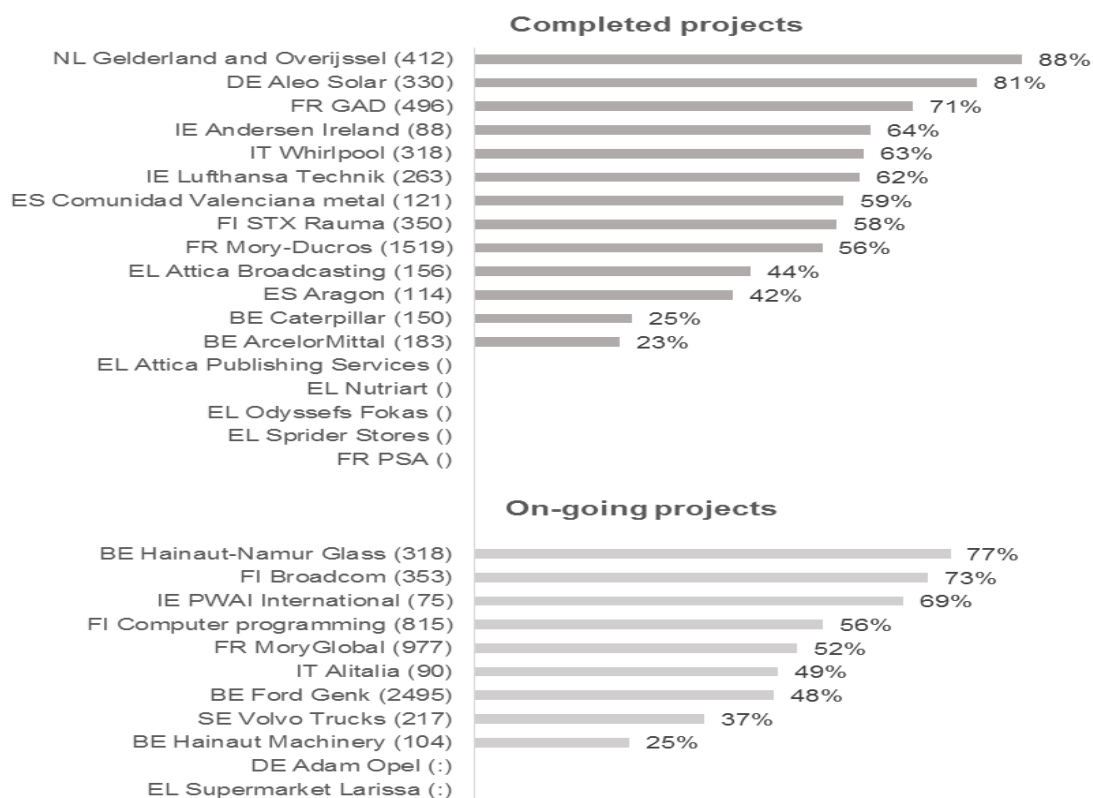
<sup>43</sup> Please see

[http://ec.europa.eu/smart-regulation/roadmaps/docs/2015\\_empl\\_022\\_mid-term\\_evaluation\\_egf\\_en.pdf](http://ec.europa.eu/smart-regulation/roadmaps/docs/2015_empl_022_mid-term_evaluation_egf_en.pdf).

<sup>44</sup> It should be noted that the set of questions was slightly altered for the terms of reference. The contractor's report follows the set of questions as set out in the terms of reference, whereas the present SWD follows the questions as set out in the roadmap.

in these cases averaged 56 % (re-integration rate based on official case data<sup>45</sup>), and varied between 23 % and 88 %<sup>46</sup>. This is higher than in the 2007 – 2013 programming period, and higher than the target of 50% as set in the impact assessment for the EGF 2014 – 2020<sup>47</sup>. However, this apparent improvement needs to be taken with caution as the implementation period for cases is currently twice as long as in the previous funding period.

Figure 4: Case re-employment rates<sup>48</sup>



Source: ICF(2016), p. 11.

During the OPC<sup>49</sup>, about 25 % of participating organisations<sup>50</sup> (20 % of individual respondents) did not consider the additional assistance offered by the EGF as necessary

<sup>45</sup> Member States report on the re-integration rate in the final report of a case, due six months after the end of the implementation period.

<sup>46</sup> ICF (2016), p. 10f.

<sup>47</sup> [Commission Staff Working Paper – Impact Assessment SEC\(2011\) 1130 final, p.33.](#)

<sup>48</sup> Caution: Data were not available for seven cases. Note: Re-employment figures refer to the share of re-employed EGF beneficiaries. The following exceptions apply: 1) For IE Lufthansa Technik, IE Andersen, PWA International, FR Mory Ducros, EL Attica Broadcasting and BE Ford Genk, the figures refer to the share of workers reemployed out of all dismissed workers. In these cases, the reemployment figures may also include dismissed workers who found new employment without EGF support. 2) All BE cases except Hainaut Namur Glass include pre-pensioners, who do not actively have to look for work.

<sup>49</sup> Regarding the representativeness of the results of the OPC, please see caveat in Section 4 above or in Annex III.

<sup>50</sup> Regarding institutional respondents, out of 34 organisations that participated, 9 were national ministries, 5 were trade unions or other organisations representing workers at national level. Other types

for finding sustainable employment, and approximately the same proportion was indifferent (about 29 % of institutional and 21 % of individual respondents). However, the remaining respondents showed positive or strong views in favour of the EGF assistance (45 % of institutional and almost 60 % of individual respondents)<sup>51</sup>.

Regarding the sustainability of the new employment found, two thirds of the 55 % of participants in the beneficiary survey<sup>52</sup> that had found employment reported they had found a permanent position. One third of the respondents had found a non-permanent position. Most of the respondents to this beneficiary online consultation were higher-educated ICT professionals, mostly from Finnish EGF cases covering the ICT sector. A higher response rate among more vulnerable beneficiary groups would probably have delivered different results.<sup>53</sup>

Data on sectoral employment outcomes were available in 19 cases. In 8 cases, people moved away from the sector in which they had been made redundant. It is worth noting that 7 out of these 8 cases had been submitted under the globalisation criterion. Of the 11 other cases, in which people found employment in the same sector, 7 had been submitted under the crisis criterion<sup>54</sup>. This underlines the general understanding that jobs lost due to globalisation are jobs that have become obsolete in the regions concerned, and that people need retraining. In the case of jobs lost due to the crisis there is a need to update and upgrade skills, as the dismissed workers may well be in demand again when the economy recovers.

Comparing re-integration outcomes with suitable comparators proved to be challenging, as also confirmed by the majority of stakeholders interviewed. The external evaluators tried to define comparators based on previous EGF cases in the country concerned<sup>55</sup>, and/or similar national measures. Among the 13 cases where comparators could be defined, in 7 of those, the EGF cases showed similar or higher re-integration rates than the comparators<sup>56</sup>. However, EGF cases are implemented under specific circumstances in different regions and target different types of workers. In the 2007-2013 programming period, EGF cases furthermore had a far shorter implementation period, so that re-integration rates are hard to compare. Unlike national assistance, the EGF usually targets the most vulnerable of the dismissed workers, which also complicates comparisons.

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of organisation were regional authorities, employment services, academia etc. As the low number of participating organisations is spread over a wide range of categories, a further break-down of results would not make sense as the results would not be representative.

<sup>51</sup> ICF (2016), p. 15f and p.131.

<sup>52</sup> It should be noted that only 5 % of beneficiaries participated in the survey.

<sup>53</sup> ICF (2016), p.16 and p. 134.

<sup>54</sup> ICF (2016), p. 18.

<sup>55</sup> Regarding the problems of comparing implementation periods of different length, see above.

<sup>56</sup> ICF (2016), p. 19.

Comparing re-employment rates does not make much sense if the levels of hardship on the supply (skills of the workers targeted) and demand side (economic situation) are not taken into consideration<sup>57</sup>.

Regarding EGF cases, it seems to be necessary to develop case-specific targets and compare to what extent these targets have been reached.

The lack of quantitative re-integration objectives set by the Member States has already been criticized by the ECA in an audit on the EGF 2007 – 2013. The ECA also concluded that without such indicators, it would not be possible to accurately measure the effectiveness of an EGF case<sup>58</sup>.

### **Other case-specific aims**

The overall aim of all cases observed was to bring workers who had been made redundant back to or closer to the labour market. Some more specific aims such as fostering mobility, boosting confidence or up- and re-skilling could be identified, but they all have the ultimate objective of bringing people back into employment. Besides this, no other case-specific aims were identified.

In general, there do not seem to be any misunderstandings about the ultimate goal being the re-integration of dismissed workers into employment. Unfortunately, this goal is never really specified in the case design, and no quantifiable outcome targets are defined. Even though Member States need to report on the employment status of beneficiaries, this is not connected to any specific targets. The specific character of each EGF case and the differing economic circumstances during which implementation is taking place make a universal target useless. Member States would need to define case-specific targets which would need to be adjusted to changes in the economic environment.

In several cases, stakeholders involved in delivering EGF measures identified a perceived need to spend all of the EGF funding received. This perceived need stems from pressure by the media or by organisations representing dismissed workers. However, the stakeholders confirmed that it was not their aim to spend all the EGF funding received. Unfortunately, the external evaluators could not substantiate these findings with numbers.<sup>59</sup>

No further case specific aims were identified. During the application phase, applications are checked by the Commission to ensure that aims are in line with the EGF Regulation. Possible problems are addressed directly<sup>60</sup>.

### **Data collection to ensure monitoring of results**

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<sup>57</sup> Comparisons of re-integration rates after job displacements across countries or even across regions within a country therefore need to be taken with caution. Please also see OECD (2013), Back to work: Re-employment, earnings and skill use after job displacement, p. 20ff.

<sup>58</sup> [ECA \(2013\), p. 14ff.](#)

<sup>59</sup> ICF (2016), p. 21f.

<sup>60</sup> ICF (2016), p. 21f.

The fact that many cases were still ongoing hindered the analysis of the monitoring systems in place, as Member States were reluctant to offer information on ongoing cases. However, the general analysis of the systems did not indicate that the Member States might not be able to fulfil their monitoring requirements at case end.

According to the EGF Regulation, Member States need to produce a final report at the case closure stage, 6 months after the end of the personalised measures, informing about the employment status of the beneficiaries. In the Commission Implementing Decisions awarding a financial contribution, the Commission also requires Member States to deliver data on the employment status of beneficiaries (broken down by gender and by category of worker) 1 year after the end of the measures.

The general analysis of systems in place identifies two main categories: some countries (Belgium, Germany, Ireland, Finland, Sweden) use **mainstream monitoring procedures** of the regular PES or other public authorities. In general, these systems deliver robust data, but could face difficulties when asked to produce EGF-specific data. Others (Greece, Spain, France, the Netherlands) use **systems tailor-made** for each case. This is often outsourced to external organisations. However, such systems are very complex and prone to error if not designed properly. Whereas the systems used in the Netherlands and in Spain seem to provide robust information, difficulties were identified in France, where different systems are implemented by different organisations in each case. The external evaluators faced major problems in obtaining data in several of those cases. This experience was replicated a few months later, when the Commission asked the French authorities for similar data for reporting purposes, but they were unable to provide them and asked for more time. In France, there are no plans to streamline the systems. Particular challenges have also been identified in Greece, especially regarding the future follow-up of data a year after the case ends. More efforts to improve institutional capacity building seem to be necessary in Greece to ensure the timely delivery of robust data<sup>61</sup>.

### **EGF case implementation – success factors**

The limited amount of available data meant it was not possible to conduct a multivariate analysis that would have led to robust results.

Therefore, a thorough qualitative analysis of the information available has been performed to analyse which factors help or hinder EGF cases reach their objectives. This analysis was primarily based on the case reports and on interviews with case stakeholders.

One of the most important success factors is past experience in EGF implementation, because it means those concerned could build on existing partnerships and delivery mechanisms. Integrating EGF measures into the regular measures offered by national or local authorities or by the dismissing enterprise could also help EGF cases achieve their objectives. This is especially true when adding new services to the regular support offered, or by intensifying the regular support offered. It is equally important to provide individualised and targeted support for the dismissed workers at an early stage. A further key factor is strong cooperation between the delivery partners and social

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<sup>61</sup> ICF (2016), p. 22ff.



partners. To a large extent, this depends on the solidity of delivery structures for employment and social policies and on the overall strength of social dialogue in the country.

The possibility of finding employment generally depends on supply as well as demand. Regarding the **supply factors**, it seems little surprising that higher-skilled people were identified as having fewer problems securing a new employment than the lower-skilled. Furthermore, older people faced greater challenges than younger ones. On the **demand** side, the evaluation confirms that it is easier to find employment in areas with generally high demand for labour and with lower unemployment rates than it is in areas with lower demand and high unemployment rates<sup>62</sup>.

However, it needs to be borne in mind that difficult demand or supply situations cannot really be classified as factors that prevent EGF cases from reaching their objectives, even though they are classified as such in the contractor's evaluation study. As the EGF aims specifically to target the most vulnerable groups of workers made redundant, and to offer this help especially in regions that have been hit particularly hard by restructuring events, these situations rather seem to be pre-requisites for EGF assistance.

The analysis also identified a few very case-specific factors. In one case, this relates to very limited public transport possibilities in a rural area affected. In two other cases, the reluctance of workers to take up employment with far lower pay than before was a factor. In one of these two cases, this occurred in combination with a very high additional unemployment benefit and severance pay package offered by the dismissing enterprise, disincentivising new employment until the end of the additional severance package<sup>63</sup>.

### **Scope of the EGF**

The scope of the EGF covers both applications submitted for measures targeting workers made redundant due to globalisation, and measures targeting people made redundant due to the ongoing global financial and economic crisis. The applications submitted by the Member States were analysed and the national EGF Contact Persons were interviewed in order to respond to this question. Of the 29 cases covered by the evaluation, 15 were submitted as a globalisation case and 14 as a crisis case.

The analysis found that in several cases Member States would have been able to put a case forward under either of the criteria. A comparison among cases revealed that indeed many similar cases were submitted under different criteria. This shows that the system offers a certain level of flexibility so that Member States can choose the criterion which is easier to evidence. However, it also shows that a clear-cut distinction between the two criteria is not always possible<sup>64</sup>.

Indeed, the EGF Regulation does not include definitions of the terms 'globalisation' or 'global financial and economic crisis'.

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<sup>62</sup> ICF (2016), p. 28f.

<sup>63</sup> ICF (2016), p. 29ff.

<sup>64</sup> ICF (2016), p. 33f.

Several authorities responsible for preparing an EGF application, as well as authorities feeding these applications with required information, indicated that putting together the documentation required to submit an application under either criterion is the biggest challenge during the application process<sup>65</sup>.

In general, the current scope is useful in a sense that Member States are able to put forward applications so that funding reaches the beneficiary groups targeted. However, clearer definitions are needed.

### **Use of possible EGF assistance by Member States**

Overall, not all the funding available under the EGF is used. During the time period covered by the Regulation, i.e. between 2014 and the autumn of 2016<sup>66</sup>, a total of 29 applications were approved with a combined EGF contribution of EUR 98 521 851, compared to the EUR 150 million annual ceiling (in 2011 prices).

Being an emergency relief instrument, full spending of the EGF is usually not a priority. An emergency relief instrument needs a comfortable safety margin in order to be prepared for worst case scenarios. During normal times, it is therefore obviously expected to spend far less than the ceiling. As for all emergency relief instruments, it is not possible to accurately predict the amount of assistance needed in a given year.

