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REPORT FROM THE COMMISSION

**on the mid-term evaluation of the European Globalisation Adjustment Fund for Displaced Workers (EGF)
2021-2027**

{SWD(2025) 180 final}

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Background

The European Globalisation Adjustment Fund (EGF) was set up in the 2007-2013 period to show solidarity with, and provide support to, workers who were made redundant because of major structural changes in world trade patterns caused by globalisation. The scope of the initial Regulation[1] was broadened in 2009[2] to include redundancies resulting from the global financial and economic crisis. For the 2014-2020 period, the scope was further broadened [3] to cover redundancies caused by any new global financial and economic crisis. During the 2014-2020 period, the EGF co-financed up to 60%[4] of the measures implemented by the Member States to help redundant workers swiftly re-integrate into the job market. To address the impact of the COVID-19 pandemic, the Commission set out a recovery plan for the economy[5], which included the EGF as an emergency tool to assist people who lost their jobs due to the global financial and economic crisis. The European instrument for temporary support to mitigate unemployment risks in an emergency (SURE)[6] mobilised until end of 2022 significant financial means to fight the negative economic and social impact of the COVID-19 pandemic.

For the **2021-2027 period**[7], the Fund was re-named as the European Globalisation Adjustment Fund for Displaced Workers (EGF). **Major changes** were introduced[8], such as a broadening the scope of eligibility to support displaced workers regardless of the cause of the restructuring event, lowering the threshold from 500 to 200 displaced workers, simplifying and speeding up procedures, and aligning the co-financing rate with the European Social Fund Plus (ESF+)[9]. An amendment of the EGF Regulation was proposed by the Commission on 1 April 2025[10], to also cover workers at risk of imminent job loss in enterprises undergoing restructuring. This amendment is briefly presented at the end of this document.

Scope of the mid-term evaluation

In line with Article 22 of the EGF Regulation, the Commission carried out a mid-term evaluation to assess how and to what extent the EGF is on track to achieve its objectives in the 2021-2027 period. The evaluation assessed the effectiveness, efficiency, coherence, relevance and the EU added value of the EGF. Limited lessons for the EGF's implementation and design are also included.

The evaluation focuses on the changes introduced for the 2021-2027 period, in order to assess to the extent to which these changes led to the envisaged outcomes. As the uptake of the Fund was relatively low and the available evidence was limited[11], the evaluation also examined the reasons for the EGF's low uptake, despite the simplified application rules that were introduced by the 2021-2027 EGF Regulation. The purpose is to see if the EGF, under the current rules,

[1] Regulation (EC) No 1927/2006, OJ L 406, 30.12.2006, p. 1.
[2] Regulation (EC) No 546/2009 , OJ L 167, 29.6.2009, p. 26.
[3] Regulation (EU) No 1309/2013, OJ L 347, 20.12.2013, p. 855–864, ('the EGF Regulation').
[4]Between 2007-2009 and 2012-2013, the EGF co-financing rate was 50% during and it was increased to 60% during 2009-2011 and 2014-2020 (See Annex 6 of the accompanying SWD).
[5] See communication *The EU budget powering the recovery plan for Europe*, 27.05.2020.
[6] Council Regulation (EU) 2020/672 of 19 May 2020, OJ L 159, 20.5.2020, p. 1–7
[7] Regulation (EU) 2021/691, OJ L 153, 3.5.2021, p. 48–70.
[8] The changes were introduced largely based on the Impact assessment accompanying the Proposal for a Regulation on the EGF 2021-2027, the ex post evaluation of the EGF 2014-2020 and previous EGF evaluations and reports on the EGF, such as the ex-post evaluation of the EGF 2007-2013, the European Court of Auditors' special report No 7 (2013) on the EGF, the European Parliament's European Implementation Assessment of the EGF 2007-2014.
[9] EGF co-financing rate is aligned with the highest ESF+ co-financing rate in the Member State concerned, while keeping 60% as a minimum.
[10] COM(2025)140
[11] Results of the first seven EGF cases were only available in the second half of 2024.

continues to effectively support workers impacted by global economic transformations, thus aligning with the EU's overarching social policy objectives.

