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INFORMATION NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council
Subject: Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2021/691 as regards support to workers affected by imminent job displacement in enterprises undergoing restructuring
- Outcome of the European Parliament's first reading
(Strasbourg, 27 to 30 April 2026)

I. INTRODUCTION

In accordance with the provisions of Article 294 of the TFEU and the Joint declaration on practical arrangements for the codecision procedure¹, a number of informal contacts have taken place between the Council, the European Parliament and the Commission with a view to reaching an agreement on this proposal at first reading.

¹ OJ C 145, 30.6.2007, p. 5.

In this context, the Chair of the Committee on Employment and Social Affairs (EMPL), Li ANDERSSON (The Left, FI) presented on behalf of EMPL a compromise amendment (amendment number 46) to the abovementioned proposal for a Regulation, for which the rapporteur Liesbet SOMMEN (EPP, BE) had prepared a draft report.

This amendment had been agreed during the informal contacts referred to above. No other amendments were tabled.

II. VOTE

When it voted on 28 April 2026, the plenary adopted the compromise amendment (amendment number 46) to the abovementioned proposal for a Regulation. The Commission's proposal as thus amended constitutes the Parliament's first-reading position which is contained in its legislative resolution as set out in the Annex hereto².

The Parliament's position reflects what had been previously agreed between the institutions. The Council should therefore be in a position to approve the Parliament's position.

The act would then be adopted in the wording which corresponds to the Parliament's position.

² The version of the Parliament's position in the legislative resolution has been marked up to indicate the changes made by the amendments to the Commission's proposal. Additions to the Commission's text are highlighted in ***bold and italics***. The symbol "■" indicates deleted text.

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European Globalisation Adjustment Fund: workers affected by imminent job displacement

European Parliament legislative resolution of 28 April 2026 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/691 as regards support to workers affected by imminent job displacement in enterprises undergoing restructuring (COM(2025)0140 – C10-0060/2025 – 2025/0073(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2025)0140),
- having regard to Article 294(2) and Article 175 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C10-0060/2025),
- having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
- having regard to the budgetary assessment by the Committee on Budgets,
- having regard to the opinion of the of the European Economic and Social Committee of 19 June 2025¹,
- having regard to the opinion of the Committee of the Regions of 3 July 2025²,
- having regard to the provisional agreement approved by the committee responsible under Rule 75(4) of its Rules of Procedure and the undertaking given by the Council representative by letter of 11 March 2026 to approve Parliament’s position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
- having regard to Rules 60 and 58 of its Rules of Procedure,
- having regard to the report of the Committee on Employment and Social Affairs (A10-0251/2025),

¹ OJ C, C/2025/4217, 20.8.2025, ELI: <http://data.europa.eu/eli/C/2025/4217/oj>.

² OJ C, C/2025/4419, 29.8.2025, ELI: <http://data.europa.eu/eli/C/2025/4419/oj>.

1. Adopts its position at first reading hereinafter set out;
2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Position of the European Parliament adopted at first reading on 28 April 2026 with a view to the adoption of Regulation (EU) 2026/... of the European Parliament and of the Council amending Regulation (EU) 2021/691 as regards support for workers affected by imminent job displacement in enterprises undergoing restructuring

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 175, third paragraph, thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee⁵,

Having regard to the opinion of the Committee of the Regions⁶,

Acting in accordance with the ordinary legislative procedure⁷,

⁵ OJ C, C/2025/4217, 20.8.2025, ELI: <http://data.europa.eu/eli/C/2025/4217/oj>

⁶ OJ C, C/2025/4419, 29.8.2025, ELI: <http://data.europa.eu/eli/C/2025/4419/oj>

⁷ Position of the European Parliament of 28 April 2026.

Whereas:

- (1) Regulation (EC) No 1927/2006 of the European Parliament and of the Council⁸ established the European Globalisation Adjustment Fund (EGF) for the multiannual financial framework 2007-2013. The EGF was established to enable the Union to show solidarity towards workers who had lost their jobs as a result of major structural changes in world trade patterns due to globalisation.
- (2) The scope of the EGF was broadened in 2009 as part of the European Economic Recovery Plan, set out in the Commission communication of 26 November 2008, to include support for workers made redundant as a direct consequence of the global financial and economic crisis.

⁸ Regulation (EC) No 1927/2006 of the European Parliament and of the Council of 20 December 2006 on establishing the European Globalisation Adjustment Fund (OJ L 406, 30.12.2006, p. 1, ELI: <http://data.europa.eu/eli/reg/2006/1927/oj>).