The question rather is whether there could have been more *possible* cases, and if so, why the Member States did not submit applications. However, it is extremely difficult to find suitable data to come to conclusions. The most comprehensive source of data, [Eurofound's European Restructuring Monitor \(ERM\)](#), records all announcements of redundancies in a certain year based on a screening of the principal media sources in each of the Member States by a network of national correspondents. However, the timeframe of the announced restructuring events is not always indicated. As an example, if an enterprise announces that it will lower its workforce by 5 000 full-time equivalents (this could also mean 10 000 people on half-time) over the coming 6 years, this is recorded as 5 000 redundancies. However, in order to qualify for EGF support, at least 500 workers must have actually been made redundant during a period of 4 months (or 9 months in the case of sectoral applications). Drawing a comparison is further complicated by the fact that derogations for EGF assistance could apply. Therefore, the ERM could serve as one indicator, but more comparative data are needed to draw conclusions. A few Member States permanently scan the market for new possible EGF cases, but most do not. A far more in-depth study seems to be necessary to find out how many redundancy events would have qualified for EGF assistance in order to then investigate why no application had been filed. Such an in-depth study was not possible given the short time frame of the mid-term evaluation.

However, a qualitative analysis of interviews with stakeholders was conducted, especially with national EGF Contact Persons involved in filing EGF applications.

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<sup>65</sup> ICF (2016), p. 34. .

<sup>66</sup> The approval of cases refers to the applications received in 2014 and 2015 that are subject to the evaluation.

One of the main challenges for not applying for EGF assistance is a Member State's business demography in relation to the eligibility criteria. Unfortunately, the contractor's study does not reveal to which extent these are perceived difficulties or proven ones. However, differences in business demography certainly exist. An example is the lack of large factories in certain countries<sup>67</sup>.

Another major reason identified is the timing of the redundancies. Many redundancies happen over a longer time frame, far longer than the 4 months (or 9 months in sectoral applications) set by the EGF Regulation. Often, it is a process comprising different waves of redundancies over a longer timeframe.

Given that the EGF is an emergency relief instrument, it is also interesting to note that the procedures are still perceived as being too long. However, there was no evidence that this hindered Member States from applying for EGF assistance<sup>68</sup>. Lengthy procedures had been identified as a hindering factor during an audit by the ECA on the EGF 2007- 2013, however<sup>69</sup>. This means that the time limits imposed by the current Regulation 2014 – 2020 are effective, as the length of procedures does not seem to be a hindering factor anymore. The EGF Regulation now imposes time limitations on the Commission, the European Parliament and the Council. According to evaluations of the former programming period, the application and mobilisation process took about 300 days. Since the start of the new programming period, the average duration is only about 200 days<sup>70</sup>.

It is a pre-requisite for any EGF case that the Member State can prove that the redundancies have a significant impact on the local or regional labour market. This allows the EGF to offer assistance in large-scale cases of urgency. The Regulation also offers derogations if not all the EGF criteria are met, provided the Member State is able to show that the redundancies are likely to have a significant impact. However, the Regulation does not further define what constitutes a 'significant impact'. A clearer definition might encourage Member States to file an application even though not all the selection criteria are met. Thought should especially be given to a definition of the impact in relative terms.

Practical issues also kept Member States from applying. Many Member States named capacity problems as a major issue, both during a possible application as well in the implementation phase. These problems relate to difficulties in collecting the data and documentation necessary for providing the background analysis to be submitted as part of the application, especially for sectoral cases that involve dismissals in several different companies, often in different locations. In some cases, the collaboration with the dismissing enterprise proved difficult, to the extent that Member States did not receive lists of workers made redundant. Based on the experience of the Commission in dealing with EGF applications, an often-stated capacity problem is the lack of pre-financing of the technical assistance (the costs for preparing and managing an EGF

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<sup>67</sup> However, these countries might be able to apply for a derogation if fewer than 500 workers are made redundant from an SME but the impact is significant.

<sup>68</sup> ICF (2016), p. 36f.

<sup>69</sup> [ECA \(2013\), p. 13.](#)

<sup>70</sup> See [Ex-post evaluation of the European Globalisation Adjustment Fund \(EGF\)- final report \(2015\)](#), p. 23. Data of current programming period based on own analysis of EGF database.

case). Member States can include the costs occurred for preparing an application in the Technical Assistance budget, but run the risk of the case not getting approved. Member States therefore regularly propose to have a permanent basic technical assistance budget not tied to an actual application.

During the time frame observed not a single application was filed by one of the newer Member States (EU-13)<sup>71</sup>. To a large extent, large-scale industrial restructuring occurred in the EU-13 prior to joining the EU. Many of the EU-13 are on the receiving end of global value chains, receiving jobs from western European countries<sup>72</sup>. Even though there are many other possible lines of argumentation under the globalisation criterion<sup>73</sup>, it is clear that offshoring has had so far less adverse effects in the newer Member States (EU-13) than in many of the older Member States (EU-15). However, determining to what extent these countries have been hit by the crisis, or to what extent they have experienced other adverse effects of globalisation, and how the influx of jobs from the EU-15 could cushion other job losses would require further research.

Furthermore, these Member States have higher financial envelopes from the Structural Funds and are usually allowed higher co-financing rates in the ESF for less developed regions<sup>74</sup>. In case targeted beneficiaries could also join regular ESF measures, this was thus more favourable<sup>75</sup>. In an audit on the EGF 2007 – 2013, the ECA had identified higher ESF co-financing rates, coupled with a faster deployment of ESF funds, as a factor discouraging EGF applications.<sup>76</sup>

#### **Use of assistance granted by Member States**

During the timeframe of the evaluation study, only six cases had been fully implemented and a final report submitted, including a statement certifying expenditure. Therefore, very little data were available to give a qualified analysis of the extent to which the assistance granted has been picked up and why. Even though a qualitative analysis was performed, the information collected was insufficient to identify which factors influence the actual use of the assistance provided by the Member State. The study broke down the planned assistance per beneficiary targeted and the actual assistance spent per beneficiary targeted. The main reason for spending more per beneficiary targeted was higher upskilling needs than anticipated. The main reason for spending less was lower upskilling needs than anticipated. Up-skilling needs, rather than regional or local specificities appear to be the main drivers of spending per beneficiaries.

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<sup>71</sup> It should be noted here that just after the end of this period, Estonia submitted its first ever EGF application.

<sup>72</sup> Please see [Eurofound \(2016\), p. 23ff](#). Considering the 2003-2016 timeframe, 83.9 % of the offshoring events registered in the European Restructuring Monitor occurred in the EU-15, and only 16.1 % in the EU-13. Of the jobs offshored from the EU-15, 44.8 % were offshored to the EU-13.

<sup>73</sup> Under Article 2(a) of the [EGF Regulation](#), any major structural changes in world trade patterns caused by globalisation are eligible.

<sup>74</sup> ESF co-financing rates vary between 50 % and 85 % (95 % in exceptional cases) of the total project costs depending on the relative wealth of the region.

<sup>75</sup> ICF (2016), p. 36f.

<sup>76</sup> [ECA \(2013\), p. 13](#).

However, this does not fully answer the question to what extent the assistance granted has been used overall. The only reason identified by the external evaluators was difficulties in identifying and selecting beneficiaries, usually because of problems retrieving data from the dismissing enterprises, PES or other national authorities. The external evaluators also found that it is a challenge for the applicant Member State to accurately plan the number of targeted beneficiaries, because this number is influenced by various factors that prevent beneficiaries using the assistance offered. A safety margin may have been included in initial calculations, but during implementation the margin turns out to be unnecessarily high. The number of workers wishing to participate in the respective individual measures may also have been overestimated in the planning phase<sup>77</sup>.

It should be noted here that since 2015, the Commission has allowed Member States to review planned budgets during the application process. This is possible until the Commission launches the procedures to propose the mobilisation of the EGF to the European Parliament and the Council. This enables Member States to adjust the budget to developments identified since the initial design of the application.

### **Use of the offered assistance by targeted beneficiaries**

Case research, including beneficiary surveys, identified several reasons that hinder a targeted beneficiary's use of the assistance offered. These include:

- unexpected changes in the economic environment (for example, in one German case, the closed-down factory was unexpectedly bought by another enterprise, and many of the workers made redundant found new employment in the very same factory);
- a long time period elapsing between the redundancies and the start of implementation of EGF measures (so that beneficiaries had already found employment — which also implies, however, that EGF assistance might not have been needed);
- poor public transportation possibilities to the measure;
- a lack of knowledge that measures actually exist (implying that the national authorities were not able to identify possible beneficiaries, and/or did not put in enough effort into guidance measures); and
- the measures not being regarded as useful (implying that the package of measures was designed without closely involving the beneficiaries).

The main factors influencing beneficiary participation in measures have thus been identified as:

- finding a job sooner than expected;
- the early development and implementation of general information and personalised guidance measures;
- starting the package of personalised measures early on;
- mechanisms for regularly adjusting the guidance and the measures provided to current developments; and

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<sup>77</sup> ICF (2016), p. 37ff.

- having the right incentives to participate in measures (in certain cases, high redundancy and severance packages were identified by stakeholders, particularly implementers, as a disincentive).

Overall, the majority of participants in the beneficiary survey were satisfied with the measures offered. However, a still significant share of 32 % reported a slight or significant mismatch between measures offered and what was perceived as needed.

Satisfaction rates varied greatly from case to case, ranging from 100 % satisfaction, to 33 % stating the support did not match their needs at all. The overall dissatisfaction rate is biased by the very high participation rate of beneficiaries from a Finnish IT-case in the beneficiary survey. Many of these highly-educated IT professionals reported that the measures they had participated in were not as cutting-edge as they had expected.

In another Finnish case assisting former shipyard workers, the dissatisfaction rate was also high because the Finnish authorities saw a need to retrain workers to find employment in new sectors, whereas the majority of workers did not want to change careers due to their advanced age, and therefore did not regard the measures offered as useful<sup>78</sup>. It leaves room for speculation whether the need to retrain had been communicated effectively, as retraining seems to have been perceived as paternalistic by the beneficiaries.

Dissatisfaction rates are very case-specific, and also vary widely within countries. Most of the reported dissatisfaction stems from the fact that measures offered turned out of not being of the expected quality. However, in a few instances, a mismatch between measures offered and the needs of the beneficiaries hindered beneficiaries to participate.

Little information is available on the specific characteristics of the beneficiaries targeted. The monitoring data provided only allow a breakdown according to gender and age, but not to further characteristics such as educational or professional backgrounds or the type of employment contract. Out of a total of 27 000 workers targeted, about 20 000 were men. This phenomenon had been addressed in a Study for the FEMM Committee of the European Parliament<sup>79</sup>. It reflects the gender segregation of jobs, and the industries prone to larger restructuring events because of globalisation, especially manufacturing sector, are predominantly male industries. However, this is case dependent. Cases covering the retail sector commonly deal with a far larger number of female workers made redundant than men.

Concerning the age groups, out of 27 000 workers targeted, equally 20 000 of targeted beneficiaries fall in the age group 25-54. It would be useful if the age brackets would be not so wide, in order to get a better view on the age structure of beneficiaries.

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<sup>78</sup> ICF (2016), p. 39ff and p.150.

<sup>79</sup> [European Parliament \(2016\). Assessment of the European Globalisation Adjustment Fund from a gender equality perspective. p. 13 and 34ff.](#)

## **NEETs-derogation clause**

There are 19 Member States that could potentially qualify for assistance targeted towards NEETs<sup>80</sup>. However, in order to be eligible for the inclusion of NEETs in an EGF case, at least some of the redundancies must have happened in a region eligible under the Youth Employment Initiative (YEI). The possibility to include NEETs in EGF assistance has been used by three Member States:

- Belgium included NEETs in 2 out of 5 applications submitted;
- Greece in 4 out of 6; and
- Ireland in all 3 applications assessed.

Data were available in five of a total of nine cases, as the other cases were still being implemented. Out of the five cases with available data, three had reached the full number of NEETs initially planned, whereas the other two cases reached 66 % and 75 % respectively. In one case, the target was not reached because the target population was dispersed over three localities. In the other case there was a perceived threat that people would lose other social benefits if they participated, which required further information sessions, etc.<sup>81</sup>

Based on the Commission's experience in dealing with EGF applications, Spain could have included NEETs in all applications, but preferred not to do so, as its co-financing rate under the YEI is far more favourable (at 93%) than the EGF co-financing rate. In one Belgian case, the respective region was not eligible under YEI. Italy applied for the inclusion of NEETs in one application, which had to be rejected as the respective region was not eligible under the YEI.

This means that eligible Member States showed a great interest to use the derogation, with the exception of Spain. Further coordination and alignment between YEI and the EGF can better align incentives in this regard.

## **Replacement of mandatory national measures by EGF assistance**

The EGF was complementing regular measures by increasing the level of aid and intensifying regular measures, as confirmed by the stakeholder consultations. In many cases, EGF assistance lifted barriers to the participation in regular (or EGF) measures, as EGF could offer assistance in travel, accommodation, childcare or course material facilities<sup>82</sup>.

In order to provide proportional assistance and in line with the findings of an audit of the EGF 2007 – 2013<sup>83</sup>, for the period 2014-2020 the co-financing of allowances was capped at 35% of the total package of personalised measures. Such allowances can only be co-financed if they are connected to the participation in EGF measures.

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<sup>80</sup> These are Member States with regions where youth unemployment rates were above 25% in 2012. For the EGF Regulation, it is the 2012 data which counts. It should be noted here, however, that in some Member States, the situation has improved in the meantime: based on 2015 figures, only 15 Member States fall into this category.

<sup>81</sup> ICF (2016), p. 43ff.

<sup>82</sup> ICF (2016), p. 45.

<sup>83</sup> [ECA \(2013\), p. 28.](#)



## 5.2. Sustainability

The sustainability criterion analyses the long-term impact of the intervention. This is done in particular by analysing:

- the long-term effects generated
- learning processes as a consequence of interventions and mainstreaming of ideas

### Long-term effects generated

A qualitative analysis of the cases under implementation was conducted which showed improved general employability of beneficiaries due to up- and re-skilling and due to higher self-esteem, which is likely to result in a more proactive approach to job seeking<sup>84</sup>.

It would have been interesting to analyse re-integration rates 12 months after case completion. This was not possible, however, as none of the cases finished in time to have data available 12 months after case completion.

### Learning effects and mainstreaming of ideas

In countries with extensive experience in assistance in mass redundancy situations, regulatory frameworks and general implementation mechanisms are in place. So, the delivery partners test new and innovative services that are not covered by the regular package of assistance offered, enabling the Member State to incorporate best practice later on into the regular package offered. This is the case in Belgium, France, Finland, Germany and Sweden.

In Member States with little experience in delivering assistance in mass redundancy cases, EGF assistance offers the greatest potential for lessons learned on the general design of such assistance, offering the possibility to build up a regulatory framework or general implementation mechanisms. This is particularly the case in Greece, where major efforts still seem to be needed to build up institutional capacity<sup>85</sup>.

Generally speaking, however, it is hard to isolate specific factors that lead to a **change in policy design**. In most cases, this learning takes place across all different types of delivery mechanisms and funding possibilities involved, so EGF assistance is one variable feeding into a decision-making process. In a few cases, it was possible to single out how EGF directly helped in mainstreaming innovative ideas and in redesigning policy instruments. Two examples are set out below.

In a case in the **Netherlands**, the Dutch authorities found that highly individualised face-to-face meetings with counsellors offered during EGF assistance proved far more effective than the online consultations offered during regular measures. As a consequence of beneficiaries finding new employment quicker, the money saved on unemployment benefits outweighed by far the additional expenses for the closer guidance, so this concept will be incorporated into regular packages as well.

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<sup>84</sup> ICF (2016), p.47.

<sup>85</sup> ICF (2016), p.51ff.



In a case in **Spain**, the EGF package inspired the design of a new programme for the long-term unemployed in the region of Aragón. Even though it will not be possible to offer the same intensiveness of services, the general philosophy of the new programme follows the philosophy of the EGF package, which proved to be of great benefit<sup>86</sup>.

### 5.3. Efficiency

Efficiency analyses the relationship between resources used and changes generated. This has been done in particular by analysing at case and instrument level the resources used to achieve the results as well as the decision-making process.

#### Efficiency at case level

The stakeholder consultations reveal the amounts available for the measures are considered to be sufficient. Trade unions were an exception to this finding, as they perceived a need for far higher assistance to be made available.

Data on the absorption rate of the Fund (the percentage of the spending of the assistance granted) and on the re-employment rate were available only in three cases. Comparing these cases did not reveal any correlation between the level of absorption and the re-employment rate. Even though this re-confirms similar findings of the ex-post evaluation of the EGF 2007 – 2013<sup>87</sup>, it is premature to call it a pattern during the 2014-2020 period, however.