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 approached cautiously because of the limited data available. The early timing of the EGF mid-term evaluationallowed for only limited availability of information, evidence and experience to be taken from the current period. The improvement in the economy was a reason for the lower number of EGF applications, which led to the limited data that was available at this juncture. Other challenges faced in the evaluation were lack of performance indicators, limited suitable comparators with data from the first programming perod, and limited resources for this evaluation.

The evaluation is based on stakeholder consultation, targeted interviews and consultations of national and EU stakeholders involved in the implementation of the EGF.

The evaluation covers 18 EGF cases (i.e. approved applications), received between the entry into force of the EGF Regulation on 3 May 2021 and 31 December 2024. Out of these, 11 applications are considered without an analysis of the results which will only be available between 2025 and 2027 given that the cases are still on-going. The cases, concerning 7 Member States (Belgium, Denmark, France, Germany, Greece, Italy and Spain), cover 13 economic sectors, notably automotive, warehousing and support activities for transportation, wholesale trade, air transport and basic metals.

The low number of applications during 2021-2024 can be explained by several reasons. One of the reasons that has been underlined in previous evaluations is that the number of EGF applications has always been cyclical and linked with the general trend in employment and the economic realities in Member States. The COVID-19 pandemic caused a surge in business closures and job losses across Europe in 2021. However, European economies managed to cope well with the crisis partly thanks to the short-time work schemes put in place at EU and national level. As a result, there were fewer large-scale restructuring events and Member States were better equipped to deal with major restructuring events.

However, since 2024, the Eurofound's European Restructuring Monitor Database (ERM)[12] shows that the number of restructuring events with 200 or more jobs losses sharply rose by 50% from 2023 to 2024[13], reaching its highest level during the 2021-2024 period. Also, in 2024, for the first time since 2020, the overall number of jobs losses exceeded the number of jobs created in the course of major restructuring events, especially in the most affected sectors of manufaturing, transportation/storage and retail[14]. This shows an economic downturn which might lead, with some delay (depending on the duration and size of the restructuring events), to more EGF applications received in the future.

The mid-term evaluation is presented as a staff working document (SWD). The SWD was drafted by the Commission's Directorate-General for Employment, Social Affairs and Inclusion, based on desk and field research, stakeholder feedback, analysis of EGF applications and final reports submitted by Member States. Other sources included previous reports and

[12] ERM is the most comprehensive source of data that records all announcements of redundancies in a given year. Restructuring announcements are recorded in the ERM based on a screening of the main media sources in each of the Member States. European Restructuring Monitor | European Foundation for the Improvement of Living and Working Conditions

[13] In the EU, in 2024, 309 restructuring events of 200 or more jobs lost where recorded, compared to 205 in 2023.

[14] European Restructuring Monitor | European Foundation for the Improvement of Living and Working Conditions. For example, the ERM registered in 2024 in the EU27, that 39706 jobs were lost while only 5727 jobs were created in the car manufacturing sector (NACE sectors included are: C27.1, 29.1, 29.2, 29.3, 30.3, 30.9, 74.9).

evaluations of the EGF, and results of the consultation activities with relevant EGF stakeholders from all Member States. Further evidence was gathered and analysed from the experience of several Commission staff managing the EGF and the Commission's internal EGF database which includes data on all EGF cases between 2007 and 2024. The results of th evaluation provide lessons for the implementation of the EGF.

These results are brought to the attention of the EU institutions and bodies and social partners[15].

Main findings by evaluation criterion

Assistance under the EGF is always offered retroactively, after the redundancies have occurred. The assisstance is provided in addition to the Member States' measures at national, regional and local level, only when sudden collective redundancy processes put the public employment services under extraordinary pressure and when a Member State decides to apply for funding under the EGF.