- (3) Regulation (EU) No 1309/2013 of the European Parliament and of the Council⁹ established the EGF for the period of the multiannual financial framework 2014-2020. It also extended the scope of the EGF to cover redundancies resulting from any new global financial and economic crisis. That Regulation was amended by Regulation (EU) 2021/691 of the European Parliament and of the Council¹⁰ to allow the EGF to exceptionally cover collective applications involving small and medium-sized enterprises (SMEs) located in one region and operating in different economic sectors defined at NACE Revision 2 division level, established by Regulation (EC) No 1893/2006 of the European Parliament and of the Council¹¹, where the applicant Member State demonstrates that SMEs are the main or the only type of business in that region.

⁹ 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 (OJ L 347, 20.12.2013, p. 855, ELI: <http://data.europa.eu/eli/reg/2013/1309/oj>).

¹⁰ Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013 (OJ L 153, 3.5.2021, p. 48, ELI: <http://data.europa.eu/eli/reg/2021/691/oj>).

¹¹ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1, ELI: <http://data.europa.eu/eli/reg/2006/1893/oj>).

- (4) Regulation (EU) 2021/691 established the EGF for the period of the multiannual financial framework 2021-2027. In order to make the EGF more responsive to the rapidly changing economic challenges in a globalised economy, the scope of the EGF was broadened again to cover any type of large-scale restructuring event, regardless of its cause. A lower threshold for support than that provided for in Regulation (EU) No 1309/2013 was introduced to better reflect the realities in lesser populated regions. In the light of the twin digital and green transition, measures that prepare beneficiaries for that transition were considered mandatory elements of every coordinated package of personalised services (the ‘coordinated package’) offered to beneficiaries. Furthermore, the co-financing rates were aligned with the highest co-financing rate of the European Social Fund Plus (ESF+) established by Regulation (EU) 2021/1057 of the European Parliament and of the Council¹² in the Member State concerned. Additionally, a mandatory beneficiary survey was introduced.

¹² Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013 (OJ L 231, 30.6.2021, p. 21, ELI: <http://data.europa.eu/eli/reg/2021/1057/oj>).

- (5) The main Union instrument to assist workers who have been affected by economic adjustment and restructuring is the ESF+, which is designed to offer assistance in an anticipatory way. The EGF is designed to offer assistance in response to unexpected major restructuring events in a reactive manner. However, the design of assistance for workers who have been affected by restructuring does not properly reflect the fact that large-scale restructuring events generally take place over a long period. Member States can use the ESF+ to upskill and reskill workers, but the ESF+ does not provide support for the upskilling and reskilling of workers in emergency situations such as those in which the workers affected by imminent job displacement find themselves. The enterprises in which the workers concerned are employed are often in economic difficulty and therefore unable to offer such assistance on their own.
- (6) *The Union faces increasingly unequal competition from third countries which do not have the same level of labour rights or which do not comply with the same level of safety and environmental protection. It is necessary to support Union enterprises in the fight against unfair competition and to protect workers from its negative consequences.*

- (7) The EGF's role continues to be important as a flexible instrument to support workers who lose their jobs in large-scale restructuring events and to help them to find other jobs as quickly as possible. It is important that the Union continue to provide specific, one-off support to facilitate the reintegration into decent and sustainable employment of displaced workers in areas, sectors, territories or labour markets suffering from a shock caused by serious economic disruption. It is vital that the *Union* ensure its sustainable prosperity, *strategic autonomy* and competitiveness while, at the same time, preserving its unique social market economy, *supporting workers and enterprises to ensure a just* twin digital and green transition, *preserving jobs in the Union*, and safeguarding its democracy, economic security and geopolitical standing. To safeguard the *Union*'s future as an economic powerhouse, and the progress made on its twin digital and green transition, it is vital to support workers affected by imminent job displacement in enterprises undergoing restructuring so that they can acquire the skills that would help them transfer either into a different role *within their current enterprise or to a different enterprise*.

- (8) *When an enterprise undergoes a major restructuring event, it often causes restructuring events in its direct suppliers, in downstream producers, or in both. In such cases, it should also be possible for the workers affected by imminent job displacement in such direct suppliers or downstream producers to be eligible for EGF support, provided that the requesting enterprise agrees to include them in the request for EGF support submitted to the Member State. Any projected collective redundancies in the direct suppliers or downstream producers of the requesting enterprise included in the request for EGF support should take place within the same Member State as the projected collective redundancies in the requesting enterprise, and a clear causal link between them should be established. The requesting enterprise should meet the intervention criteria in its own right, without reference to the direct suppliers or downstream producers included in its request. The requesting enterprise should take full and sole responsibility for the submission of the request, the provision of all the necessary information to the Member States, the provision of the national co-financing, and the implementation of the coordinated package.*