On the implementation costs (i.e. spending on managing and monitoring the delivery of measures), evidence shows that many of the implementation costs are fixed, no matter how large a case is. The reporting of such expenditure as a percentage of the total of the overall EGF assistance granted is therefore frequently regarded as not giving a fair picture, as smaller cases that incur more or less the same costs as larger ones inevitably look ‘inefficient’ if the percentage of implementing costs is reported as part of the total.

Almost 60 % of the respondents to the OPC that replied on behalf of their organisation believed that such assistance could not have been provided with fewer overall resources<sup>88</sup>.

The duration of implementation of EGF cases was extended from 12 months during 2007 – 2013 to 24 months during the current programming period. Some 44 % of respondents to the OPC that replied on behalf of their organisation were of the opinion that EGF assistance could not have been delivered in a shorter timeframe. However, considering the fact that most cases were still implementing at the time of research, it seems premature to draw conclusions.

Due to the lack of data availability, it could not be reliably answered if the costs incurred were justified. Even though the external evaluators tried to conduct a qualitative assessment, the stakeholders interviewed did not feel competent to comment on this, as they did not feel well enough informed.

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<sup>86</sup> ICF (2016), p.59ff.

<sup>87</sup> European Commission (2015), p. 83f. The rates of expenditure per beneficiary and the outcomes achieved were compared with previous EGF cases implemented in the same Member State.

<sup>88</sup> ICF (2016), p. 61ff.

As a general rule, EGF assistance is more costly than regular measures. However, there are indications that EGF assistance leads to higher re-employment rates. An educated judgement as to whether additional costs are justified or not would also require further studies into the societal costs of lower re-employment rates. Ultimately this is also a question of political judgement<sup>89</sup>.

### **Efficiency at instrument level**

The evaluation report does not answer the question whether the same results of overall EGF support could have been achieved with fewer resources<sup>90</sup>. Possible avenues to investigate could have been alternative delivery methods such as:

- delivering measures through direct management, meaning the funds granted would be managed by the Commission instead of the Member State;
- removing the documentation requirements on the analysis of the globalisation or crisis criteria;
- allowing potential beneficiaries to apply directly to the Commission.

However, investigating the optimal delivery method for such assistance would be a vast undertaking. The evaluation question asked was possibly far too far-reaching considering the timeframe and the scope of a mid-term evaluation.

Based on the Commission's experience in dealing with EGF applications, the most promising avenue to increase efficiency relates to the removal of the documentation requirements on the analysis of globalisation or crisis criteria. Member States could save a lot of resources (time and money) when filing an application, but also the Commission's time to analyse an application would be cut short. This will also imply an enlargement of the scope of the Fund.

Another possibility relates to the funding mechanism of the EGF. As the EGF is outside the MFF, a full budgetary procedure, involving the European Parliament and the Council, is needed in order to mobilise the funds for EGF assistance. If the EGF was inside the MFF, this would not be necessary, and the funds could be made available within a much shorter period of time – at least 2 months<sup>91</sup>.

Both solutions can be considered for the period post-2020.

The current Regulation 2014 – 2020 imposes a time limit on the Commission and the Budgetary Authority. Applications are thus processed within 20 weeks. About 45 % of organisations consulted believe that procedures in place still take far too long. However, 39 % believe that there are no other more cost-effective instruments available. Considering the emergency relief character of the fund, this result should be interpreted as a call for further shortening procedures.

The Commission has always expressed its readiness to offer assistance and guidance. Still many Member States feel that the cooperation with the Commission could have

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<sup>89</sup> ICF (2016). p. 64.

<sup>90</sup> ICF (2016), p. 66f.

<sup>91</sup> It should be noted here that having the EGF inside the MFF would only mean a faster deployment if the remainder of the institutional set-up remained the same.

been better during the application phase. In the absence of an implementing regulation, a publication of the '[EGF FAQs](#)' proved useful and it was prepared and published in May 2017<sup>92</sup>.

This shows that in terms of operational efficiency, further efforts are needed to shorten the length of procedures. This could be done by either minimising requirements to evidence applications, and/or by changes to the inter-institutional decision making process on the mobilisation of EGF funding.

#### 5.4. Coherence

Coherence looks at how well different types of interventions work together. This is done in particular by analysing complementarity with other EU policies and initiatives at both instrument and case level as well as with national measures.

##### **Complementarity with other EU policies and initiatives**

The EGF complements the ESF in the area of employment policies. However, the ESF has been designed to offer a more long-term approach, which also makes it possible to anticipate structural change, in contrast to the short-term one-off support offered by the EGF. At case level, no displacements between the ESF funding and EGF funding have been identified. The EGF commonly builds on existing national or ESF or other measures by intensifying them or by offering different, additional measures<sup>93</sup>. There is scope to further increase complementarity between the ESF and the EGF, for instance by increasing the flexibility of deployment of the EGF, while maintaining the mid-and long-term focus of the ESF.

An extensive study of the coherence of the European Structural and Investment Funds (ESIFs) and various other instruments such as the EGF is currently ongoing<sup>94</sup> and is expected to be completed in the course of 2018.

##### **Complementarity with national measures**

At case level, the above also stands true when checking for overlaps between the EGF and other national measures offered. No significant overlaps could be detected, the EGF being complementary to the regular national measures offered. At case level, however, a more integrated approach consisting of a package of EGF and regular national measures could be observed<sup>95</sup>.

The evidence suggests that an integrated approach of complementary and additional measures leads to synergy effects, but not to overlaps. As an example, EGF assistance in Belgium is now delivered in a regional scheme under a regional action plan, ensuring that national measures and EGF assistance are provided in a coordinated approach, avoiding overlaps, but designed to produce synergies<sup>96</sup>.

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<sup>92</sup> To avoid misunderstandings, it should be stressed that a guidance document can obviously not replace a legally binding act, thus the two are not interchangeable.

<sup>93</sup> ICF (2016), p. 72ff.

<sup>94</sup> *Study on the coordination and harmonisation of ESI Funds and other EU policies* (ongoing).

<sup>95</sup> ICF (2016), p. 75f.

<sup>96</sup> ICF (2016), p.76f.

In general, the EGF could be better coordinated with the recommendations set out in the EU Quality Framework for anticipation of change and restructuring (QFR)<sup>97</sup>, which is the EU policy instrument setting a framework of best practice for anticipating and dealing with corporate restructuring. For instance, while Structural Funds and EGF interventions are consistent with the principles set out in the quality framework, this policy instrument is not referenced in guidance to Member States when designing or implementing measures.

The QFR 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. The QFR stresses that investment in human capital is essential to support productivity and ensure a job-rich and inclusive growth in the future. In this sense, the QFR is meant to prevent human capital from being wasted through inactivity or underutilisation of people's employment potential.

Increasing the complementary design of the EGF and the ESF can thus ensure that the social impact of restructuring, especially the adverse effects on employment, can be cushioned more effectively.

### **5.5. Relevance**

Relevance analyses to what extent societal needs are reflected in the objectives of the intervention. This is done in particular by analysing the scope, the NEET's derogation clause, the intervention criteria and the response to the needs of the targeted beneficiaries.

#### **Relevance of the NEETs derogation clause**

Youth unemployment remains a major challenge in many regions in the EU.

During the timeframe observed, three Member States made use of the derogation clause to include NEETs in some or all of their EGF applications. Out of the 2 944 NEETs targeted during the timeframe of the evaluation study, about 75 % related to Greek EGF applications.

Some 56 % of institutional participants and 64 % of individual participants in the OPC did regard the inclusion of NEETs as relevant for the EGF and were in favour of possibly extending the derogation clause. Several participants not in favour of an extension supported their view by citing other instruments, such as the Youth Guarantee and the Youth Employment Initiative (YEI), as being more relevant<sup>98</sup>.

Due to the persisting problems regarding youth unemployment, there is no doubt that the derogation clause remains relevant. The OPC results show that those not in favour of an extension of the NEETs derogation actually do not question the relevance of the clause as such, but the delivery mechanism of aid to the NEETs. It is often regarded as fostering inequity that support is connected to restructuring events that fall under the very limited scope of the EGF. NEETs face the same problems in regions shattered by mass restructuring events caused by automation or any other cause. Not helping young

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<sup>97</sup> [COM\(2013\)882 final](#).

<sup>98</sup> ICF (2016), p.77ff.

people in other cases is often regarded as being unfair. Therefore, instruments such as the YEI seem to offer greater flexibility.

The Commission has already put forward a proposal to extend the derogation clause for NEETs<sup>99</sup>. This proposal is motivated by the fact that youth unemployment remains an important challenge, and that first interim results of the EGF mid-term evaluation had shown that most Member States concerned made use of the NEETs derogation, and the help had been picked up to a high degree by the potential beneficiaries.

### **Relevance of the scope of the EGF**

The scope of the EGF relates to the causes that trigger redundancy events. The EGF can only be mobilised if the redundancies have been caused by either trade-related globalisation or the global financial and economic crisis.

The relevance of the scope of the EGF was supported by 72 % of institutional and 77 % of individual respondents to the OPC while 25 % of institutional and 4 % of individual respondents believed it was not appropriate anymore. Those institutional participants that substantiated their replies suggested that the crisis criterion was no longer relevant. However, the crisis criterion is still frequently used in applications.

Some 33 % of institutional and 22 % of individual respondents felt the need to change the scope of the EGF, all of whom suggested that the fund should be inclusive and reach more workers made redundant<sup>100</sup>.

As for the crisis criterion itself, however, it should be recalled that the crisis had different repercussions in different countries. Due to the interconnectedness of markets and the relevance of global supply chains, companies in a Member State where the crisis is assessed to be over can still experience repercussions caused by a crisis still ongoing in another country. Furthermore, even in times of economic recovery, consumer and investor sentiments can still be influenced after the crisis. Furthermore, economic crises occur in cycles. Therefore, the EGF Regulation extends the crisis criterion to any future global economic crisis.

Globalisation has changed dramatically since the first design of the EGF. In the contemporary world of global value chains, offshoring decisions are often highly individualised, the dismissing enterprise being the only one knowing why such a decision was taken<sup>101</sup>. The boundaries between internal reorganisation and globalisation seem to be getting more and more blurred. Therefore, it may be useful to reconsider the need to link assistance in the case of mass redundancy events to globalisation or economic crisis in the future.

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<sup>99</sup> [Proposal for a regulation of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union and amending Regulation \(EC\) No 2012/2002, Regulations \(EU\) No 1296/2013, \(EU\) 1301/2013, \(EU\) No 1303/2013, EU No 1304/2013, \(EU\) No 1305/2013, \(EU\) No 1306/2013, \(EU\) No 1307/2013, \(EU\) No 1308/2013, \(EU\) No 1309/2013, \(EU\) No 1316/2013, \(EU\) No 223/2014, \(EU\) No 283/2014, \(EU\) No 652/2014 of the European Parliament and of the Council and Decision No 541/2014/EU of the European Parliament and of the Council.](#)

<sup>100</sup> ICF (2016), p. 80ff and 140f.

<sup>101</sup> Baldwin (2016)), p. 142ff.

As the EGF was designed as a solidarity instrument, it is even more pertinent to examine if the EGF is not actually fostering inequity by making a distinction between workers made redundant because of globalisation or the crisis (especially if these terms are not clearly defined), and workers made redundant in mass redundancy events of a similar magnitude, but caused by any other factors such as automation, etc. Seen from the perspective of a dismissed worker who does not receive assistance because his job has ‘only’ been replaced by a robot, it seems highly unfair not to support him, but to support instead another dismissed worker who lost his job because it has been offshored to Asia. The same applies for a job lost in western Europe that has been offshored to eastern Europe: this is because offshoring within the EU would not qualify as a result of major structural changes in world trade patterns.

As shown under the effectiveness criterion, the use of the fund by the EU-13 is still low. Besides other facts, this relates also to differences in the industrial structure. A widening of the scope to include other economic trends such as automation could make the fund more relevant for the needs in the EU-13. Indeed, EU-13 countries are among those most exposed to the risk of restructuring due to automation<sup>102</sup>.

As a conclusion, it is clear that the elements of the scope of the EGF are still relevant. However, thought should be given to what extent the EGF could also respond to other societal needs, for example the trends in technological advance, by extending the scope to any large-scale restructuring event.

### **Relevance of the intervention criteria of the EGF**

The intervention criteria relate to the number of redundancies that occurred in a single enterprise or an economic sector. The latter is particularly aimed at allowing applications combining redundancies in SMEs operating in the same sector. Among the 29 cases subject to the evaluation, 18 concerned redundancies in a single enterprise, 8 were sectoral applications, and 3 used the derogation clause.

The threshold had been lowered from 1 000 redundancies in the 2007 – 2013 period to 500 in the 2014 – 2020 period. Among the 29 cases subject to the evaluation, 20 concerned restructuring events involving less than 1 000- redundancies. This means that the lower threshold definitely triggered more applications. However, it should be reiterated that full spending per se is not an aim of the Fund. Assistance is supposed to be granted to where it is needed. In the absence of objective indicators, the significant impact is a rather subjective decision.

For 41 % of consulted organisations, the threshold was not appropriate, with the organisations favouring a lower threshold. Those substantiating their response suggested lowering the threshold in order to:

- make the fund more attractive to smaller Member States;
- allow Member States to take the whole country into consideration when filing a sectoral application;
- extend the reference period to 12 months.

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<sup>102</sup> OECD (2016), Policy Brief on the Future of Work.

The OPC made suggestions to clearly define the term ‘exceptional circumstances’ in the derogation clause and to define the ‘significant impact’ on the local economy that is necessary to substantiate EGF applications should these criteria be kept in the future.

However, it needs to be reiterated that in line with the subsidiarity principle, the EGF can only be accessed if the redundancies have such a significant impact that the national authorities would face difficulties dealing with the challenges. Therefore, more research and clear indicators seem to be necessary to define what is considered ‘significant impact’. With the current derogation clauses in place, it is already possible to apply for EGF assistance if the threshold of 500 redundancies cannot be reached, as long as a significant impact can be substantiated by the Member State. It seems clear that the threshold itself does not serve as good indicator to justify a significant impact. 500 redundancies in large and prosperous conurbations have a far smaller impact than 500 redundancies in a remote region. Therefore, a lower threshold might trigger more help going to regions that might not actually need it.

During the evaluation work, an analysis was performed of the redundancy announcements recorded in the European Restructuring Monitor (ERM). As set out above, the ERM cannot really be used as a tool to analyse the exact number of potential EGF cases. Given the numbers of the ERM as an indicator, there would be a potential for about 40 % more possible EGF cases if the threshold were lowered to 300 dismissed workers. However, the total number of workers that could be targeted would only increase by 10 %<sup>103</sup>.

As a conclusion, the pure threshold does not seem to be a valuable indicator for the significant impact. Even though the derogation clause is currently in place for exceptional circumstances and small labour markets, Member States are uncertain on how to evidence the significant impact.

### **Relevance of measures offered**

The beneficiary survey detected that the vast majority of respondents (75 %) confirmed that the measures offered matched their needs, whereas 16 % said that their needs had not been matched at all. Among those that claimed their needs had not been matched, younger participants below 45 years of age were particularly well represented. Furthermore, highly educated respondents with a Doctorate or Master’s degree felt that measures did not meet their needs more often than people with lower education attainment levels. Even though the EGF is often vaunted for its tailor-made assistance, the beneficiary study suggests possible room for improvement, as measures seem to best fit the needs of beneficiaries with average educational backgrounds, but not the ones at either end of the spectrum<sup>104</sup>. An example is the aforementioned case of Finnish IT professionals, who felt that the measures were not cutting edge enough and thus not matching their needs. However, these results do not come as a major surprise since one of the objectives of the EGF is to concentrate on the most vulnerable groups, especially older and lower skilled workers.

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<sup>103</sup> ICF (2016), p. 82ff.

<sup>104</sup> ICF (2016), p. 84ff.