The **EGF offers a targeted, tailor-made and individualised support** to beneficiaries[16], putting them in a more favourable position than people who did not benefit from EGF support to re-enter the labour market[17]. The EGF measures respond to beneficiaries' individual needs and wishes. The EGF **removes barriers to participation** and ensures that **all beneficiaries are treated equally**[18], while focusing on vulnerable groups, such as disadvantaged beneficiaries, including young and older unemployed people and people at risk of poverty. The EGF enables people to upgrade their knowledge and skills, or benefit from other suitable measures (e.g. mobility allowances, childcare allowances or elderly care.).

The EGF allows Member States to experiment with innovative active labour market measures that might not be commonly available to displaced workers. If the innovative **measures** proved to be **successful**, then **Member States**, like Belgium, Germany and Spain,[19] have subsequently **incorporated them into their standard assistance measures**.

Effectiveness of the EGF

The effectiveness criterion assesses how effective the EGF was in achieving its aim both at instrument and at case level. The EGF's aim of the is to (i) demonstrate solidarity towards workers have ben made redundant; and (ii) to ensure for each EGF case that the largest possible number of beneficiaries find sustainable employment as soon as possible. The results of this assessment are presented below.

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[15] In line with Article 22 (2) of the EGF Regulation.

[16] According to the seven EGF beneficiary surveys, 62 % of the respondents (of 645 replies in total) agreed that the EGF was tailored to their needs.

[17] *Study supporting the ex post evaluation of the European Globalisation Adjustment Fund (2014-2020)*, p. 13, https://op.europa.eu/en/publication-detail/-/publication/ceb95383-a24f-11eb-b85c-01aa75ed71a1.

[18] In Spain, special attention is also paid to accessibility in all places linked to the implementation of the project activities (information actions, awareness-raising, etc.) in order to achieve equal participation of persons with disabilities. Belgium[18] includes measures offering financial incentives to every employer of the social economy sector who will employ a worker of 50 years old or more. Another example from Belgium is that for people at risk of poverty they offer collective information on the tax impacts of the change of status from worker to unemployed but also on the prevention of over-indebtedness. Both Belgium and Spain[18], try to overcome gender stereotypes by offering financial incentives to women participating in training programmes or jobs typically followed or done by men.

[19] In Belgium, Denmark, Germany, Greece, Italy and Spain. In Belgium, Flanders, examples include organising of job fairs to help displaced workers find new jobs, while in Wallonia incentives were given to beneficiaries to participate in digital trainings. Also in Germany, the beneficiaries who complete digital trainings would get a tablet. In Spain, EGF cases have been used as a reference point in the design of other jobseeker-placement projects and local employment initiatives.

The **broadened scope**, **the modified intervention criteria,** the **simplified application procedures** (removing the need to demonstrate the link to the cause of displacements) and **the shorter procedural deadlines** for both the Commission and the Member States, have **made the EGF fairer, more inclusive and more easily accessible**. In addition, the **alignment** of the **EGF co-financing rate** with the one of ESF+ (while maintaining a minimum of 60%), was considered an encouraging factor to apply for a financial contribution from the EGF.

The EGF supports all eligible beneficiaries in a more tailored and intensive manner than national measures and other EU instruments do. The **flexibility of the EGF** in terms of the types of measures is highly appreciated. Some Member States would like to use a higher percentage than 35% for the allowances[20], such as job search allowances, training allowances, subsistence allowances and mobility allowances.

EGF measures boost national measures as they are always **offered on top** of national measures. Findings from previous evaluations and feedback from the beneficiaries confirm that the help offered would otherwise not have been available. This is a clear indication that the EGF measures complement and build on what is available at national level.

The **social partners and companies' involvement** in laying off workers **had a positive impact on the effectiveness of EGF cases** by contributing to a better design and implementation of the measures. Their involvement in France and Spain also sometimes guided the beneficiaries to swiftly finding new jobs.