(9) ***The EGF should support workers by developing transferable skills to avoid redundancies and to allow a smooth transition into new employment.*** Therefore, it is necessary to amend Regulation (EU) 2021/691 so that the EGF can also offer assistance to workers affected by imminent job displacement in enterprises undergoing restructuring, ***including, where applicable, in their direct suppliers and downstream producers.*** As those workers are still in active employment, their employer should be able to request assistance through the relevant Member States' authorities. As the EGF is under shared management, it is the Member States' authorities that should be able to ***apply for*** EGF co-funding upon receipt of a request for support by an enterprise, **■** provided that the enterprise agrees to provide national co-funding. Should the financial contribution from the EGF be granted, the Member State concerned should make the funds requested available to the enterprise within ten working days of their receipt. The enterprise should make all information needed to prepare the final report on the implementation of the relevant financial contribution available to the Member State not later than six months after the end of the implementation of the assistance. The Commission should prepare a beneficiary survey and the ***requesting*** enterprise should share **■** access to it ***with all*** the workers who participated in the EGF co-funded measures ***and, where applicable, with their representatives.***

- (10) *In order to mitigate the financial risks and liabilities related to the implementation of the coordinated package, Member States could decide to carry out financial and administrative checks which are effective and proportionate before submitting the application to the Commission ('ex-ante checks').*
- (11) *The Commission and the Member States should carry out their responsibilities in a manner which takes into account the administrative costs incurred by the enterprises in preparing the application and by the national authorities in dealing with it, and is proportionate to the estimated financial risks connected to the application.*
- (12) *Restructuring processes should support, inter alia, an enterprise's economic sustainability and long-term employment stability, thereby strengthening the Union's competitiveness. Therefore, restructuring plans should anticipate and manage change as early as possible to prevent insolvency and job losses, involving, at an early stage, workers' representatives and, where applicable, trade unions. The decision by the enterprise to submit a request for EGF support should be taken, and the coordinated package of personalised measures should be designed, in consultation with the targeted beneficiaries, their representatives and the social partners, as applicable, in order to ensure that workers' rights to information and consultation are respected in line with Union and national legislation and to ensure the quality and relevance of the measures.*

- (13) It should be possible to treat *applications for financial support involving enterprises that are undergoing restructuring and are located in small labour markets, or involving SMEs only, as admissible even if the eligibility criteria are not entirely met. In such cases, the reasons for not meeting all criteria should be duly substantiated in the application.*
- (14) The support provided to workers affected by imminent job displacement in enterprises undergoing restructuring should **complement** existing forms of support available under national measures *or collective agreements. The reskilling and upskilling of workers should contribute, inter alia, to the creation of quality jobs, decent working conditions and the twin digital and green transition.* Short-time work schemes should not be eligible for EGF support, as they do not relate to the displacement of jobs, but to their temporary suspension. If the national measures allow it, the requesting enterprise should be able to subcontract the delivery of the coordinated package of personalised measures, or parts thereof.
- (15) The co-financing rate for measures that target workers affected by imminent job displacement in enterprises undergoing restructuring should be equal to the co-financing rate for EGF assistance for displaced workers. Enterprises that request EGF support should provide the national co-financing. *Where the requesting enterprise agrees to include workers from its direct suppliers or downstream producers in the request for EGF support, it should be able to make that agreement conditional upon contributions from those direct suppliers or downstream producers in proportion to the support received by their workers.*

- (16) The co-financing rate for expenditure incurred by the Member State in relation to applications for EGF support ***and the processing of those applications***, including ***administrative and staff costs linked to ex-ante checks, and preparatory, management, information and publicity, and control and reporting activities***, should be 100 %.
- (17) As the workers affected by imminent job displacement are still in active employment, only those active labour market policy measures that help them ***reskill*** or upskill, ***or*** that provide guidance or mentoring, including measures aimed at workers who might start their own business one day, should be eligible. Therefore, neither allowances nor start-up grants should be eligible.
- (18) Workers affected by imminent job displacement receiving EGF assistance should remain eligible ***as part of the workers affected by imminent job displacement*** even if their employment contract or relationship ends. They should also remain eligible for possible ***new*** applications by the respective Member States in support of displaced workers from the same enterprise.
- (19) Given the Commission's increasing tasks in implementing Regulation (EU) 2021/691, the Commission should be able to request technical assistance of up to 1,5 % of the total annual maximum amount of the EGF. That raised maximum rate is also justified because the EGF's annual maximum amount was lowered in the context of mid-term revision of the multiannual financial framework 2021-2027.