EGF assistance is restricted to reactive measures that are offered once people have been made redundant. The measures offered overall match the needs identified and are therefore relevant. However, the political question remains whether other societal needs, such as the anticipation of change, should be included as well.

### 5.6. EU added value

EU added value analyses to what extent changes have been due to an EU intervention. This is done in particular by analysing the added benefits compared to a scenario with Member States' assistance only and the effect of discontinuation of EGF.

A methodology was used that categorises EU added value into volume effects, scope effects, role effects and process effects.

The results of the beneficiary survey highlight how the beneficiaries perceived EU added value. Some 67 % of the respondents were of the opinion that the EGF represents an added value. Some few factors that might have influenced the opinion of the non-satisfied beneficiaries are: the personal situation of the beneficiary (i.e. employed/not-employed); whether the measures were better adapted to the needs of the beneficiaries; and how many beneficiaries were aware that their measures had actually been funded by the EGF (only 45 % of the respondents knew that the measures they had participated in were co-financed by the EGF)<sup>105</sup>.

#### **How did the EGF add value to a scenario with Member States' assistance only**

The evaluators define *volume effects* as effects that show in which way the EGF has added volume to the national measures in place. The evaluators based their judgement primarily on the case research and on the consultations conducted. Some 92 % of those involved in the delivery of the EGF confirm that the EGF has added volume effects to the delivery of services. Four ways in which the EGF adds to volume have been identified:

- Firstly, the EGF increases not only the overall number of services, but especially also the variety of services offered. When the impact of mass redundancies is significant, national authorities would have at best struggled to offer the same number of services. Furthermore, the EGF adds to the flexibility of services offered, e.g. as the starting date can more flexibly be arranged to the needs of the workers.
- Secondly, the EGF intensifies the regular services offered. For example, in a Spanish case, the case providers determined that the per capita amount available was almost five times higher with the EGF than with regular measures, enabling a far more personalised approach.
- A third element, observed in fewer cases, was that additional EGF measures actually raised awareness in the sense that other service providers stepped in to offer additional funding and to re-programme some funds initially earmarked for different purposes.
- Fourthly, in several countries the duration of specialised services was extended compared to what was available at national level.

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<sup>105</sup> ICF (2016), p. 87.



All these factors stand true for services towards NEETs as well<sup>106</sup>.

When new policy areas that would otherwise not have been covered by national policies are targeted or when specific groups of beneficiaries that would otherwise not have been helped are targeted, the arising effects are called *scope effects*. For the EGF, these were far less pronounced and fewer in numbers than volume effects. Specific effects have been observed in two cases only. In one Swedish case, it was possible to help people that had temporary contracts, which would not have been the case in the regular national system of public employment measures. In a Spanish case, the EGF enabled service providers to reach beneficiaries in remote rural areas, due to a tripartite approach involving trade unions and employer organisations. The EGF did not affect any policy areas otherwise not covered<sup>107</sup>.

*Role effects* relate to the extent to which innovative ideas could be tested, best practices identified and incorporated into the regular package of provision. Even though most cases were still being implemented, a few examples could already be identified. One example was a case in Italy, where an EGF case served as a role model for the development of a new national approach in restructuring help. Another example comes from Spain, where the tripartite approach in one case served as a role model for regular measures offered by the national authorities. Even though only a few cases have been identified so far, 54 % of the respondents to the OPC that have experience in the delivery of EGF replied that EGF experience is applied elsewhere<sup>108</sup>. However, the consultants do not mention whether this has been substantiated further. It is likely that the respondents base their judgements on past experience with cases from the former programming period 2007-2013.

*Process effects* relate to the general improvement of delivery processes thanks to experiences during EGF implementation. No direct evidence could yet be found on a systematic influence, which might also be because most cases were still being implemented at the time of research. However, in some of the cases observed, EGF cases led to an improved cooperation mechanism between delivery partners, improving the quality of coordination in restructuring events. This was especially the case in Belgium, where several cases were being implemented at the same time, with the constant exchange between case coordinators leading to improvements in the case delivery mechanism. However, at the time of research, in Greece this was regarded as a missed opportunity. Even though several cases were being implemented, and little previous experience existed, hardly any types of efforts to improve coordination in order to build up delivery mechanisms were observed.

Besides delivery mechanisms, experiences of EGF influence general national frameworks. This can also relate to social partners, as an example involving Belgian trade unions shows. The trade unions now take a far more proactive approach, having developed systems to identify vacant positions in other companies, trying to help the workers made redundant to find new employment. 51 % of respondents to the OPC that

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<sup>106</sup> ICF (2016), 87ff.

<sup>107</sup> ICF (2016), p. 89ff.

<sup>108</sup> ICF (2016), p. 91f.

are experienced in EGF delivery are of the opinion that EGF generates process effects<sup>109</sup>.

Previous evaluations<sup>110</sup> have shown a high degree of visibility of the EGF assistance granted in cases where the assistance is concentrated in a confined territory. This is also due to the fact that many large-scale restructuring events attract high media attention per se. Those EGF cases dealing with a restructuring event in a single enterprise therefore attract a lot of attention in regional or national media. However, as opposed to the visibility in the general public, the current evaluation shows that Member States need to put more efforts in informing beneficiaries about the source of assistance granted. Only 45% of respondents in the beneficiary survey were aware of EGF co-funding of the measures they had participated in<sup>111</sup>.

The high visibility of the EGF further helps to stress the Fund's character as an instrument showing European solidarity.

### **Consequences of discontinuing the EGF**

The evaluators conclude that regions affected by mass redundancy events that could currently be helped by the EGF would experience greater economic shocks without the existence of the EGF<sup>112</sup>.

It is obvious that none of the described volume, scope, role and process effects would occur in the absence of EGF funding.

## **6. CONCLUSIONS**

The Commission carried out a mid-term evaluation of the EGF to assess how and to what extent the EGF is reaching its objectives. The effectiveness, sustainability, efficiency, coherence, relevance and EU added value of the results achieved were assessed. In addition to the conclusions from the evaluation study, additional reports and studies have been used to deepen the analysis and develop the directions for the future.

The early timing of the EGF mid-term evaluation allowed for only limited information and experience from the current period. Furthermore, the improvement in the economy had led to a downturn in the number of EGF applications, further reducing available evidence. Despite the Commission's efforts to evaluate as broadly as possible and consult as widely as possible, the results of the evaluation have to be taken with caution, due to the limited robustness of data available.

On *organisational learning*, an important lesson learned during this exercise is that, for the purposes of the evaluation of the results achieved, future initiatives should be allowed to advance far enough in the implementation cycle to ensure ample evidence could be collected and analysed.

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<sup>109</sup> ICF (2016), p. 92ff.

<sup>110</sup> [Ex-post evaluation of the European Globalisation Adjustment Fund \(EGF\)- final report \(2015\)](#), p. 64.

<sup>111</sup> ICF (2016), p. 87.

<sup>112</sup> ICF (2016), p. 94f.

On the *effectiveness* of the EGF, the re-integration rate of redundant workers into the job market improved compared to the previous funding period (from 49 % to 56 %). However, evidence suggests that the re-integration rates are very case specific, for example depending on the specific economic situation in the area concerned. It is therefore not only difficult to compare re-integration rates over cases, but also to find suitable other comparators of similar measures. It would be useful if Member States could develop case specific targets.

The mobilisation of assistance offered to workers made redundant can either be justified by showing that redundancies occurred as a consequence of ‘globalisation’ or the ‘global financial and economic crisis’. However, neither of the two terms has been clearly defined in the EGF Regulation. In general, the lack of definitions can be perceived as offering a certain flexibility, but also as leaving grey areas of uncertainty. Finding the right evidence to justify a case is a major challenge and frequently keeps Member States from applying.

Even though smaller redundancy cases could be eligible under Article 4(2) of the EGF Regulation, Member States are not certain how to show that redundancies are likely to have a significant impact on the economy, especially on employment levels, as this impact is also not further defined by the Regulation. It seems to be of great importance to define the significant impact more clearly, for example by developing specific indicators or a scorecard that would help analyse the social impact.

Administrative and financial capacity problems during both the application and implementation phases are a further obstacle for Member States when deciding on a possible application.

Regarding the fact that the EGF is little used by the EU13, a decisive factor lies in the industry structure of most countries concerned. Many of these countries received jobs from western Europe, but did not lose that many jobs in turn to non-EU countries. The phenomenon of jobs lost due to structural change caused by trade-related globalisation is thus far more prevalent in the EU-15.

EGF measures are always offered on top of regular national measures and/or intensify them. No displacement effects were observed at case level. The help offered would otherwise not have been available. This is a clear sign of the complementarity and additionality of EGF measures.

The main factors influencing beneficiary participation in EGF measures are:

- an early and intensive general information package;
- an early start to personalised measures;
- continuous mechanisms to adjust measures in response to current developments.

EGF assistance also helps to remove barriers of participation in national or EGF measures, by offering additional services such as travel assistance or childcare facilities.

Concerning the NEETs derogation, eligible Member States showed a great interest in using it, with the exception of Spain. In total, the derogation was used in 9 cases in 3 different Member States. Still, wherever it has been used, the help has been picked up to a very high degree by the young people targeted, a help they would otherwise not have

received. In a few cases, the evaluation has highlighted certain problems in ensuring timely delivery of monitoring data. Should this difficulty persist, the Commission would need to consider taking appropriate measures.

The limited monitoring requirements set out under Article 18 of the EGF Regulation are an issue and an obstacle for making a more thorough analysis of EGF performance.

On the *sustainability* of results, since the implementation cycle was not advanced enough, no robust data is available. General employability improved due to the upgrading and updating of skills. At an individual level it was observed that beneficiaries developed higher self-esteem, which was likely to result in a more proactive approach in job seeking. The most significant effects observed are thus in the area of the development of human capital.

At an institutional level, the use of EGF assistance fosters the development of a general delivery mechanism of restructuring assistance in Member States with little experience in dealing with mass redundancies. In Member States that can already build on a wealth of experience and delivery mechanisms in place, the EGF serves as a tool to test innovative measures, which could later be mainstreamed in employment and social policies.

As for the *efficiency* of the assistance mobilised, the length of procedures during the decision-making process has been criticised despite the substantial shortening of the timing and the stricter deadlines for Commission and Member States. In half of the cases did Member States express a positive opinion on the guidance received from the European Commission during the application phase.

More efforts are needed to ensure the *coherence* of funding. While at case level, no overlaps with other EU or national funding could be identified, there is scope to better align the EGF and the European Social Fund (ESF). The EGF was designed to offer measures that complement other instruments such as the ESF. An integrated approach can at best be observed in the interplay of national funding and EGF. However, Member States currently do not design strategic human capital investment packages into which they could integrate EGF assistance when faced with major restructuring events. In addition, the EGF could be better coordinated with the recommendations set out in the EU Quality Framework for anticipation of change and restructuring (QFR).

As for the *relevance* of EGF funding, particularly those stakeholders with experience in the delivery of EGF measures questioned whether the EGF was the right channel to deliver assistance to NEETs. To a far smaller but still significant degree, the crisis criterion was regarded as not relevant anymore. In the light of changes in how globalisation works, the increasing development of global value chains become more difficult to substantiate. Considering the difficulties in evidencing applications, it is clear that the EGF could be mobilised far quicker if no or less documentation was necessary (which would be the case if all major restructuring events were eligible). The EGF would then correspond better to its function as an emergency relief instrument.

This would also need to be seen in the light that the scope of the EGF covers globalisation and crisis, but no other major economic developments. Workers made redundant due to other reasons, for example automation, face very similar challenges, and outnumber those made redundant because of globalisation. If the scope would be

widened to cover any type of restructuring event causing a significant adverse impact, the fund would be fit to respond to any developments, and the argumentation requirements would not be necessary anymore.

The evaluation found that the EGF generated *EU 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.

EGF cases connected to large scale restructuring events in a single enterprise have a very high level of visibility. However, as opposed to the visibility in the general public, Member States need to put more efforts in informing beneficiaries on the source of the assistance received.

### 6.1. Possible improvements

Evidence shows that the EGF is attaining its goals to contribute to the Europe 2020 strategy priority of inclusive growth. This is achieved by showing solidarity with and supporting workers made redundant as a consequence of globalisation and the financial and economic crisis. There is common understanding and substantiated evidence that this help is useful, and that it would otherwise not have been offered.

However, the institutional design of the EGF leaves room for improvement. Several challenges could be tackled for the future.

On the *scope*

Evidence shows that the design of the EGF would require revision or further definition, such as the exact scope of the EGF and the criteria that trigger its use. In accordance with the subsidiarity principle, restructuring events must have a significant impact on the economy in order to justify the mobilisation of EGF assistance. However, the notion of 'significant impact' is not clearly defined. Especially for smaller redundancies below the usual threshold of 500 workers made redundant, in rural areas, they could well be eligible under the derogation clause, but Member States are not sure of how to evidence the impact. It seems important to define a clear indicator, especially as the business demography of many Member States is predominated by SMEs.

The terms globalisation and crisis are not defined either, and Member States are often ambiguous under which criterion they should submit an application, as they might be able to substantiate both criteria. Evidencing an application is regularly regarded as one of the main obstacles for a Member State to apply. In the light of these difficulties, and considering that far more jobs are lost e.g. because of technological change (redundant workers face the same challenges as those made redundant because of globalisation, as their skills become outdated or obsolete), a possible solution would be the widening of the scope to all large scale redundancy events that cause a significant impact on the regional economy and labour market. This would remove the obstacle of having to evidence an application (substantiating an analysis on why redundancies were triggered by globalisation or the financial and economic crisis). As this is also one of the two most time-consuming steps during the application phase, this simplification would speed up the mobilisation of EGF assistance by a few weeks. This would also offer more possibilities for EU 13 countries to apply for assistance.

Restricting assistance to workers made redundant due to globalisation could also be regarded as fostering inequity, as workers made redundant because of technological advance or other reasons are left behind. Opening the scope would therefore also seem to be a fairer solution.

#### *On monitoring and reporting*

In order to enable a better analysis of the *effectiveness* of the EGF, Member States should be required to collect more detailed data, especially regarding the category of workers (professional and educational background) and their employment status (e.g. type of employment found).

#### *Capacity to apply and implement EGF cases*

The main reason that keeps Member States that would have had a potential EGF cases 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. Therefore, a permanent Technical Assistance budget could help ensure a constant capacity building in the Member States.

#### *Supportive measures*

It seems necessary to embed EGF assistance more closely into the QFR and to design a better co-ordinated approach of both preventive measures in anticipation of major restructuring events, and one-off reactive measures as those currently co-financed by the EGF. This could mean a widening of the range of activity of the EGF, or a more closely co-ordinated approach together with other EU instruments such as the ESF. Even though the instrumental design shows a clear complementarity of the funds, Member States could better embed EGF assistance into a comprehensive package of restructuring aid. Labour market transitions require intensive investments in human capital, both in the form of proactive anticipative measures and reactive measures.

#### *NEETs derogation clause*

Youth unemployment will still remain a major challenge. Experience shows that EGF assistance, if offered to NEETs, is picked up by a very high degree. However, thoughts should be given to whether the EGF is the right avenue to offer such assistance or if other channels would offer better chances of reaching out to the young people concerned. It could be regarded as fostering inequity if help is only offered to NEETs in regions affected by a mass restructuring event caused by globalisation or crisis, but not to those in regions affected by i.e. automation.

## 6.2 Outlook

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 and decreasing demand for lower skilled labour. Despite the overall uncontested tremendous advantages of more open trade and a further integration of world economies, these negative side effects need to be tackled. As already today globalisation's benefits are unequally distributed among people and regions, causing a special impact on those adversely affected, there is a danger that the ever faster evolving technological advances will fuel these affects even further. In order to prevent a further widening of the gaps, Europe will need to help the workforce to attain the required skills. With a specific view to the EGF, the Reflection Paper argues it should be considered to make the instrument more operational, in order to ensure a faster deployment in case of a major restructuring event. In order to enable it to support a broader range of economic development actions than the current focus on the affected workers, more flexibility would be needed. The gap between short-term measures and longer-term conversion strategies supported by cohesion policy will need to be bridged.