Feedback from surveys targeted at beneficiaries show that **overall awareness** of the EGF **has improved** compared to previous periods although there is still room for improvement. The Commission's promotion of the use of EGF was considered an asset for the beneficiaries in several cases. In some Member States (notably BE, CY, DE, EE, ES, IT, FI, HR, HU, IE, LT, LV, PT, SE), there is increased awareness of the EGF because workers' organisations, implementing bodies, policy makers and social partners participated in delivering some of the measures. In other Member States (notably FR, CZ, MT, PL, SI, PL, RO, SE), not all relevant stakeholders, including beneficiaries, were aware of the EGF and its potential benefits which can hinder its effectiveness. There is scope to improve communication and awareness of the EGF among workers and their representative organisations at EU and national level. About 80% of respondents to the beneficiary survey were aware that the funding they received were co-financed by the EGF/the EU, while 20% were not.

Barriers to the EGF's effectiveness re-confirm findings of previous evaluations, which include (non-prioritised list): a) the lengthy and complex decision-making process at EU level (on average 5.5 months , an improvement as compared to 7.2 months in 2014-2020); b) the delayed start of the implementation; c) the national administrative procedures in the Member States; d) issues in the case management at national/regional level and Member States' lack of experience in using the EGF; e) issues related to the age of the beneficiaries (e.g. older people who need particularly intensive training); f) difficulties in reaching out to and activating redundant workers (sometimes due to difficulties in obtaining their contact details because of data protection restrictions); g) workers' low willingness for labour mobility and change; h) problems and delays with the design and implementation of EGF measures; i) lack of awareness of the EGF in some Member States; j) institutional difficulty in managing additional fundd,

[20] As during the 2014-2020 period, the co-financing of allowances continues to be capped at 35% of the total package of personalised measures, in order to provide proportional assistance, and in line with the findings of an audit of the 2007–2013 EGF (ECA (2013), p. 28). Such allowances can only be co-financed if they are conditional on the active participation in EGF measures.

including other instruments like the ESF+, Just Transition Fund (JTF), Recovery and Resilience Facility (RRF).

Beyond reintegration into the labour market, the EGF produced **long-lasting effects on beneficiaries' general employability**, such as giving them new skills and qualifications. These effects include giving beneficiaries digital skills and environmental/green skills, increased self-esteem, feeling better qualified for work, feeling encouraged to overcome gender bias in job selection and widening their social networks from participating in EGF measures. These soft outcomes are easily seen in the beneficiary survey of each EGF case, offering a more qualitative approach to evaluating effectiveness. **Better data collection and reporting** arrangements were observed following the inclusion of the specific common indicators and the beneficiary survey for each EGF case in the 2021-2027 EGF Regulation. However, since setting case-specific targets at the application stage is currently not a requirement, the performance of each case cannot be assessed. However, the Commission's proposal to set case-specific targets and to include reporting by type of employment was not included in the final agreement between the European Parliament and the Council on the EGF Regulation for the 2021–2027 period. In general, **monitoring of the EGF's effectiveness has improved during 2021-2024.**

Overall, the EGF is ***effective***, and **met its objective** of solidarity towards displaced workers and the self-employed whose activity ceased due to restructuring events, while supporting them to find sustainable jobs or start their own business. The average **re-integration rate** of displaced workers into the job market was around **50%** for the seven completed cases, standing lower than in the previous programming period (60% for 46 cases). These results need to be viewed with caution due to the small sample size during the 2021-2024 period. This rate depends on case specificities as well as on external factors (such as situation in the labour market, the specific sectors of activity) and the personal reasons of the beneficiaries. **In the longer term**, **the reintegration rates improve** in most cases[21].

Efficiency of the EGF

The efficiency criterion analyses to what extent the costs associated with the implementation of the EGF were justified considering the results (cost-benefit analysis)[22]. This was been done by analysing the resources used to achieve the results as well as the decision-making process. It also analyses if there are any inefficiencies or unnecessary burdens at case or instrument level.