- (20) *Given the uneven uptake of EGF support by Member States, the Commission should promote its use by raising awareness of the funding opportunities available. Moreover, the Commission should assist Member States through technical guidance and dissemination of good practices.*
- (21) *Given the scale and frequency of restructuring in recent years, there are concerns that the existing EGF budget could be insufficient to meet all applications related to displaced workers and workers affected by imminent displacement. Therefore, in order to ensure a balanced use of the EGF, a minimum of 40 % of the annual maximum amount of the EGF should be reserved for applications concerning the cessation of activity of displaced workers or self-employed persons. In addition, any financial contribution to workers affected by imminent job displacement should be capped per enterprise, for a given Member State and for any financial year.*
- (22) *In order to provide swift support to the workers affected by imminent job displacement, in view of the fact that Regulation (EU) 2021/691 will cease to apply at the end of 2027, this Regulation should enter into force as a matter of urgency ■ on the day following that of its publication in the Official Journal of the European Union,*

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EU) 2021/691 is amended as follows:

- (1) in Article 1, paragraph 2 is replaced by the following:
 - ‘2. In accordance with Article 4, the EGF shall offer support to displaced workers and self-employed persons whose activity has ceased in the course of major restructuring events and to workers affected by imminent job displacement in enterprises undergoing restructuring. █’;
- (2) Article 2 is replaced by the following:

‘Article 2

Mission and objectives

1. The EGF shall support socioeconomic transformations that are the result of globalisation and of technological and environmental changes by helping displaced workers and self-employed persons whose activity has ceased to adapt to structural change. The EGF shall **also support workers at risk of imminent job displacement. The EGF shall** constitute an emergency fund **that operates reactively**. As such, the EGF shall contribute to the implementation of the principles set out in the European Pillar of Social Rights, **promote sustainable employment** and █ enhance social and economic cohesion among regions and Member States.

2. The objectives of the EGF are to demonstrate solidarity and promote decent and sustainable employment in the Union by offering assistance in the case of major restructuring events, in particular those caused by challenges related to globalisation, such as changes in world trade patterns, trade disputes, significant changes in the trade relations of the Union or the composition of the internal market and financial or economic crises, as well as the transition to a low-carbon economy *as part of the twin green and just transition*, or as a consequence of digitisation or automation. The EGF shall support beneficiaries in returning to decent and sustainable employment as soon as possible. Particular emphasis shall be placed on measures that help the most disadvantaged groups. The EGF shall also support workers affected by imminent job displacement in acquiring the skills needed to help them transfer either to a different role *within their current enterprise or to a different enterprise.*';

(3) Article 3 is amended as follows:

(a) the following point is inserted

'(1a) 'worker affected by imminent job displacement' means a worker in an enterprise undergoing restructuring whose employment contract or relationship, regardless of its type or duration, is expected to be ended by redundancy *following a written communication from the employer to the workers' representatives informing them, during the course of consultations, of, inter alia, the number and categories of workers to be made redundant* in accordance with Article 2(3), *point (b)*, of Directive 98/59/EC;' ■ ;

(b) the following point is added:

‘(6) ‘enterprise undergoing restructuring’ means an enterprise undergoing a process that involves ‘collective redundancies’, as defined in Article 1(1), point (a), of Directive 98/59/EC ■ ;’;

(4) Article 4 is amended as follows:

(a) paragraph 1 is replaced by the following:

‘1. Member States may apply for financial contributions from the EGF for measures targeting displaced workers ■ and self-employed persons in accordance with the provisions laid down in this Article. *In the event of requests from enterprises undergoing restructuring concerning measures targeting workers affected by imminent job displacement, Member States shall apply for financial contributions from the EGF.*’;

(b) in paragraph 2, the following point is added:

‘(d) *the existence of projected collective redundancies concerning* at least 200 workers affected by imminent job displacement in *a single* enterprise undergoing restructuring in a single Member State.’;

(c) *paragraph 3 is replaced by the following:*

‘3. In small labour markets, in duly substantiated cases, and in particular with regard to applications involving SMEs, an application for a financial contribution under this Article shall be deemed to be admissible even if some of the criteria set out in the circumstances listed in paragraph 2 are not entirely met, provided that the redundancies or projected collective redundancies have a serious impact on employment and the local, regional or national economy.

For applications under Article 8, the Member State shall duly substantiate the application, and shall indicate which of the criteria set out in the circumstances listed in paragraph 2 of this Article are not entirely met.