The Commission launched the [European Pillar of Social Rights](#) which takes into account the changing realities of the world of work. More specifically, the Pillar puts forward a principle related to activation and facilitating transitions on the labour market: "Everyone has the right to timely and tailor-made assistance to improve employment or self-employment prospects. This includes the right to receive support for job search, training and re-qualification. Everyone has the right to transfer social protection and training entitlements during professional transitions." The EGF offers an important and visible instrument at EU level to put this principle into practice in the case of restructuring.

The mid-term evaluation has shown that the EGF is creating EU added-value by offering assistance to workers made redundant in major restructuring events. The Commission is therefore looking forward to further discuss with the European Parliament and Council and all major stakeholders, the assistance currently delivered by the EGF. The EGF is regarded as an essential element in the overall package of human capital investment. The Commission is considering its further development in order to be ready for the challenges of the post-2020 period.



## ANNEX I Procedural information

The Commission's Better Regulation Guidelines (BRG) lay down the framework for evaluations. In line with the BRG, the following approach to the division of work and responsibilities was chosen:

### **Role of the Commission departments**

By definition in the BRG, Commission departments are the owner of evaluations. The **Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL)** took the lead in the evaluation exercise and included the evaluation in the Commission's *Agenda Planning System* (2015/EMPL/022). DG EMPL drafted the evaluation roadmap, the stakeholder consultation strategy and the terms of reference (for the contract with an external consultant), and presented them to the ISG for feedback discussions and approval. DG EMPL also served as the main contact point for the external contractor and ensured the publication of all relevant evaluation documents. In the final phase of the evaluation, it is the responsibility of DG EMPL to:

- draft this staff working document;
- draft the report disseminating the evaluation findings to stakeholders;
- conduct follow-up activities, making sure the findings of the evaluation are taken into consideration for future policy design.

### **Role of the Interservice Steering Group (ISG)**

According to the BRG, an ISG involving representatives of all key stakeholders within the Commission departments needs to be established to steer the whole evaluation process. Besides representatives of DG EMPL, seven other DGs<sup>113</sup> and Eurofound participated. The ISG has been involved in all key steps of the evaluation, starting with the design and publication of the evaluation roadmap, the stakeholder consultation strategy, the design of the terms of reference for the external study conducted, and the discussion and approval process of all deliverables of the contractor. The ISG was called upon for discussion and approval of this staff working document, and will also be called upon for the report to be sent for information purposes to other EU institutions and to social partners.

### **Role of the contractor**

The contractor was tasked with providing a report offering answers to the evaluation questions in the form of findings, conclusions and recommendations. The report was also to be accompanied by annexes that provide information on the individual cases (case reports).

The report draws on a mixture of qualitative and quantitative information and relies on a variety of sources of information to reach conclusions.

To be able to come to a conclusive judgement, the contractor was also tasked with conducting all stakeholder consultations planned, submitting reports on each one of

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<sup>113</sup> The seven other DGs are: BUDG, COMP, GROW, REGIO, SG, SJ, and TRADE.

these activities and providing an overall synopsis report covering all consultation work done (see Annex II).

This meant that the contractor had to deliver an inception report, an interim report, a final report, case study reports, consultation reports and the consultation synopsis report.

The contractor chosen was ICF International Consulting, London.

### **Role of the Regulatory Scrutiny Board (RSB)**

The Commission set up the RSB<sup>114</sup> as an independent advisory body to provide quality control and support functions for evaluation work. The RSB examines and issues opinions and recommendations on all major and other select evaluations. The present mid-term evaluation was chosen for scrutiny by the RSB. (see below)

### **Challenges and limitations**

As set out in Section 4, the timing of the mid-term evaluation turned out to be a challenge as the implementation cycle had not progressed enough in time to produce a meaningful base of cases to conduct quantitative analyses. Economic recovery resulted in a downturn in the number of applications, further reducing available evidence.

For the evaluation process, the introduction of the BRG meant an unexpected and major extension of the scope of the evaluation, both in terms of the evaluation criteria to be assessed as well as the extent of stakeholder consultations.

The delayed start and the extended scope therefore represented a tremendous challenge considering time and budget constraints.

Despite all the efforts of the Commission, the Member States and the external consultants, participation rates in both the OPC and in beneficiary surveys remained low.

Obtaining robust data that could be used for counterfactual analyses was made even less likely by there being two different types of possible EGF applications, namely: (i) to help workers made redundant in a single enterprise over a period of 4 months; and (ii) to help workers made redundant in different enterprises operating in the same sector and located in adjacent regions over a period of 9 months. Only in a very few cases were such data available at national level. The doubling of the implementation period of EGF cases makes direct comparisons between results of the former funding period and the new funding period challenging.

As a consequence of the above, limitations on data availability and the limited robustness of data hindered quantitative analyses. Some of the results of the analyses therefore have to be taken with caution.

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<sup>114</sup> For further information, please see [https://ec.europa.eu/info/law/law-making-process/regulatory-scrutiny-board\\_en](https://ec.europa.eu/info/law/law-making-process/regulatory-scrutiny-board_en).

## Timeline

- March 2015: first preparations were started, but then put on hold until publication of BRG
- 19 May 2015: publication of BRG
- 12 June 2015: DG EMPL invited interested Commission departments to nominate members to the ISG
- 23 July 2015: appointment of ISG members
- 21 August 2015: first ISG consultation (by email) on the draft roadmap and the draft stakeholder consultation strategy
- 10 September 2015: political validation of initiative by the Director-General (DG EMPL) and inclusion in the Commission's *Agenda Planning* (2015/EMPL/022)
- 11 September 2015: publication of stakeholder consultation strategy
- 21 September 2015: publication of draft roadmap and start of 4-week feedback period
- 23 October 2015: first meeting of the ISG; final ISG approval of roadmap (end of four-week consultation period); discussion and approval of terms of reference
- 30 October 2015: start of tendering procedure (for external evaluation study)
- 22 December 2015: award decision, external contractor chosen: ICF International Consulting, London
- 21 January 2016: kick-off meeting between DG EMPL and ICF Consulting
- 25 February 2016: ISG meeting and discussions of draft inception report presented by ICF
- 2 March 2016: stakeholder consultation event: EGF Networking Seminar, discussion of planned further consultations
- 31 March 2016: ISG meeting, discussion of results of seminar, further comments and approval of inception report and on questionnaire for OPC
- 18 May 2016: Start of 12-week internet-based OPC (later extended to 16 weeks due to summer holidays and low response rate)
- 22 September 2016: ISG meeting, discussion of OPC results and of draft interim report presented by ICF (submission was initially planned for June but then postponed by 2 months due to low participation rate in OPC)
- 3 November 2016: ISG consultation (by email) on revised interim report
- 15 November 2016: ISG meeting, further discussions and approval of revised interim report, discussion of first draft final report
- 9 December 2016: ISG meeting, discussions on revised draft final report
- 16 December 2016: ISG consultation (by email) on deliverables
- 22 December 2016: approval of deliverables of contractor and of the *Quality*

*Assessment of the evaluation report*

- 20 March 2017: ISG meeting, discussions of first draft of SWD
- 19 April 2017: ISG consultation (by email) on revised draft SWD
- 10 May 2017: draft SWD submitted to RSB
- 6 June 2017: RSB meeting
- 8 June 2017: RSB opinion
- 30 June 2017: concluding ISG meeting

Results of RSB consultation (RSB opinion)

<b>RSB – main considerations</b>	<b>Comment DG EMPL - explanation how consideration were incorporated in revised draft</b>
The mid-term evaluation does not make enough use of existing reports and evaluations of the EGF.	Existing reports, evaluations and studies all refer to the EGF 2007 – 2013. Wherever useful, the findings of the evaluations and studies of the former programming period have been taken into account. The report of the ECA audit is also used and some national reports.
The report does not evaluate the changes in the programme that were introduced in 2014. In particular, it does not sufficiently assess whether it was useful to extend the fund to cover young people that are "not in education, employment or training" (NEETs).	The main new elements are set out in chapter 2.3.4. (p.12). In chapter 5, conclusions on whether these changes were useful have been included to the extent possible (e.g. there are no available data on the number of previously self-employed beneficiaries or beneficiaries made redundant by SMEs). The judgement on the NEETs has been re-evaluated, also taking into account the experience of the Commission in dealing with EGF applications.
The mid-term evaluation does not draw clear conclusions or lessons from the evidence it has collected	To the extent possible, considering the evidence base from the mid-term evaluation report and also other reports and studies, clearer conclusions were drawn (both chapter 5 and 6).
<b>RSB- further considerations and adjustment requirements</b>	
<b>Scope and lessons learnt</b>	
The Staff Working Document (SWD) should clarify the purpose and general context of this evaluation. Since the results of this mid-term evaluation feed into the development of future programmes, it should identify and cover all relevant aspects.	The purpose and scope of the evaluation had been set-out in the evaluation's roadmap in 2015. They are presented in chapter 1 of the SWD (in line with the roadmap). 28 evaluation questions had been formulated to guide the evaluation work, comprising all relevant aspects to inform future policy design.  Furthermore, the purpose of the present SWD has been set out in chapter 1.3.
Overall, the SWD should go beyond summarising conclusions of the external study, using a wider set of data and relevant lessons learned. While acknowledging changes over time in the fund, it should take into account past experience with the EGF. It should embed its analysis, findings and conclusions in available knowledge from existing reports and evaluations	The external study, conducted under close scrutiny by the evaluation's ISG, makes use of all data available, including all stakeholder consultations conducted. The SWD always references to the stakeholder consultations (the consultation had been conducted by the external contractor, and the extensive results of all consultations are to be found in the annex of the contractor's report). Relevant parts not covered by the external study, in particular an analysis of relevant economic trends, have been conducted based on a variety of available research.  In addition to the results of the study, wherever relevant, the revised SWD also takes into account the findings of reports and studies on the previous programming period and audit reports, and includes the

<p>of the EGF. These include a 2015 ex-post evaluation, a 2013 European Court of Auditors Special Report and stakeholders' views.</p>	<p>experience of the Commission in the management of the EGF.</p> <p>To the extent possible, clearer conclusions were drawn (both chapter 5 and 6).</p>
<p>As regards the new elements of the EGF (e.g. changes to eligibility criteria, to co-financing rates, intervention thresholds), the report should better assess their impacts and draw clear conclusions. In particular, the report should assess the programme extension to NEETs and draw implications with regard to possible reauthorisation of this derogation clause beyond 2017. This is one of the stated objectives of this evaluation.</p>	<p>The main new elements are set out in chapter 2.3.4. (p.12). In chapter 5, conclusions on whether these changes were useful have been included to the extent possible (e.g. there are no available data on the number of previously self-employed beneficiaries or beneficiaries made redundant by SMEs). The judgement on the NEETs has been re-evaluated, also taking into account the experience of the Commission in dealing with EGF applications.</p>
<p>The report should be clearer on which of the current monitoring arrangements might need adjustment together with relevant recommendations for the future.</p>	<p>Included in chapter 3.2 and 5.1 as well as in the conclusions.</p>
<p><b>Analysis of effectiveness and efficiency</b></p>	
<p>The SWD should more clearly explain the reasons for limited take-up of the instrument despite several adjustments to the framework. What are reasons for repeated underspending of EGF appropriations? The report should also address why the fund is still used only by some Member States, and whether this might be linked to "forum shopping" between this fund and the European Social Fund. It should further assess to what extent EGF targets SME workers in the supply chain, and what the impact has been of introducing a self-employed, fixed-term and temporary workers category in the eligibility criteria.</p>	<p>Extensive analysis is provided in chapter 5.1.</p> <p>No data are available on the extent to which SME workers in the supply chain are targeted, or to the extent to which newly introduced categories of workers could benefit from EGF support. The lack of monitoring data is set out above and indicated as an issue that needs to be addressed in the future.</p>
<p>The report should better analyse possible mismatches between measures offered and the needs of participants, given that 32% of beneficiaries believe</p>	<p>Analyses included in chapter 5.1 and 5.5.</p>

<p>that such mismatches exist. The report should explore whether such mismatches might discourage EGF participation. It should elaborate on the reasons why workers choose not to participate in EGF programmes, basing conclusions on robust evidence, notably when considering factors such as high additional unemployment benefits and severance pay packages.</p>	
<p>The SWD should better assess the potential for cost reduction or simplification of the procedures</p>	<p>This is assessed under the efficiency criterion in chapter 5.3</p>
<p>This analysis should provide the basis for identifying more concrete lessons and conclusions, while being transparent about shortcomings in the evidence-base.</p>	<p>The shortcomings in the evidence base have been made even clearer (chapter 3 and annex III), more concrete lessons learned were formulated.</p>
<p><b>Relevance and EU added value</b></p>	
<p>The report should reinforce the justification for the added value of action at EU level. To this end, the SWD should include statistics on the distribution of the funds per Member State and per category of beneficiary. It should present trends in Member States or regions affected and compare the programme with the national support schemes.</p>	<p>The statistics on the EGF 2007-2017 per Member state have been added.</p> <p>Extensive overview tables on the cases covered by the evaluation can be found in annex IV. However, monitoring data do not allow a further breakdown of data according to the categories of beneficiaries apart from age and gender.</p> <p>An analysis of trends in Member states or regions affected is not available. However, an overview on the impact of offshoring activities in western and eastern Europe is given in chapter 2.1.</p>
<p>The SWD should examine whether the fund is fit for purpose in terms of assisting, at national or regional level, workers who lost jobs either due to globalisation or to the global financial and economic crisis. To what extent does the scope of the EGF reflect current trends in globalisation and technological development such as automation? How does the programme target redundancies that are linked to globalisation?</p>	<p>The current EGF Regulation does not cover automation. However, the challenges of automation have been set out in chapter 2, as an addition to the extensive description of recent trends regarding globalisation.</p> <p>The SWD as a whole sets out how the EGF targets redundancies linked to globalisation.</p>

## **ANNEX II Stakeholder consultations**

According to the BRG, part or all of the consultation work can be conducted by the external contractor. After approval by the evaluation's ISG, DG EMPL tasked the contractor with conducting the consultations in close cooperation with the Commission departments, and with producing reports on each consultation activity and a synopsis report covering all consultation activities. All questionnaires used during the consultations were discussed and approved by the ISG beforehand. Like all other deliverables, the reports were also subject to scrutiny and approval by the ISG. The Commission did not conduct any further consultations. The report provided by the external contractor therefore presents a complete picture of the consultation activities. The evaluation study provided by the contractor also draws on the consultation activities. However, when drafting this staff working document, the Commission not only used the contractor's report, but also the results of the specific consultations in order to double check the validity of data. All reports on the specific consultations are annexed to the contractor's report and contain the results of the activities, including all responses to the online questionnaires etc.

*The report below was provided by ICF International Consulting as Annex VI to the contractor's report.*

### **Consultation report**

An EGF consultation strategy was put together to guide the way in which consultation was undertaken in the mid-term evaluation. The strategy states that, 'In order to ensure that the general public interest of the Union — as opposed to special interests of a narrow range of stakeholder groups — is well reflected in the future design of the EGF, the Commission regards it as a duty to conduct stakeholder consultations, and wishes to consult as widely as possible<sup>115</sup>.'

This presented an opportunity for the evaluation to include open consultation, allowing a wider range of stakeholders to play a part in the evaluation and contribute their views. The evaluation was still also required to carry out targeted consultation, considering the views of those involved in the design, delivery and participation in 29 cases that were approved in 2014 and 2015. The following sections describe the open and targeted consultation that took place in this evaluation.

### **Open public consultation (OPC)**

Open consultation presented a good opportunity to involve a wider range of stakeholders in the evaluation than had previously been possible in evaluations of EGF. To encourage as many relevant stakeholders to participate as possible, it was agreed that

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<sup>115</sup> European Commission Stakeholder Consultation Strategy EGF mid-term evaluation. p.2. Available at: <http://ec.europa.eu/social/main.jsp?catId=326&langId=en>.



consultation and piloting of the questions and consultation format should be undertaken. This was done through ISG discussion and using an EGF networking event to discuss the draft OPC questions.