The actions covered by the EGF are, by definition, not programmable because restructuring events giving rise to the redundancies are unexpected. Therefore, defining in advance how many mass redundancy events will take place in any given year and what would be the profile of beneficiaries is not possible. Also, estimating precisely the exact number of people who will sign up for EGF measures, the type and duration of measures needed, and how much of the planned budget for the package of personalised services will be spent is difficult when Member States draft their application for EGF support.

The shortening the procedures to adopt individual applications for both the Commission and the Member States **improved the efficiency** of the EGF. **The total time for EU level**

[21] In all 7 EGF cases from 2021 where the beneficiaries' surveys where available, the feedback received from beneficiaries showed that the re-integration into the labour market had improved in the longer-term compared to short-term after participating in the last EGF measure. Past evaluation of the EGF also included the same finding.

[22] The cost-efficiency of the EGF considers the degree to which the costs incurred are proportionate to the results (defined as the number of beneficiaries helped, the number of beneficiaries re-integrated, percentage of beneficiaries in education or training and who gained a qualification and long-lasting effects on beneficiaries' general employability) and if they could have been achieved with fewer resources (absorption rate) and/or in a shorter period of time. When analysing the notion of time the following aspects have been analysed: timing and length of applications, timing and length of re-employment measures.

procedures during the 2021-2024 period was on average 5.5 months[23] a decrease, as compared to 7.2 months in 2014-2020. Despite this, the decision-making process at EU level is **still considered lengthy and/or complex** by 16 Member States[24]. In some Member States[25] the lenghty procedure is considered the **only barrier to applying** for EGF support. Such a lengthy process causes delays to project implementation, but findings show that in some cases procedures at national/regional level are a more significant barrier to efficiency.

According to the stakeholder consultations at case level, **the amounts available for the measures are considered to be sufficient.** Most respondents to the Commission's written consultation believed that the same results could not have been achieved with less resources or in a shorter period of time.

The absorption rate (the percentage of the spending of the assistance granted) is examined when analysing the resources used case-by-case. However it does not reflect the cost-efficiency at case level. Moreover, it has no case-specific target and cannot be considered a performance indicator or an indicator of the success of the case. As in previous programming periods, most EGF cases tend to use up only a fraction of the resources allocated to them. The 2021-2024 period has shown progress in the absorption rates of EGF co-financing. For the seven cases from 2021-2024, the **average absorption rate was 63% (for 7 EGF cases)**, **an improvement** compared to the previous periods (average of 55% for 73 cases in 2007-2013 and average of 59% for 46 cases in 2014-2020)[26], which indicates, to a certain extent, a better use of resources allocated.

At Member State level, after comparing the total EGF amount spent per case against the number of beneficiaries assisted, the general trend is that more beneficiaries were assisted in cases that received more EGF funding. A higher number of beneficiaries requires more financial resources. However this applies when the beneficiaries needs require more intensive or complex and costly training. Overall, no meaningful conclusions could be drawn on the cost-efficiency per beneficiary because the resources spent per case, and the number of beneficiaries helped and who re-integrated into the labour market as a result, differ considerably by case, sector and Member State. Costs are largely dependent on national and regional specificities, as well as the nature of the measures offered, and the beneficiaries' background.

Reallocation of funds between measures based on needs that emerged during the implementation period, remained to be possible as in previous programming periods. However, for reallocations above 20%, Member States must inform the Commission. Such reallocations have occurred in 22% of cases (4 out of 18)[27] while in 2014-2020 these occurred in about 10% of cases (5 out of 46).

Coherence of the EGF

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[23] From the date of application until the date of payment.

[24] AT, CY, CZ, DE, FI, HR, HU, IE, IT, LT, LU, MT, PL, PT, SE, SI (according to the written survey carried out by the Commission in November 2024, for Member States who did not apply for EGF during 2021-2024).

[25] AT, CY, FI, HR.

[26] Ex post evaluation of the EGF 2014-2020, SWD(2021)381/13.12.2021, p. 37.