For applications under Article 8a, following a duly substantiated request from the enterprise, including the indication of the criteria set out in the circumstances listed in paragraph 2 of this Article which are not entirely met, the Member State shall submit the application.’;

(d) *paragraph 4 is replaced by the following:*

‘4. In exceptional circumstances, and in particular with regard to applications involving SMEs, paragraph 3 shall also apply to labour markets other than small labour markets. The aggregated amount of financial contributions in such cases shall not exceed 15 % of the annual ceiling of the EGF.’;

(5) in Article 5, first paragraph, the introductory part is replaced by the following:

The applicant Member State shall specify the method used for calculating the number of displaced workers ■ and self-employed persons *whose activity has ceased* for the purposes of Article 4 as at one or more of the following dates:’;

(6) *the following article is inserted:*

'Article 5a

Communication of the number of workers affected by imminent job displacement

For the purposes of Article 4 of this Regulation, the applicant Member State shall communicate to the Commission the number of workers affected by imminent job displacement who have been identified in one or more written communications from the employer to the workers' representatives in accordance with Article 2(3), second subparagraph, of Directive 98/59/EC.'

(7) *Article 6 is amended as follows:*

(a) in ■ the first paragraph , the following point is added:

'(c) workers affected by imminent job displacement in an enterprise undergoing restructuring, including, where applicable, in the direct suppliers or downstream producers of that enterprise;'

(b) the following paragraphs are added:

'The workers referred to in point (c) of the first paragraph shall remain eligible as part of the workers affected by imminent job displacement even if their employment contract or relationship has ended. Only restructuring events, including, where applicable, restructuring events in the direct suppliers and downstream producers of an enterprise undergoing restructuring, that qualify as collective redundancies under Directive 98/59/EC shall be eligible.

Workers referred to in point (c) of the first paragraph shall be eligible regardless of the support measures provided by the Member State concerned and financed exclusively from its resources, provided that those measures are not part of the coordinated package.

The workers referred to in point (c) of the first paragraph shall be considered to be eligible beneficiaries if they are identified in the written communications referred to in Article 5a concerning imminent job displacements or in subsequent written communications of additional projected collective redundancies in the requesting enterprise or in its direct suppliers or downstream producers, where applicable, provided that the relevant information is communicated by the last day before the date of the completion of the assessment by the Commission.

The workers of direct suppliers and downstream producers referred to in point (c), of the first paragraph shall be considered to be eligible beneficiaries, provided that:

- (a) they are part of projected collective redundancies taking place within the same Member State as the projected collective redundancies by the requesting enterprise; and*
- (b) a clear causal link is established between the projected collective redundancies by the requesting enterprise and the projected collective redundancies in its direct suppliers or downstream producers.’;*

(8) Article 7 is amended as follows:

(a) paragraph 1 is replaced by the following:

- ‘1. A financial contribution from the EGF may be made for active labour market policy measures that form part of a coordinated package, designed to facilitate the reintegration of the targeted beneficiaries, in particular the most disadvantaged among them, into employment or self-employment, or to help the workers referred to in Article 6, first paragraph, point (c), **update or** acquire the skills they need to transfer either to a different role with their current enterprise or to a different enterprise ■ .’;

(b) paragraph 2 is amended as follows:

(i) in the second subparagraph, the following point is added:

‘(c) for the beneficiaries referred to in Article 6, first paragraph, point (c), the coordinated package may include training and retraining, ***complementing existing forms of support available under national measures or requirements under collective agreements***, tailored to the individual worker’s needs, including on ***skills required for a resource-efficient and sustainable economy***, information and communication technology and other skills required in the digital age, certification of acquired knowledge and skills, individual job-search assistance services and targeted group activities, occupational guidance, advisory services, mentoring, outplacement assistance, entrepreneurship promotion and cooperation activities.’;

(ii) the following subparagraph is inserted after the third subparagraph:

‘The coordinated package ***shall*** not include short-time work schemes, ***allowances or start-up grants***. ■’;

(9) Article 8 is amended as follows:

(a) the heading is replaced by the following:

‘*Article 8*
Applications for EGF assistance for displaced workers and self-employed persons whose activity has ceased’;

(b) in paragraph 7, point (l) is replaced by the following:

‘(l) ■ a statement outlining why the coordinated package does not replace measures that are the responsibility of employers by virtue of national law or collective agreements ■ ;’;

(10) the following article is inserted:

'Article 8a

Applications for EGF assistance for workers affected by imminent job displacement

1. Enterprises undergoing restructuring may request the Member State concerned to submit an application for a financial contribution from the EGF if the intervention criteria set out in Article 4(2), point (d), are met, and if the enterprise wishes to offer EGF-co-financed assistance for workers affected by imminent job displacement, in accordance with Article 6, first paragraph, point (c), ***for the entire implementation period***. Such a request ***may*** be submitted by the enterprise within ***14*** weeks from the date on which it ***forwarded to the competent public authority, in accordance with Article 2(3), second subparagraph, of Directive 98/59/EC, the first written communication to the workers' representatives containing, inter alia, the number and categories of workers to be made redundant.***