### **A networking seminar was held with stakeholders to develop the OPC**

EGF Networking Seminars are usually held semi-annually to provide a platform for the EGF Contact Persons and representatives from organisations that deliver EGF measures or similar support to unemployed people in Member States to meet and discuss issues of common interest.

The seminar was held on 2 March 2016. It was used specifically for the purposes of providing information and obtaining input to the mid-term evaluation of EGF and to inform the content and work plan for the OPC to be carried out as part of this evaluation.

The seminar provided an opportunity to discuss the OPC draft questions and work plan. A report of the EGF Networking Seminar is contained in Annex 3. Full details available here:

<http://ec.europa.eu/social/main.jsp?langId=en&catId=326&eventsId=1128&furtherEvents=yes>

The result of the exercise was an improved set of questions for the OPC, with raised awareness of the process and role in the evaluation among attendees.

### **Process of the open public consultation**

#### **Consultation undertaken for the OPC**

The purpose of the OPC was to enable a wide range of stakeholders to provide opinion and evidence to inform the evaluation. As described in the preceding section, targeted consultation with those delivering EGF cases was undertaken, so that the OPC enabled a wider range of stakeholders to provide opinion and evidence to inform the evaluation. The OPC took the form of an online questionnaire placed on the Commission website. The questionnaire contained questions on each of the evaluation themes (effectiveness, sustainability, efficiency, relevance, coherence and added value of EGF).

To develop the specific questions for the OPC an EGF Networking Seminar<sup>116</sup> held on 2 March 2016 was used specifically to obtain input from EGF national contact persons on a set of draft questions and on how to disseminate the OPC.

The work plan for dissemination of the OPC followed the following process: firstly, an email was sent out to target organisations by the Commission. This communication

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<sup>116</sup> EGF Networking Seminars are held biannually to provide a platform for EGF national contact persons and representatives from organisations that deliver EGF measures or similar support to unemployed people in Member States to meet and discuss issues of common interest.

explained the purpose of the OPC with a link to the online survey. For the 10 Member States included in the 29 cases that were part of this evaluation, ICF promoted participation in the OPC. This was done through national contact persons, by asking them to promote the consultation on their networks. Typically this resulted in the details of the OPC being placed on websites.

The stakeholder consultation was planned for a 12-week period, planned to run from May to August 2016. The Commission monitored the responses received, and as a result of a low response rate it was decided that the OPC should be extended by 1 month so that more responses could be submitted following the summer break. The OPC closed on 19 September 2016.

The table below provides a breakdown of the responses received and Annex II provides a detailed report on the responses received through the OPC.

**Table A6.1 Breakdown of OPC responses by Member State and nature of organisation**

Member State	Organisations	Individuals
Austria	1	
Germany	10	2
Greece	4	54
Hungary	1	
Ireland	2	
Latvia	1	
Malta	2	
Belgium	3	1
Netherlands	1	
Spain	1	1
Sweden	1	
UK	1	1
The entire EU	2	2
Czech Republic	1	
Finland	3	

Cyprus	1
France	1

There were 97 responses to the OPC, 34 of which were provided on behalf of organisations, and 63 were submitted on behalf of individuals. Of those responding on behalf of their organisation, a quarter responded on behalf of their national ministry. Almost half of respondents indicated they had never been directly involved in the EGF. A similar number had been involved in the EGF in the last 12 months. Only few had been involved in previous iterations of the EGF.

### **Targeted Consultation: Case research**

Targeted case research was undertaken to assess the effectiveness, sustainability, efficiency, coherence, relevance and added value in 29 cases approved in 2014 and 2015. This process started with discussion with Commission officials and then proceeded by following a consistent approach for each of the case studies. These steps are described below.

### **Interviews with EGF team case handlers**

ICF case researchers met with the Commission's EGF-team staff responsible for the case studies included in this evaluation. Interviews with the case handlers were conducted in the last 2 weeks of April 2016.

This comprised short meetings to discuss the following issues:

the background to the case — when it was first brought to the EGF team's attention, whether it was the Member State that first suggested that the case be put forward;

- whether there any particular issues in developing and processing the application — whether the Member State was able to provide necessary detail;
- whether the scope of the EGF fund is well understood by the Member State in this respect — or was assistance required to develop the application so that it came within the scope of the Regulation (No 1309/2013);
- how the measures included in the application were developed and whether they involved any specific assistance from the EGF team;
- whether delivery commenced at the planned time and whether it was on schedule or behind schedule;
- if there currently any issues in the delivery of the case and if so, what factors have helped/hindered delivery of the case; and

- whether there is anything to be learned from this case regarding the factors which help Member States to apply for EGF funding or prevent them from doing so.

### Case study research

The table below provides an outline of each of the research tasks completed for the 29 cases included in this evaluation.

**Table A6.2 Case study research activities**

Research task	timing	Activities
Task 2.5: Case study briefing	May 2016 — October 2016	Preparation for conducting case research followed an identical process: a written briefing note and verbal discussion with case researchers. The written briefing note provided policy background, aims and objectives for the evaluation, a briefing on the OPC, a description of key case researcher tasks and deadlines, topic guides for interviews and the case report template. A face-to-face or skype briefing was undertaken to ensure common understanding of the tasks and discuss any issues raised by case researchers. This was part of a process of ongoing communication between the project manager and case researchers, started upon commencement of the contract.
Task 2.6: EGF case research	May 2016 — October 2016	Consists of a range of research tasks to complete case study— research (further detail on the interviews and beneficiary consultation is outlined below): <ul style="list-style-type: none"> <li>- review of background documentation</li> <li>- interviews with national EGF contact persons</li> <li>- interviews with EGF case coordinators</li> <li>- interviews with delivery partners</li> <li>- consultations with beneficiaries</li> <li>- consultations with national labour market experts</li> <li>- case-level review of national level documentation and data</li> </ul>
Task 2.7: Case Study reporting		For each of 29 EGF cases, a separate case report has been produced. Case reports submitted have been sent to national contact persons.

### Beneficiary survey

Understanding the extent to which outcomes achieved can be understood to be the result of EGF is also an issue in understanding the effectiveness of the measures provided to beneficiaries. To establish the causality between outcomes observed and the support provided an online beneficiary survey was conducted. The survey achieved a 5 % response rate with a total of 1 116 assisted workers submitting a response out of a total of 22 264. A table of responses by case is detailed below.

**Table A6.3 Beneficiary survey returns**

Case reference	Case name	Number of respondents
EGF/2014/011	BE Caterpillar	49
EGF/2014/004	ES Comunidad Valenciana metal	23
EGF/2014/008	FI STX Rauma	102
EGF/2015/001	FI Broadcom	141
EGF/2015/005	FI Computer programming	400
EGF/2014/005	FR GAD	3
EGF/2014/012	BE ArcelorMittal	47
EGF/2014/013	EL Odyssefs Fokas	49
EGF/2015/003	BE Ford Genk	187
EGF/2015/007	BE Hainaut-Namur Glass	28
EGF/2015/012	BE Hainaut Machinery	79
EGF/2014/014	DE Aleo Solar	8
<b>Grand Total</b>		<b>1 116</b>

**Interviews with national EGF contact persons**

ICF case researchers contacted the relevant national EGF contact persons and arranged interviews with officials responsible for the EGF cases examined in this mid-term evaluation. An important part of this interview process was to understand what data are held on beneficiary outcomes and what method will be possible for beneficiary consultation. At least one case coordinator was consulted in all 29 of the EGF cases.

**Interviews with delivery partners**

In addition, partners involved in the implementation of EGF funded measures have been/will be interviewed. These can be representatives from the trade unions, employer organisations, local or regional government representatives, PES officials and others. The list of such partners will be determined through contacts with the national EGF

contact person and the EGF case coordinator. At least one delivery partner was consulted in all 29 of the EGF cases.

A full table of consultees included in the targeted consultation is provided below.

**Table A6.4 Types of stakeholders consulted during case research**

Case name	Type of stakeholder	Organisation
BE ArcelorMittal	Case coordinators	EGF case coordination unit at Le FOREM Arcelor Mittal reconversion unit LE FOREM
	Delivery partners	Wallonia CSC Wallonia FGTB University of Liege HEC
	Dismissed workers / NEETs	-
BE Caterpillar	Case coordinators	Caterpillar reconversion unit Le FOREM Walloon Le FOREM
	Delivery partners	Wallonia CSC Wallonia FGTB
	Dismissed workers / NEETs	-
BE Ford Genk	Case coordinators	VDAB
	Delivery partners	ESF Vlaanderen
	Dismissed workers / NEETs	-
BE Hainaut Machinery	Case coordinators	Caterpillar and Carwall reconversion unit Le Forem Doosan reconversion unit Le Forem Walloon Le FOREM
	Delivery partners	Social councillor Doosan Wallonia CSC

		Wallonia FGTB
	Dismissed workers / NEETs	-
BE Hainaut-Namur Glass	Case coordinators	Saint Gobain reconversion unit LE FOREM AGC Glass reconversion unit LE FOREM Walloon Le FOREM
	Delivery partners	Wallonia CSC Wallonia FGTB University of Liege HEC
	Dismissed workers / NEETs	-
DE Adam Opel	Case coordinators	Organisations to be listed
	Delivery partners	Organisations to be listed
	Dismissed workers / NEETs	-
DE Aleo Solar	Case coordinators	Organisations to be listed
	Delivery partners	Organisations to be listed
	Dismissed workers / NEETs	-
EL Attica Broadcasting	Case coordinators	Case coordination unit, University of Athens Vice Rector at the University of Athens Ministry of Employment
	Delivery partners	Job counsellor (the EGF case)
	Dismissed workers / NEETs	1 beneficiary
EL Attica Publishing	Case coordinators	EEDE Ministry of Employment



Services	Delivery partners	
	Dismissed workers / NEETs	(beneficiary interviews planned but cancelled on the day)
EL Nutriart	Case coordinators	INE-GSEE Ministry of Employment
	Delivery partners	EEDE
	Dismissed workers / NEETs	-
EL Odyssefs Fokas	Case coordinators	Institute of Commerce and Services (INEMY-ESEE) Ministry of Employment
	Delivery partners	Coordinating guidance counsellor
	Dismissed workers / NEETs	-
EL Sprider Stores	Case coordinators	Case coordination, Association of Industrial Employers of Northern Greece (SBBE) Analysis unit, Association of Industrial Employers of Northern Greece (SBBE) Ministry of Employment
	Delivery partners	Guidance counsellor
	Dismissed workers / NEETs	3 beneficiaries
EL Supermarket Larissa	Case coordinators	No case coordinator appointed yet Ministry of Employment
	Delivery partners	No partners appointed yet
	Dismissed workers / NEETs	No beneficiaries supported yet
ES Aragon	Case coordinators	Aragón regional employment service EGF national contact point (2

		interviewees)
	Delivery partners	<p>Aragón CCOO (Comisiones Obreras) trade union</p> <p>Aragón UGT (Unión General de Trabajadores) trade union</p> <p>Aragón CREA (Confederación regional de empresarios de Aragón) employers' representative</p> <p>Aragón CEPYME (Confederación española de pequeñas y medianas empresas)</p> <p>Eurofound expert</p>
	Dismissed workers / NEETs	-
ES Comunidad Valenciana metal	Case coordinators	Valencian regional PES
	Delivery partners	<p>Valencia-CCOO (Comisiones Obreras) trade union</p> <p>Valencia-UGT (Unión General de Trabajadores) trade union</p> <p>FEMEVAL (Federación Empresarial Metalúrgica Valenciana)</p>
	Dismissed workers / NEETs	-
FI Broadcom	Case coordinators	The Northern Ostrobothnia TE Centre
	Delivery partners	<p>Union of Professional Engineers in Finland</p> <p>The Centre for Economic Development, Transport and the Environment for North Ostrobothnia</p> <p>The Employment and Economic Development Office for Uusimaa</p> <p>The Employment and Economic Development Office for Pirkanmaa</p>

		<p>The Centre for Economic Development, Transport and the Environment for Southwest Finland</p> <p>The Ministry of Employment and the Economy</p> <p>Academic Engineers and Architects in Finland</p>
	Dismissed workers / NEETs	-
FI Computer programming	Case coordinators	<p>The Northern Ostrobothnia TE Centre</p> <p>The Ministry of Employment and the Economy</p>
	Delivery partners	<p>Union of Professional Engineers in Finland</p> <p>The Centre for Economic Development, Transport and the Environment for North Ostrobothnia</p> <p>The Employment and Economic Development Office for Uusimaa</p> <p>BusinessOulu</p> <p>The Employment and Economic Development Office for Pirkanmaa</p> <p>The Employment and Economic Development Office for Southwest Finland</p> <p>The Ministry of Employment and the Economy</p>
	Dismissed workers / NEETs	-
FI STX Rauma	Case coordinators	<p>City of Rauma</p> <p>The Ministry of Employment and the Economy (EGF coordination)</p>
	Delivery partners	<p>Trade Union Pro</p> <p>The Ministry of Employment and the</p>

		<p>Economy</p> <p>The Employment and Economic Development Office for Satakunta Region</p> <p>TK-Eval (evaluators)</p> <p>Academic Engineers and Architects in Finland</p>
	Dismissed workers / NEETs	-
FR GAD	Case coordinators	POLE EMPLOI
	Delivery partners	<p>FO delegate (Force Ouvrière, trade union)</p> <p>DIRECCTE</p> <p>ALTEDIA (main placement agency)</p>
	Dismissed workers / NEETs	-
FR Mory-Ducros	Case coordinators	DGEFP, Mission Fonds National de l'Emploi (2 interviewees)
	Delivery partners	BPI Group (one of the three contractor selected to guide and assist the redundant workers) (2 interviewees)
	Dismissed workers / NEETs	-
FR MoryGlobal	Case coordinators	Case coordination unit
	Delivery partners	<p>DGEFP, Mission Fonds National de l'Emploi (3)</p> <p>BPI Group (2 interviewees)</p> <p>SFERIC solution (liquidator)</p> <p>Sodie</p>
	Dismissed workers / NEETs	-
FR PSA	Case coordinators	PSA

	Delivery partners	Sodie
	Dismissed workers / NEETs	-
IE Andersen Ireland	Case coordinators	EGF Coordination Unit, SOLAS
	Delivery partners	Department of Social Protection Limerick and Clare Education and Training Board SOLAS Optima Training Pitman Training
	Dismissed workers / NEETs	5 dismissed workers, 1 NEET
IE Lufthansa Technik	Case coordinators	EGF Coordination Unit, SOLAS
	Delivery partners	Department of Social Protection City of Dublin Education and Training Board, SOLAS, CPM Coaching Aertrain, Airport Driving School iSmart
	Dismissed workers / NEETs	6 dismissed workers, 1 NEET
IE PWAI International	Case coordinators	EGF Coordination Unit, SOLAS
	Delivery partners	Department of Social Protection City of Dublin Education and Training Board, SOLAS, CPM Coaching Aertrain, Airport Driving School iSmart
	Dismissed workers / NEETs	2 dismissed workers
IT Alitalia	Case coordinators	Adecco (3 interviewees)

		Ministero del Lavoro e delle Politiche Sociali
	Delivery partners	Regione Lazio — Regional Directorate for Labour
	Dismissed workers / NEETs	-
IT Whirlpool	Case coordinators	Con.Solida
	Delivery partners	Department of Labour, Economy and Development of the Autonomous Province of Trento  Trento University
	Dismissed workers / NEETs	4 beneficiaries
NL Gelderland and Overijssel	Case coordinators	Ministerie van Sociale Zaken en Werkgelegenheid
	Delivery partners	Agentschap SZW (Labour Inspectorate)  BMC consultancy
	Dismissed workers / NEETs	-
SE Volvo Trucks	Case coordinators	Arbetsförmedlingen (5 interviewees)  Ministry of Employment
	Delivery partners	Umeå Kommun  Antenn  Startkraft  University of Gothenburg
	Dismissed workers / NEETs	6 beneficiaries

## **Lessons from the consultations undertaken**

From the consultations undertaken for this mid-term evaluation a few lessons can be identified for future evaluations.