[27] For EGF/2021/002 IT/Air Italy and EGF/2021/003 IT/Porto Canale, Italy has requested several budget reallocations. For Air Italy, two measures were increased for providing more reimbursement of mobility costs and contributions to accommodation and travelling cost when in training. Also, the technical assistance lines were adjusted to use the amount not spent for preparatory measures to supplement the management and control activities. For Porto Canale, the budget reallocation was requested to offer more training support. For EGF/2021/006 ES/Cataluña automotive, an additional measure was added: a participation incentive offered to the workers to encourage workers' participation. The funds for this measure come from the reemployment incentive. For EGF/2022/003 ES/Alu Ibérica, the reallocation was requested to offer more job search assistance and training courses.

The EGF is coherent with national, regional and local policies and offers sufficient flexibility to complement and/or add to the labour market measures provided by Member States at national level. In some cases, EGF intervention was part of a wider policy framework aimed at minimising the consequences of mass redundancies in a region, thus ensuring coherence between the activities implemented by other regional and local stakeholders, and also amplifying the sustainability of the EGF's results[28].

At case level, no overlaps with other EU or national funding were identified. Strong complementarities were found between the EGF and the ESF+. In particular, complementarity is ensured through coordination between the funds at national level. There is scope to better align the EGF and the ESF+ in terms of availability, as some Member States choose to fund EGF-type measures using the ESF+, JTF, RRF because these instruments are already available and provide more flexibility to reallocate amounts quickly.

The new requirement for Member States to explain in each EGF application how it is coordinated using the recommendations set out in the EU Quality Framework for anticipation of change and restructuring (QFR), a framework of best practice for anticipating and dealing with corporate restructuring, provides more evidence on the complementarity of the EGF with national measures and instruments.

EU added value of the EGF

The EU added value analyses to what extent changes happened thanks to this EU intervention. This is done by analysing the added benefits compared to a scenario with Member States' assistance and the effect of discontinuing the EGF.

Despite limited evidence collected from stakeholder consultations, the findings from this evaluation indicate that the EGF provides added value when compared to what Member States could have achieved alone through national measures targeted at helping workers who were made redundant. The results of the written consultations highlight that some **70% of respondents felt that the EGF has added value**[29]. Some **62%** of respondents to the beneficiary survey evaluated the EGF favourably compared to other sources of support at national/regional level, citing one of the benefits of the EGF support as being **tailored to the specific needs of beneficiaries.**

The EGF has been successful and generated considerable ***EU added value*** in 2021-2024. As confirmed by past EGF evaluations, this is particularly true in terms of its *volume effects*, scope (e.g. innovative measures[30]), role and process effects[31], though they differ by Member State and are largely dependent on national support structures. The added value is significant for volume effects, meaning that EGF assistance not only increases the number and variety of services offered, but also their level of intensity, striving to leave no one behind.

As the EGF largely complements other EU instruments (notably the ESF+), it adds EU value compared to their scopes and target groups.

In conclusion, considering the limitations of this evaluation, the EGF, under the current regulatory framework, continues to EU add value by effectively support workers impacted by

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[28] Ex post evaluation of the EGF 2014-2020, SWD(2021)381/13.12.2021, p.43.
[29] Written surveys with stakeholders from all Member States carried out during October-December 2024.
[30] In Belgium, Denmark, Germany, Greece, Italy and Spain. In Germany, during a one-day bus tour former workers from Vallourec (EGF/2023/003 DE/Vallourec) were taken to visit and discuss with possible hiring companies. Also in Germany, the beneficiaries who complete digital trainings would get a tablet. In Belgium, Flanders (EGF/2024/002 BE/Limburg machinery and paper), a job fair was organised, while in Wallonia incentives were given to beneficiaries to participate in digital trainings.
[31] Ex post evaluation of the EGF 2014-2020, SWD(2021)381/13.12.2021, p.46-47.

global economic transformations, thus aligning with the EU's overarching social policy objectives.

Relevance of the EGF

The evaluation criteria of relevance assesses the relevance ofthe EGF. It covers three core aspects: (i) the appropriateness and usefulness of the *extended scope* of the EGF; (ii) its *modified intervention criteria* as set out in the 2021-2027 EGF Regulation; and (iii) the extent to which it met Member States' needs.