2. *A requesting enterprise may agree to include in its request workers affected by imminent job displacement in its direct suppliers and downstream producers who are eligible in accordance with Article 6, first paragraph, point (c), provided that all collective redundancies covered by the request, regardless of whether in the requesting enterprise, or in its direct suppliers or downstream producers, take place within the same Member State.*

A requesting enterprise that agrees to include in its request workers affected by imminent job displacement in its direct suppliers or downstream producers in accordance with the first subparagraph shall remain fully responsible under this Regulation for the request. In particular, it shall continue to have full responsibility for:

- (a) the submission of the request;*
- (b) the provision of all the necessary information to the Member States;*
- (c) the provision of the national co-financing; and*
- (d) the implementation of the coordinated package.*

The requesting enterprise may arrange to receive financial contributions from its direct suppliers and downstream producers in proportion to the support received by their workers.

3. For the purposes of this Article, *the Commission shall provide non-binding guidelines, checklists and templates for request forms in coordination with Member States. The Member States may decide to make such templates mandatory for the submission of requests.*

Member States shall **█** publish *online* guidelines and templates *to support the enterprises in preparing their requests.*

The information *to be provided by the enterprise through the* templates referred to in the first subparagraph of this paragraph shall cover all the information necessary for an application for a financial contribution from the EGF, in accordance with paragraph 12.

4. *Member States shall submit their applications on the basis of the requests referred to in paragraph 1. Without prejudice to the Commission's independent assessment of the application for a financial contribution from the EGF in accordance with paragraph 11, the applicant Member State may carry out ex-ante checks to verify:*
- (a) the requesting enterprise's financial and administrative capacity to implement the financial contribution from the EGF for the workers affected by imminent job displacement concerned;*
 - (b) the information provided in accordance with paragraph 12, points (d), (f) and (j);*
 - (c) whether the coordinated package is expected to be carried out in accordance with national law; and*
 - (d) whether there are financial risks for the applicant Member State, including potentially fraudulent activity and the risk of double funding.*

Where they carry out such ex-ante checks, Member States shall communicate the results thereof, together with their assessment of the request submitted by the enterprise, when submitting the application to the Commission. The Commission shall take that information into account in its assessment of the application. If the Commission's assessment differs from the results of the ex-ante checks, the Commission shall include explanations in that regard in the summary of information referred to in Article 15(3), point (a).

5. Member States shall treat all requests equally *and deal with them* in the order that they receive them, without exercising any discretion with regard to their admissibility or eligibility and shall submit applications in respect of those requests to the Commission. Member States shall not introduce any additional requirements or alter the requirements set out in this Regulation.
6. The applicant Member State shall submit to the Commission the application for a financial contribution from the EGF within *15 working days* of the date on which it received *the complete* request.
7. If requested to do so by the enterprise, the Member State concerned shall provide guidance throughout the procedure for a request as referred to in paragraph 1, *taking into account the size and the administrative capacity of the enterprise*.

8. If requested to do so by the applicant Member State, the Commission shall provide guidance throughout the application procedure.
9. Within 10 working days of the date of submission of the application, or, where applicable, within 10 working days of the date on which the Commission is in possession of a translation of the application, whichever is the later, the Commission shall acknowledge receipt of the application, and shall request from the applicant Member State any additional information that it requires in order to assess the application. *If the requested additional information includes information that can be provided by the enterprise, the enterprise shall provide that information to the Member State.*
10. Where the Commission requests additional information pursuant to paragraph 9, the Member State shall reply within 15 working days of the date of the request. The Commission shall extend that deadline by 10 working days at the request of the applicant Member State. Any request for extension shall be duly substantiated.

11. On the basis of the information provided *in the application*, the Commission shall complete its assessment of the compliance of the application with the conditions for providing a financial contribution within **50** working days of the receipt of the complete application or, where applicable, of the translation of the application. *The Commission shall evaluate the information provided in accordance with paragraph 12. In its evaluation, the Commission shall also assess the adequacy of the consultation process referred to in Article 7(4), as well as of the coordinated package.*

Where the Commission is not able to meet that deadline, it shall inform the applicant Member State before *that* deadline, *explaining the reasons for the delay and* setting a new date for the completion of its assessment. That new date shall be no later than 20 working days after the deadline laid down in the first subparagraph.