1. The OPC does not provide coverage of all Member States, nor does it cover all of the Member States that are included in the 29 cases covered in this evaluation, despite significant effort to achieve this. This result demonstrates that it is difficult to achieve a high response rate. A general lack of awareness regarding specific details of EGF may have resulted in some potential respondents being reluctant to take part in the consultation.
2. Beneficiary surveys were possible in most Member States. It is therefore encouraging that most Member States hold beneficiary email addresses. The more beneficiaries that are contactable by email, the richer the data for evaluation has the potential to be.
3. Most Member States were able to participate in the evaluation and provide contact details for delivery organisations. This was less straightforward in Member States that had used external organisations to organise delivery of EGF measures. Participation in the evaluation should form part of the agreement between Member States and such delivery organisations.

### ANNEX III Methods

The Commission hired an external consultant to provide an evaluation study for the whole scope of the evaluation. *This staff working document is largely based on the study provided.*

Every one of the cases covered by the evaluation study was subject to analysis on the basis of qualitative information (document analysis, open public stakeholder consultations, interview with stakeholders, a sample of individual beneficiaries) and available figures of gross achievements.

In the initial phase, the contractor conducted desk research, analysing the relevant regulations in place, previous evaluation reports, other studies on the EGF conducted by the European Commission, the European Parliament and the Court of Auditors, as well as economic and social analyses on the topic.

Besides the desk research, the contractor conducted all relevant stakeholder consultations and provided a report on each consultation as well as a consultation synopsis report.

Depending on the stakeholder group identified, different tools and methods were used to conduct the consultation.

In March 2016, as a first consultation activity, a networking seminar was organised by the Commission, to which relevant stakeholders were invited and during which the planned stakeholder consultations were discussed.

During the internet-based public open consultation, stakeholders were consulted on the evaluation criteria, using an online questionnaire.

The contractor also conducted targeted stakeholder consultations. These consisted not only of interviews with Commission representatives (EGF case handlers), the national EGF contact persons, implementers and other delivery partners, and national labour market experts, but also of targeted beneficiary consultations.

The details of the consultation activities are set out above in Annex II.

Besides the qualitative data sourced from the consultations, the consultants used quantitative labour market data extracted from Eurostat and quantitative data extracted from Eurofound's European Restructuring Monitor (ERM) to try to establish comparators<sup>117</sup>. However, considering the special character of EGF cases, it is hardly

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<sup>117</sup> Regarding the analyses of ERM data conducted, it should be noted that the case count and the job loss figures indicated relate to all job loss restructuring cases in the ERM database, including transnational cases. This relates especially to the data on p.84f in ICF International Consulting (2016), Mid-term evaluation of the European Globalisation Adjustment Fund - Final Report. Offshoring can be regarded as a clear-cut reason for the mobilisation of the EGF. Even though the ERM lists 'offshoring' as a potential category of restructuring events, less than one in ten restructuring cases in the dataset is categorised as an offshoring case. The vast majority of ERM cases are categorised as either bankruptcy, closure or internal



possible to identify truly robust comparators or even to conduct counterfactual analyses. For EGF cases, data from the Commission's EGF case database as well as data provided by national authorities were used.

As only a very few case results were available, the consultants were not able to perform the planned econometric analyses. The sample found was too small and would have rendered the results meaningless.

Therefore, the reliability of the results presented was ensured by triangulation, using various methods of qualitative research, combined with a very limited base of quantitative analyses.

More details are set out in Annex I to the contractor's report.

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restructuring events without further examining the causes of the events. Companies would usually not publish the exact reasons of their restructuring events. A detailed EGF-relevant comparison is therefore not possible.

## ANNEX IV Case profile data by country and by sector

According to Article 20(3) of the EGF Regulation, evaluations ‘shall include the figures showing the number of applications and shall cover the performance of the EGF by country and by sector, so as to assess whether the EGF is reaching its targeted recipients’.

Due to the small number of cases covered by the Regulation, in-depth analyses per Member State or per industrial sector were not possible.

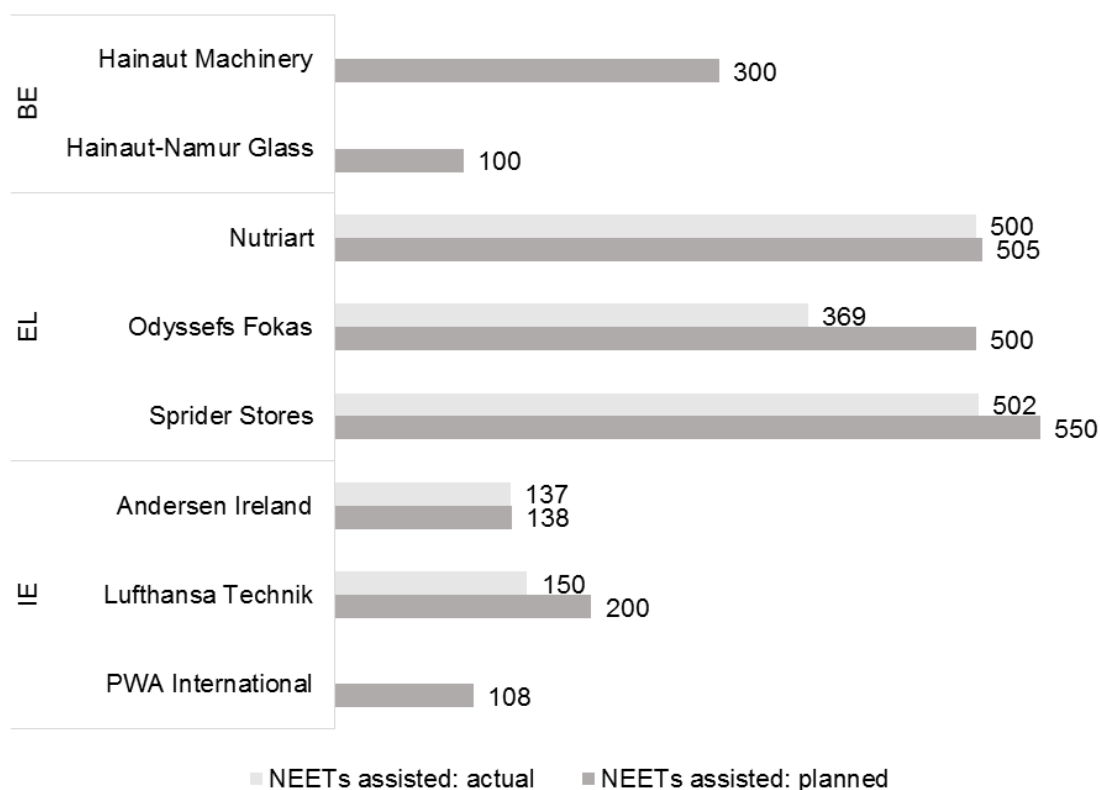
The most important general data on cases covered by the mid-term evaluation are given below, starting with an overview on cases supporting NEETs.

For the completeness of the exercise and for information purposes, overview tables on cases are presented. These are sorted by Member State and subsequently per sector, (please also see Annex IV to the contractor’s report for a descriptive analysis of the tables).

### Cases covering NEETs

The following table offers a comparison between the number of NEETs targeted by the respective cases offering support them, and the actual number of NEETs supported.

Figure: Total number of NEETs assisted (planned versus actual), by case



## Case profiles by Member State

### Cases by intervention criterion

EGF case number	Case name	Member State	Sector	Application date	Intervention criteria	Globalisation / Crisis
EGF/2014/011	Caterpillar	BE	Machinery and equipment	2014-07	A	Globalisation
EGF/2014/012	ArcelorMittal	BE	Basic metals	2014-07	a	Globalisation
EGF/2015/003	Ford Genk	BE	Automotive	2015-03	a	Globalisation
EGF/2015/007	Hainaut-Namur Glass	BE	Manufacture of glass	2015-08	b	Globalisation
EGF/2015/012	Hainaut Machinery	BE	Manufacture of machinery and equipment	2015-12	b	Globalisation
EGF/2014/014	Aleo Solar	DE	Solar modules	2014-07	a	Globalisation
EGF/2015/002	Adam Opel	DE	Automotive	2015-02	a	Crisis
EGF/2014/001	Nutriart	EL	Bakery products	2014-02	a	Crisis
EGF/2014/009	Sprider Stores	EL	Retail trade	2014-06	a	Crisis
EGF/2014/013	Odyssefs Fokas	EL	Retail trade	2014-07	a	Crisis
EGF/2014/015	Attica Publishing Services	EL	Publishing	2014-09	b	Crisis
EGF/2014/018	Attica Broadcasting	EL	Broadcasting	2014-09	b	Crisis
EGF/2015/011	Supermarket Larissa	EL	Retail trade	2015-11	a	Crisis
EGF/2014/003	Aragon	ES	Food and beverage service activities	2014-02	b	Crisis
EGF/2014/004	Comunidad Valenciana metal	ES	Metalworking industry	2014-03	b	Crisis
EGF/2014/008	STX Rauma	FI	Shipbuilding	2014-05	a	Globalisation
EGF/2015/001	Broadcom	FI	Wholesale trade	2015-01	a	Globalisation
EGF/2015/005	Computer programming	FI	Computer programming	2015-06	b	Globalisation
EGF/2015/010	MoryGlobal	FR	Road transport	2015-11	a	Crisis

EGF case number	Case name	Member State	Sector	Application date	Intervention criteria	Globalisation / Crisis
EGF/2014/005	GAD	FR	Slaughterhouse	2014-04	a	Crisis
EGF/2014/006	PSA	FR	Automotive	2014-04	a	Globalisation
EGF/2014/017	Mory-Ducros	FR	Road transport	2014-10	a	Crisis
EGF/2014/007	Andersen Ireland	IE	Jewellery	2014-05	c	Globalisation
EGF/2014/016	Lufthansa Technik	IE	Aircraft maintenance	2014-09	c	Globalisation
EGF/2015/006	PWA International	IE	Aircraft maintenance	2015-06	c	Globalisation
EGF/2014/010	Whirlpool	IT	Domestic appliances	2014-06	a	Crisis
EGF/2015/004	Alitalia	IT	Air transport	2015-03	a	Globalisation
EGF/2014/002	Gelderland and Overijssel	NL	Construction of buildings	2014-02	b	Crisis
EGF/2015/009	Volvo Trucks	SE	Automotive	2015-09	a	Globalisation

Source: ICF on the basis of EGF database

## Financial profile of cases

MS	Case name	Total budget (€)	National contribution (€)	Requested EGF contribution (€)	Average EGF amount /worker (€)
BE	Caterpillar	2 038 090	815 236	1 222 854	1 941
BE	ArcelorMittal	2 652 478	1 060 991	1 591 486	1 749
BE	Ford Genk	10 447 608	4 179 043	6 268 564	1 393
BE	Hainaut-Namur Glass	1 389 147	555 659	833 488	1 638
BE	Hainaut Machinery	1 825 907	730 363	1 095 544	1 390
DE	Aleo Solar	1 824 601	729 840	1 094 760	2 300
DE	Adam Opel	11 597 706	4 639 082	6 958 623	2 585
EL	Nutriart	10 160 000	4 064 000	6 096 000	6 018
EL	Sprider Stores	12 151 500	4 860 600	7 290 900	5 561
EL	Odyssefs Fokas	10 740 000	4 296 000	6 444 000	5 858
EL	Attica Publishing Services	6 244 500	2 497 800	3 746 700	5 314
EL	Attica Broadcasting	8 410 000	3 364 000	5 046 000	5 438
EL	Supermarket Larissa	10 780 000	4 312 000	6 468 000	5 880
ES	Aragon	1 600 000	640 000	960 000	3 429
ES	Comunidad Valenciana metal	1 698 640	679 456	1 019 184	3 397
FI	STX Rauma	2 378 000	951 200	1 426 800	2 525
FI	Broadcom	2 275 000	910 000	1 365 000	2 730
FI	Computer programming	4 372 000	1 748 800	2 623 200	2 186
FR	GAD	1 530 000	612 000	918 000	1 208
FR	PSA	21 174 342	8 469 737	12 704 605	5 390
FR	Mory-Ducros	10 087 000	4 034 800	6 052 200	2 408
FR	MoryGlobal	8 578 000	3 431 200	5 146 800	2 414
IE	Andersen Ireland	2 502 000	1 000 800	1 501 200	5 439
IE	Lufthansa Technik	4 151 264	1 660 506	2 490 758	5 535
IE	PWA International	737 156	294 863	442 293	2 047
IT	Whirlpool	3 150 000	1 260 000	1 890 000	3 109
IT	Alitalia	2 358 080	943 232	1 414 848	7 689
NL	Gelderland and Overijssel	2 709 635	1 083 854	1 625 781	3 423
SE	Volvo Trucks	7 573 000	3 029 200	4 725 600	9 450
	<b>Total</b>	<b>146 272 654</b>	<b>66 854 262</b>	<b>100 463 188</b>	<b>109 444</b>

Source: ICF on the basis of EGF database

## Breakdown of target population by gender

Member State	Case name	Workers dismissed	Men targeted	Women targeted	Workers targeted (total)
BE	Caterpillar	1 030	607	23	630
BE	ArcelorMittal	1 285	871	39	910
BE	Ford Genk	5 111	3 956	544	4 500
BE	Hainaut-Namur Glass	409	401	8	409
BE	Hainaut Machinery	488	460	28	488
DE	Aleo Solar	657	262	214	476
DE	Adam Opel	3 122	2 583	109	2 692
EL	Nutriart	508	337	171	508
EL	Sprider Stores	761	112	649	761
EL	Odyssefs Fokas	600	65	535	600
EL	Attica Publishing Services	705	391	314	705
EL	Attica Broadcasting	928	521	407	928
EL	Supermarket Larissa	557	194	363	557
ES	Aragon	904	97	183	280
ES	Comunidad Valenciana metal	633	258	42	300
FI	STX Rauma	634	496	69	565
FI	Broadcom	568	442	58	500
FI	Computer programming	1 603	660	540	1 200
FR	GAD	760	487	273	760
FR	PSA	6 120	1 896	461	2 357
FR	Mory-Ducros	2 721	2 137	376	2 137
FR	MoryGlobal	2 132	1 740	392	2 513
IE	Andersen Ireland	171	36	102	138
IE	Lufthansa Technik	424	220	30	250
IE	PWA International	108	98	10	108
IT	Whirlpool	608	422	186	608
IT	Alitalia	1 249	129	55	184
NL	Gelderland and Overijssel	562	440	35	475
SE	Volvo Trucks	647	387	113	500
	Total	36 005	20 705	6 329	27 039

Source: ICF analysis of EGF database

## Cases by Member State — Breakdown of target population by age

Member State	Case name	Age 15-24 targeted	Age 25-54 targeted	Age 55-64 targeted	Age >64 targeted
BE	Caterpillar	7 %	75 %	18 %	0 %
BE	ArcelorMittal	3 %	92 %	5 %	0 %
BE	Ford Genk	0 %	72 %	28 %	0 %
BE	Hainaut-Namur Glass	0 %	76 %	24 %	0 %
BE	Hainaut Machinery	6 %	58 %	36 %	0 %
DE	Aleo Solar	1 %	79 %	21 %	0 %
DE	Adam Opel	2 %	72 %	26 %	0 %
EL	Nutriart	0 %	92 %	8 %	0 %
EL	Sprider Stores	5 %	95 %	1 %	0 %
EL	Odyssefs Fokas	1 %	92 %	7 %	0 %
EL	Attica Publishing Services	2 %	87 %	10 %	1 %
EL	Attica Broadcasting	1 %	96 %	2 %	0 %
EL	Supermarket Larissa	0 %	95 %	5 %	0 %
ES	Aragon	9 %	83 %	8 %	0 %
ES	Comunidad Valenciana metal	3 %	92 %	5 %	0 %
FI	STX Rauma	1 %	57 %	41 %	0 %
FI	Broadcom	0 %	98 %	2 %	0 %
FI	Computer programming	2 %	84 %	13 %	1 %
FR	GAD	1 %	82 %	18 %	0 %
FR	PSA	0 %	41 %	59 %	0 %
FR	Mory-Ducros	1 %	82 %	17 %	0 %
FR	MoryGlobal	0 %	81 %	19 %	0 %
IE	Andersen Ireland	1 %	91 %	8 %	0 %
IE	Lufthansa Technik	5 %	67 %	28 %	0 %
IE	PWA International	2 %	81 %	16 %	1 %
IT	Whirlpool	5 %	85 %	10 %	0 %
IT	Alitalia	0 %	97 %	3 %	0 %
NL	Gelderland and Overijssel	3 %	75 %	22 %	0 %
SE	Volvo Trucks	11 %	75 %	12 %	2 %