During the 2021-2024 period, evidence showed that the ***extended scope*** is **relevant**, useful for its aims, since it better reflects the economic situation and makes the EGF more easily accessible. Most stakeholders consulted also agreed that the application procedure has become simpler and faster following the removal of the need to demonstrate the cause of displacements.

The extended scope and the **simplified application procedure** make the EGF **available** to cover all workers displaced in the course of a major restructuring event, **thus striving to leave no one behind**. Decisions for EGF co-financing are based on the expected impact of the displacements (defined by the threshold of 200 displaced workers), rather than their cause. This fact provides **more flexibility** for Member States to target the needs of displaced workers. Based on the evidence collected, this has made the **scope of the EGF** suitable in addressing the ever changing labour market needs related to automation, AI, the twin digital and green transitions, etc.

The ***modified intervention criteria*** which lowers the displacements threshold to 200 were found to be relevant and useful. Several Member States indicated that smaller labour markets could now benefit from lowering the minimum threshold for redundancies. **Most stakeholders** consider that **the lowered threshold is an encouraging factor for Member States to apply**, whereas the previous threshold for 2014-2020 was considered a barrier. In generally the total number of targeted workers is lower than the number of displacements because not all dismissed workers need support. Regarding the threshold of dismissed workers, in 5 applications (out of 18 received in 2021-2024), i.e. 27%, the total number of dismissed workers was below 500 dismissals, while in the rest (13 cases) it exceeded 500. In terms of number of workers targeted for the EGF measures, in 11 applications the number of targeted workers was less than 500, while in 7 it exceeded 500.

Based on past EGF evaluations, the 2021-2027 EGF Regulation modified the reference period for calculating the threshold of 200 displaced workers to four months (for dismissals in a company or in a regional case) and six months[32] (for dismissals in a sectoral case[33]). Outside the reference period of four or six months, more displaced workers and self-employed people whose activity had ceased, could be included as eligible beneficiaries, provided that the displacement happens six months before the start of the reference period or between the end of the reference period and the last day before the date of the completion of the assessment by the Commission. In general, this modification was considered useful in view of the needs of displaced workers.

The change in the intervention criteria to include the option to support workers displaced from several economic sectors in a region, addressed the feedback from national and regional

[32] The reference period for calculating the threshold of 500 redundancies in regional cases was 9 months during 2014-2020.

[33] The "sectoral case" was newly introduced for the 2021-2027 period for at least 200 displaced workers (or self-employed persons' activity ceasing) over a reference period of 4 months in enterprises, especially SMEs that belong to the same or different economic sectors defined at NACE Revision 2 division level in the same region defined at NUTS 2 level.

authorities in the previous evaluation, which considered that the high threshold was a barrier to for applying for EGF support. Therefore, **the EGF now has a more flexible approach to restructuring events** involving more than one company. This option was used in one sectoral case covering workers from two economic sectors (machinery and equipment, and paper).

On **relevance,** regarding the question to what extent the EGF addresses Member States' *needs*, findings from this evaluation reconfirm previous EGF evaluations findings, that there is widespread agreement across all stakeholder groups that the **EGF is sufficiently tailored to the specific needs of the relevant target groups**. Interviews carried out at EU level also point to improvements with each programming period in the design of the package of measures at Member State level, citing that **EGF measures increasingly took into account the socio-economic context.** As such workers' needs were more comprehensively addressed, for example by providing additional support for childcare and benefits during the retraining process (in Spain).

As in previous programming periods, the EGF Regulation[34] allows for a certain degree of **flexibility to reallocate funds between measures based on needs that may emerge during the implementation period**, provided that the total EGF budget is not exceeded.

In conclusion, the evaluation shows a **high degree of *relevance*** of EGF funding during the 2021-2024 period. Evidence also shows that the extended scope and modified intervention criteria are relevant, better reflect the economic realities and make the EGF more accessible.