12. An application shall contain the following information:
- (a) the identification of the requesting *enterprise, including, where applicable, its affected direct suppliers and downstream producers*;
 - (b) **■** the number of *workers* affected by *imminent job* displacement *in the requesting enterprise undergoing restructuring*, in accordance with *Article 5a*;

- (c) *the number of eligible beneficiaries referred to in Article 6, first paragraph, point (c), and the number of targeted beneficiaries among them to benefit, in accordance with the intentions of the requesting enterprise, under measures from the coordinated package;*
- (d) *where applicable, and as soon as it is available, any written agreement between the requesting enterprise and its direct suppliers or downstream producers;*
- (e) a brief description of the events that led to the restructuring;
- (f) *where the application includes workers affected by imminent job displacement in the direct suppliers or downstream producers of the requesting enterprise, a reasoned analysis provided by the requesting enterprise establishing a clear causal link between the projected collective redundancies in the direct suppliers or downstream producers and those in the requesting enterprise;*

- (g) a confirmation, *based on information provided* by the enterprise, that the enterprise has complied, and continues to comply, with its legal obligations, *including those set out in Article 2 of Directive 98/59/EC, and any* collective agreements governing these projected collective redundancies and that it is providing for its workers accordingly ■ ;
- (h) *a description of the procedures followed by the enterprise for the consultation of the targeted beneficiaries or their representatives, as applicable, on the design of the coordinated package, as well as the description of the procedures followed for the consultation on the measures included in the coordinated package of the local and regional authorities or other relevant stakeholders, as applicable;*
- (i) *an explanation of the extent to which the recommendations set out in the EU Quality Framework for anticipation of change and restructuring have been taken into account and, where applicable, how the coordinated package complements actions funded by other Union or national funds;*
- (j) an estimated breakdown of the composition of the targeted beneficiaries by gender, age group and educational level, used in the design of the coordinated package;

- (k) a detailed description of the coordinated package and related expenditure, including any measures in support of employment initiatives for disadvantaged, young and older beneficiaries;
- (l) the estimated budget for each of the components of the coordinated package in support of the targeted beneficiaries ;
- (m) the dates on which the provision of the coordinated package to the targeted beneficiaries and the activities to implement the EGF, as set out in Article 7, were started or are due to be started;
- (n) the estimated budget for any preparatory *activities, including ex-ante checks, as well as* management, information and publicity, control and reporting activities by the applicant Member State in relation to the application;
- (o) a ■ statement outlining why the coordinated package does not replace measures that are the responsibility of employers by virtue of national law or collective agreements;
- (p) the confirmation *from* the enterprise concerned *that it* will co-finance the measures of the coordinated package and that its co-financing is the only source for the national co-funding ■ , except for any contributions from the direct suppliers or downstream producers of that enterprise;

- (q) *a confirmation from the applicant Member State that it has not provided any funding for the coordinated package.*

Where the numbers referred to in points (c) and (l) of the first subparagraph change before the completion of the assessment by the Commission, those changes shall be communicated to the Commission.

The information set out in points (a) to (f), (j) to (m), and (o) and (p) of the first subparagraph shall be provided to the applicant Member State by the requesting enterprise.’;

(11) Article 11 is amended as follows:

(a) paragraph 1 is replaced by the following:

- ‘1. At the initiative of the Commission, a maximum of 1,5 % of the maximum annual amount of the EGF may be used for technical and administrative expenditure for its implementation, such as preparatory, monitoring, control, audit and evaluation activities, as well as data gathering, including in relation to corporate information technology systems, communication activities and those enhancing the EGF’s visibility as a fund or for specific projects and other technical assistance measures. Such measures may cover future and previous programming periods.’;

(b) *paragraph 4 is replaced by the following:*

- ‘4. *The Commission’s technical assistance shall include the provision of information and guidance to the Member States on using, monitoring and evaluating the EGF as well as dedicated outreach to Member States that have had no or have had only low uptake of EGF support. The Commission shall also provide the social partners at Union and national level with information and clear guidance on the use of the EGF. Guidance measures may also include the creation of taskforces in cases of severe economic disruptions in a Member State.’;*

(12) Article 13 is amended as follows:

(a) paragraph 1 is replaced by the following:

‘1. On the basis of the assessment carried out in accordance with Article 8 or 8a, in particular taking into account the number of targeted beneficiaries, the proposed measures and the estimated costs, the Commission shall evaluate and determine the amount of a financial contribution from the EGF, if any, that may be made within the limits of the resources available.’;

(b) the following paragraph is inserted:

‘2a. The co-financing rate for expenditure incurred by the Member State for beneficiaries referred to in Article 6, first paragraph, point (c), and relating to measures set out in Article 7(5) shall be 100 %.’;

(c) paragraph 3 is replaced by the following:

‘3. Where, on the basis of the assessment carried out in accordance with Article 8 or 8a, the Commission concludes that the conditions for a financial contribution under this Regulation are met, it shall immediately *initiate the procedure* set out in Article 15 ■ .’;