Source: ICF on the basis of EGF database

### Comparison of application approval dates with reference period end date

Case reference	Case name	Submission date	End of reference period date	Months between end of reference period and submission of application
EGF/2014/001	Nutriart	16/07/2013	16/11/2013	4
EGF/2014/002	Gelderland and Overijssel	01/03/2013	01/12/2013	9
EGF/2014/003	Aragon	01/03/2013	01/12/2013	9
EGF/2014/004	Comunidad Valenciana metal	01/04/2013	31/12/2013	8
EGF/2014/005	GAD	29/11/2013	28/03/2014	3
EGF/2014/006	PSA	01/10/2013	31/01/2014	3
EGF/2014/007	Andersen Ireland	21/10/2013	21/02/2014	4
EGF/2014/008	STX Rauma	07/11/2013	07/03/2014	4
EGF/2014/009	Sprider Stores	17/11/2013	17/03/2014	4
EGF/2014/010	Whirlpool	10/12/2013	31/03/2014	3
EGF/2014/011	Caterpillar	01/01/2014	01/05/2014	4
EGF/2014/012	ArcelorMittal	01/01/2014	01/05/2014	4
EGF/2014/013	Odyssefs Fokas	03/02/2014	03/06/2014	4
EGF/2014/014	Aleo Solar	07/03/2014	07/07/2014	4
EGF/2014/015	Attica Publishing Services	12/09/2013	12/06/2014	9
EGF/2014/016	Lufthansa Technik	01/03/2014	30/06/2014	3



EGF/2014/017	Mory-Ducros	13/03/2014	12/07/2014	3
EGF/2014/018	Attica Broadcasting	12/09/2013	12/06/2014	9
EGF/2015/001	Broadcom	11/08/2014	11/12/2014	4
EGF/2015/002	Adam Opel	14/08/2014	15/12/2014	4
EGF/2015/003	Ford Genk	01/09/2014	31/12/2014	3
EGF/2015/004	Alitalia	31/08/2014	30/12/2014	3
EGF/2015/005	Computer programming	30/07/2014	30/04/2015	9
EGF/2015/006	PWA International	19/12/2014	19/04/2015	4
EGF/2015/007	Hainaut- Namur Glass	31/08/2014	31/05/2015	9
EGF/2015/009	Volvo Trucks	24/02/2015	24/06/2015	4
EGF/2015/010	MoryGlobal	27/04/2015	27/08/2015	4
EGF/2015/011	Supermarket Larissa	03/05/2015	03/09/2015	4
EGF/2015/012	Hainaut Machinery	25/12/2014	25/09/2015	9

*Source: ICF on the basis of EGF database*

## Case profiles by sectors

### Cases by Member State and intervention criterion

Sector	EGF case number	Case name	Member State	Application date	Intervention criteria	Globalisation / Crisis
Air transport	EGF/2015/004	Alitalia	IT	2015-03	a	Globalisation
Aircraft maintenance	EGF/2014/016	Lufthansa Technik	IE	2014-09	c	Globalisation
Aircraft maintenance	EGF/2015/006	PWA International	IE	2015-06	c	Globalisation
Automotive	EGF/2015/003	Ford Genk	BE	2015-03	a	Globalisation
Automotive	EGF/2015/002	Adam Opel	DE	2015-02	a	Crisis
Automotive	EGF/2014/006	PSA	FR	2014-04	a	Globalisation
Automotive	EGF/2015/009	Volvo Trucks	SE	2015-09	a	Globalisation
Bakery products	EGF/2014/001	Nutriart	EL	2014-02	a	Crisis
Basic metals	EGF/2014/012	ArcelorMittal	BE	2014-07	a	Globalisation
Broadcasting	EGF/2014/018	Attica Broadcasting	EL	2014-09	b	Crisis
Computer programming	EGF/2015/005	Computer programming	FI	2015-06	b	Globalisation
Construction of buildings	EGF/2014/002	Gelderland and Overijssel	NL	2014-02	b	Crisis
Domestic appliances	EGF/2014/010	Whirlpool	IT	2014-06	a	Crisis
Food and beverage service activities	EGF/2014/003	Aragon	ES	2014-02	b	Crisis
Jewellery	EGF/2014/007	Andersen Ireland	IE	2014-05	c	Globalisation
Machinery and equipment	EGF/2014/011	Caterpillar	BE	2014-07	a	Globalisation
Manufacture of glass	EGF/2015/007	Hainaut-Namur Glass	BE	2015-08	b	Globalisation
Manufacture of machinery and equipment	EGF/2015/012	Hainaut Machinery	BE	2015-12	b	Globalisation
Metalworking industry	EGF/2014/004	Comunidad Valenciana metal	ES	2014-03	b	Crisis
Publishing	EGF/2014/015	Attica Publishing Services	EL	2014-09	b	Crisis
Retail trade	EGF/2014/009	Sprider Stores	EL	2014-06	a	Crisis
Retail trade	EGF/2014/009	Odyssefs	EL	2014-07	a	Crisis

Retail trade	EGF/2015/011	Supermarket Larissa	EL	2015-11	a	Crisis
Road transport	EGF/2015/010	MoryGlobal	FR	2015-11	a	Crisis
Road transport	EGF/2014/017	Mory-Ducros	FR	2014-10	a	Crisis
Shipbuilding	EGF/2014/008	STX Rauma	FI	2014-05	a	Globalisation
Slaughterhouse	EGF/2014/005	GAD	FR	2014-04	a	Crisis
Solar modules	EGF/2014/014	Aleo Solar	DE	2014-07	a	Globalisation
Wholesale trade	EGF/2015/001	Broadcom	FI	2015-01	a	Globalisation

*Source: ICF on the basis of EGF database*

## Financial profile of cases

Sector	EGF case number	Case name	Member State	Total budget (€)	National contribution (€)	Requested EGF contribution (€)	Average EGF amount /worker (€)
Air transport	EGF/2015/004	Alitalia	IT	2 358 080	943 232	1 414 848	7 689
Aircraft maintenance	EGF/2014/016	Lufthansa Technik	IE	4 151 264	1 660 506	2 490 758	5 535
Aircraft maintenance	EGF/2015/006	PWA International	IE	737 156	294 863	442 293	2 047
Automotive	EGF/2015/003	Ford Genk	BE	10 447 608	4 179 043	6 268 564	1 393
Automotive	EGF/2015/002	Adam Opel	DE	11 597 706	4 639 082	6 958 623	2 585
Automotive	EGF/2014/006	PSA	FR	21 174 342	8 469 737	12 704 605	5 390
Automotive	EGF/2015/009	Volvo Trucks	SE	7 573 000	3 029 200	4 725 600	9 450
Bakery products	EGF/2014/001	Nutriart	EL	10 160 000	4 064 000	6 096 000	6 018
Basic metals	EGF/2014/012	ArcelorMittal	BE	2 652 478	1 060 991	1 591 486	1 749
Broadcasting	EGF/2014/018	Attica Broadcasting	EL	8 410 000	3 364 000	5 046 000	5 438
Computer programming	EGF/2015/005	Computer programming	FI	4 372 000	1 748 800	2 623 200	2 186
Construction of buildings	EGF/2014/002	Gelderland and Overijssel	NL	2 709 635	1 083 854	1 625 781	3 423
Domestic appliances	EGF/2014/010	Whirlpool	IT	3 150 000	1 260 000	1 890 000	3 109
Food and beverage service activities	EGF/2014/003	Aragon	ES	1 600 000	640 000	960 000	3 429
Jewellery	EGF/2014/007	Andersen Ireland	IE	2 502 000	1 000 800	1 501 200	5 439
Machinery and equipment	EGF/2014/011	Caterpillar	BE	2 038 090	815 236	1 222 854	1 941
Manufacture of glass	EGF/2015/007	Hainaut-Namur Glass	BE	1 389 147	555 659	833 488	1 638
Manufacture of machinery and equipment	EGF/2015/012	Hainaut Machinery	BE	1 825 907	730 363	1 095 544	1 390
Metalworking industry	EGF/2014/004	Comunidad Valenciana metal	ES	1 698 640	679 456	1 019 184	3 397
Publishing	EGF/2014/015	Attica Publishing Services	EL	6 244 500	2 497 800	3 746 700	5 314
Retail trade	EGF/2014/009	Sprider Stores	EL	12 151 500	4 860 600	7 290 900	5 561

Retail trade	EGF/2014/013	Odyssefs Fokas	EL	10 740 000	4 296 000	6 444 000	5 858
Retail trade	EGF/2015/011	Supermarket Larissa	EL	10 780 000	4 312 000	6 468 000	5 880
Road transport	EGF/2015/010	MoryGlobal	FR	8 578 000	3 431 200	5 146 800	2 414
Road transport	EGF/2014/017	Mory-Ducros	FR	10 087 000	4 034 800	6 052 200	2 408
Shipbuilding	EGF/2014/008	STX Rauma	FI	2 378 000	951 200	1 426 800	2 525
Slaughterhouse	EGF/2014/005	GAD	FR	1 530 000	612 000	918 000	1 208
Solar modules	EGF/2014/014	Aleo Solar	DE	1 824 601	729 840	1 094 760	2 300
Wholesale trade	EGF/2015/001	Broadcom	FI	2 275 000	910 000	1 365 000	2 730
		Total		146 272 654	66 854 262	100 463 188	109 444

*Source: ICF on the basis of EGF database*

## Breakdown of target population by gender

Sector	EGF case number	Case name	Member State	Workers dismissed	men targeted	Women targeted	Workers targeted (total)
Air transport	EGF/2015/004	Alitalia	IT	1 249	129	55	184
Aircraft maintenance	EGF/2014/016	Lufthansa Technik	IE	424	220	30	250
Aircraft maintenance	EGF/2015/006	PWA International	IE	108	98	10	108
Automotive	EGF/2015/003	Ford Genk	BE	5 111	3 956	544	4 500
Automotive	EGF/2015/002	Adam Opel	DE	3 122	2 583	109	2 692
Automotive	EGF/2014/006	PSA	FR	6 120	1 896	461	2 357
Automotive	EGF/2015/009	Volvo Trucks	SE	647	387	113	500
Bakery products	EGF/2014/001	Nutriart	EL	508	337	171	508
Basic metals	EGF/2014/012	ArcelorMittal	BE	1 285	871	39	910
Broadcasting	EGF/2014/018	Attica Broadcasting	EL	928	521	407	928
Computer programming	EGF/2015/005	Computer programming	FI	1 603	660	540	1 200
Construction of buildings	EGF/2014/002	Gelderland and Overijssel	NL	562	440	35	475
Domestic appliances	EGF/2014/010	Whirlpool	IT	608	422	186	608
Food and beverage service activities	EGF/2014/003	Aragon	ES	904	97	183	280
Jewellery	EGF/2014/007	Andersen Ireland	IE	171	36	102	138
Machinery and equipment	EGF/2014/011	Caterpillar	BE	1 030	607	23	630
Manufacture of glass	EGF/2015/007	Hainaut-Namur Glass	BE	409	401	8	409
Manufacture of machinery and equipment	EGF/2015/012	Hainaut Machinery	BE	488	460	28	488
Metalworking industry	EGF/2014/004	Comunidad Valenciana metal	ES	633	258	42	300

Publishing	EGF/2014/015	Attica Publishing Services	EL	705	391	314	705
Retail trade	EGF/2014/009	Sprider Stores	EL	761	112	649	761
Retail trade	EGF/2014/013	Odyssefs Fokas	EL	600	65	535	600
Retail trade	EGF/2015/011	Supermarket Larissa	EL	557	194	363	557
Road transport	EGF/2015/010	MoryGlobal	FR	2 132	1 740	392	2132
Road transport	EGF/2014/017	Mory-Ducros	FR	2 721	2 137	376	2513
Shipbuilding	EGF/2014/008	STX Rauma	FI	634	496	69	565
Slaughterhouse	EGF/2014/005	GAD	FR	760	487	273	760
Solar modules	EGF/2014/014	Aleo Solar	DE	657	262	214	476
Wholesale trade	EGF/2015/001	Broadcom	FI	568	442	58	500
		Total		36 005	20 705	6 329	27 039

*Source: ICF on the basis of EGF database*

## Breakdown of target population by age

Sector	EGF case number	Case name	Member State	Age 15-24 targeted	Age 25-54 targeted	Age 55-64 targeted	Age >64 targeted
Air transport	EGF/2015/004	Alitalia	IT	0 %	97 %	3 %	0 %
Aircraft maintenance	EGF/2014/016	Lufthansa Technik	IE	5 %	67 %	28 %	0 %
Aircraft maintenance	EGF/2015/006	PWA International	IE	2 %	81 %	16 %	1 %
Automotive	EGF/2015/003	Ford Genk	BE	0 %	72 %	28 %	0 %
Automotive	EGF/2015/002	Adam Opel	DE	2 %	72 %	26 %	0 %
Automotive	EGF/2014/006	PSA	FR	0 %	41 %	59 %	0 %
Automotive	EGF/2015/009	Volvo Trucks	SE	11 %	75 %	12 %	2 %
Bakery products	EGF/2014/001	Nutriart	EL	0 %	92 %	8 %	0 %
Basic metals	EGF/2014/012	ArcelorMittal	BE	3 %	92 %	5 %	0 %
Broadcasting	EGF/2014/018	Attica Broadcasting	EL	1 %	96 %	2 %	0 %
Computer programming	EGF/2015/005	Computer programming	FI	2 %	84 %	13 %	1 %
Construction of buildings	EGF/2014/002	Gelderland and Overijssel	NL	3 %	75 %	22 %	0 %
Domestic appliances	EGF/2014/010	Whirlpool	IT	5 %	85 %	10 %	0 %
Food and beverage service activities	EGF/2014/003	Aragon	ES	9 %	83 %	8 %	0 %
Jewellery	EGF/2014/007	Andersen Ireland	IE	1 %	91 %	8 %	0 %
Machinery and equipment	EGF/2014/011	Caterpillar	BE	7 %	75 %	18 %	0 %
Manufacture of glass	EGF/2015/007	Hainaut-Namur Glass	BE	0 %	76 %	24 %	0 %
Manufacture of machinery and equipment	EGF/2015/012	Hainaut Machinery	BE	6 %	58 %	36 %	0 %
Metalworking industry	EGF/2014/004	Comunidad Valenciana metal	ES	3 %	92 %	5 %	0 %
Publishing	EGF/2014/015	Attica Publishing Services	EL	2 %	87 %	10 %	1 %
Retail trade	EGF/2014/009	Sprider Stores	EL	5 %	95 %	1 %	0 %
Retail trade	EGF/2014/013	Odyssefs Fokas	EL	1 %	92 %	7 %	0 %



Retail trade	EGF/2015/011	Supermarket Larissa	EL	0 %	95 %	5 %	0 %
Road transport	EGF/2015/010	MoryGlobal	FR	0 %	81 %	19 %	0 %
Road transport	EGF/2014/017	Mory-Ducros	FR	1 %	82 %	17 %	0 %
Shipbuilding	EGF/2014/008	STX Rauma	FI	1 %	57 %	41 %	0 %
Slaughterhouse	EGF/2014/005	GAD	FR	1 %	82 %	18 %	0 %
Solar modules	EGF/2014/014	Aleo Solar	DE	1 %	79 %	21 %	0 %
Wholesale trade	EGF/2015/001	Broadcom	FI	0 %	98 %	2 %	0 %

*Source: ICF on the basis of EGF database*