

Press release – Financial support for workers affected by no-deal Brexit



The European Globalisation Adjustment Fund finances active labour policies such as reskilling of individual workers, career advice, training, relocation allowances or business start-ups. So far, EU governments could only apply for EGF financial support for workers and self-employed persons who have lost their jobs due to globalisation or an economic crisis. The change approved today by the European Parliament specifies that redundancies and self-employed persons whose activity has ceased as a result of significant repercussions on business models, growth and employment caused by the withdrawal of the UK from the EU without an agreement should also fall within the scope of the EGF.

The legislation was adopted by 516 votes against 23 and 17 abstentions.

The change to the regulation will apply from the day following that on which the Treaties cease to apply to the UK if there is no withdrawal agreement in place. However, this regulation will not apply if an agreement is concluded by the date of the UK's withdrawal.

Quote

Vilija Blinkevičiūtė (S&D, Lithuania), rapporteur, said: “EGF has been operational since 2007 and has helped many workers who have been made redundant to find a new job. This fund works very well. We have to do our utmost to prepare for any possible negative effects that our companies and workers may suffer from due to a no-deal Brexit.”

Background

The member states and European Parliament must approve all EGF applications. Once approved, the EU pays 60 % and the EU countries 40 %.

Since 2007, 70.000 workers have benefitted from EGF funding.

Procedure: Ordinary legislative procedure: first reading