(d) *the following paragraph is added:*

‘5. A minimum of 40 % of the annual maximum amount of the EGF shall be reserved for applications concerning the cessation of activity of displaced workers or self-employed persons referred to in Article 8. Any portion of that amount not used or not reserved by 30 June of each year may also be used for applications concerning workers affected by imminent job displacement referred to in Article 8a. Any financial contribution to workers affected by the imminent job displacement referred to in Article 4(2), point (d), shall not exceed EUR 4 000 000 per enterprise, per Member State, for any financial year.’;

(13) in Article 14, paragraphs 1 and 2 are replaced by the following:

- ‘1. Expenditure shall be eligible for a financial contribution from the EGF from the dates set out in the application in accordance with Article 8(7), point (j), or Article 8a(12), point (m), on which the Member State or the enterprise concerned starts, or is due to start, providing the coordinated package to the targeted beneficiaries or on which the Member State incurs administrative expenditure to implement the EGF in accordance with Article 7(1) and (5).
2. The Member State or the enterprise shall start implementing the eligible measures set out in Article 7 without undue delay and shall carry out those measures as soon as possible, and in any event within 24 months of the date of entry into force of the decision on the financial contribution.’;

(14) in Article 15, *paragraph 3* is replaced by the following:

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

(a) the assessment carried out in accordance with Article 8(6) or Article 8a(11), together with a summary of the information on which that assessment is based; and

(b) the reasons for the amounts proposed in accordance with Article 13(1).’;

(15) Article 16 is replaced by the following:

‘Article 16

Insufficient funds

By way of derogation from the deadlines set out in Articles 8, 8a and 15, provided that the remaining commitment appropriations available in the EGF are not sufficient to cover the amount of assistance that is necessary according to the Commission proposal, the Commission may, in exceptional cases, postpone the proposal to mobilise the EGF and the subsequent budgetary transfer request until commitment appropriations are available in the year following the application. The annual budgetary ceiling of the EGF shall be respected in all circumstances.’;

(16) in Article 17, the following paragraph is added:

- ‘6. With regard to applications under Article 8a, the Member State concerned, ***without undue delay, and at the latest ten working days*** after receipt of the Commission’s pre-financing payment, shall make available to the enterprise concerned the part of the pre-financing payment that relates to the coordinated package implemented by the enterprise. ***Member States may make the pre-financing payment available in instalments, in which case the first instalment shall be made available without undue delay and within ten working days at the latest. The detailed arrangements for payment shall be set out in the document governing the financial contribution from the Member State to the enterprise. The Member States may, where appropriate, direct the funds to the enterprise through the relevant regional or other public authority, provided that this does not delay the payment.*** The Member State shall retain ***or direct to regional or other public authority*** the part of the pre-financing that relates to measures referred to in Article 7(5).’;

(17) in Article 20, the following paragraph is added:

- ‘3. In cases where an enterprise is implementing a financial contribution from the EGF for workers affected by imminent job displacement, the enterprise shall, by the end of the sixth month after the expiry of the implementation period, provide the Member State concerned with all relevant information specified in paragraph 1 ■ .’;

(18) in Article 22, *paragraphs 4 and 5 are* replaced by the following:

- ‘4. A beneficiary survey shall be launched *by the Commission* during the sixth month after the end of each implementation period. The beneficiary survey shall be open to participation for at least four weeks. Member States shall distribute the beneficiary survey to the beneficiaries, send out at least one reminder and inform the Commission of the distribution and reminder sent.

In cases involving assistance implemented by an enterprise for beneficiaries under Article 6, first paragraph, point (c), that enterprise is responsible for distributing the survey referred to in the first subparagraph of this paragraph to the *beneficiaries* that have participated in the measures, *and to workers' representatives for information, for sending out at least one reminder and for informing the Member State of the distribution and reminder sent.* The responses to the beneficiary surveys shall be collated and analysed by the Commission for use in future evaluations.

5. *Beneficiary surveys shall be used to collect data on the perceived change in the employability of beneficiaries, or, for those who have already found employment, on the quality of the employment found, such as changes in working hours, the type of employment contract or relationship (full time or part time; fixed term or open-ended), the level of responsibility or change of salary level in comparison to previous employment, and the sector in which the person found employment. For cases under Article 6, first paragraph, point (c), this shall also include information on a possible new role within the same enterprise, where applicable. That information shall be broken down by gender, age group, education level and level of professional experience.’;*

(19) *in Annex II, point (2), the following paragraph is inserted after the first paragraph:*

‘For cases under Article 6, first paragraph, point (c), the indicator under the first paragraph, point (a), of this point is to be broken down by the following employment:

(a) *in a different enterprise;*

(b) *in the same enterprise:*

(i) *in the same role,*

(ii) *in a different role.’.*

Article 2
Entry into force

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at ...,

For the European Parliament

For the Council

The President

The President