In terms of *future needs*, by looking at megatrends data[35] related to the way people work and learn, the challenges of the twin digital and green transitions, the impact of AI, coupled with the shrinking and aging EU population, and the geopolitical environment, data seems to point to a pressing need for new skills. Investing in the re-skilling and up-skilling of the workers, in particular vulnerable workers e.g. in the manufacturing or automotive sectors, could support the transformation process of these sectors, or could potentially prevent, in some cases, future job losses. When restructuring cannot be prevented, then workers who were already re-skilled would be better equipped to quickly find a new job and avoid unemployment.

Lessons learned

The stakeholder consultations point to several key lessons learned both at Member State and at EU level which improved the effectiveness, efficiency and relevance of the EGF.

At Member State level, there are several key lessons learned.

- A *faster application process* becomes possible for Member States with previous experience in EGF cases, by preparing more complete applications, leading to economies of scale through experience gained with the application process. However, the lengthy procedure remains a hindering factor for some Member States.
- The use of EGF assistance encourages the development of a general delivery mechanism of restructuring assistance in Member States with little experience in dealing with mass redundancies.
- *Early start* of national procedures to ensure early intervention.
- *Design* of the labour market measures to include tailored support based on beneficiaries' needs.

[34] See Article 17(5) of Regulation (EU) No 2021/691.
[35] ESPAS-Global-Trends-to-2040-Choosing-Europes-Future-EN.pdf

- The importance of *physical proximity and easily accessible support* to beneficiaries. In many cases, EGF support has positively influenced the way active labour market measures are managed at national level and the partnerships that feed into them.
- The *need to improve communication activities*. This can be achieved by explaining what measures and activities can be supported by the EGF and how, through communication adapted to different stakeholders (beneficiaries, companies and training providers) in addition to national EGF operators. Member States should actively communicate and raise awareness about the EGF, especially among beneficiaries, as this is not done systematically or with the same degree in all EU countries.

At EU level, there are also several key lessons learned.

- *Extending the scope* to cover job displacements in any large-scale restructuring event, regardless of the cause, has made the EGF more accessible.
- *Faster and simpler mobilisation* of the EGF as a result of the application process, with less evidence required and shorter deadlines, has made the EGF more accessible. However, the length of the procedure is still considered too long and complex. Making the decision process even faster would improve the EGF's accessibility and its uptake.

The new reporting requirements improve the monitoring of the *effectiveness of the Fund*. Further improvement of the measuring and monitoring of the EGF's effectiveness would be possible, if Member States were to develop case-specific targets. However, of some Member States are of the opinion that the monitoring and reporting requirements are already too burdensome.

Commission Proposal to amend the 2021-2027 EGF Regulation

The Commission proposed an amendment to the EGF Regulation on 1 April 2025[36]. The Commission proposes to extend the scope to also cover workers at risk of imminent job loss in companies undergoing restructuring. The EGF would support workers in acquiring the skills needed to help them transfer into a different role, or to change jobs. By swiftly mobilising support before collective dismissals and job losses occur, the EGF will prevent larger disruptions and ensure smoother job transitions. Companies will have to co-finance a part of the assistance offered to workers.

Although not part of the initial scope of the evaluation, based on the limited results, some lessons included in the evaluation could be drawn for the proposal to amend the Regulation. Based on the findings of this evaluation, the Commission proposes to **streamline and accelerate the procedures** to mobilise EGF support, ensuring it is quickly available where it is needed the most.

Under the current rules, the European Parliament and the Council must review and approve each support request under the EGF. Under the proposal, they would instead have the option to approve the EGF budget once per year, with the Commission allocating the funding to Member States based on their requests.

In addition to the faster mobilisation procedure at EU level, the Commission proposes shorter deadlines both for Member States and for the Commission when processing requests for assistance. This would reduce the total timeline of approval of a case from 21 weeks to 11 weeks, thus addressing that aspect of the evaluation's findings.

[36] COM(2025)140

Discussions on the proposal are ongoing in the European Parliament and in the Council.