

Speech by Commissioner Thyssen presenting the European Social Fund Plus and the European Globalisation Adjustment Fund under the next long- term EU budget

[Check against delivery]

Ladies and gentlemen,

Throughout the preparations of the next EU budget, I have always argued that we need to invest in people.

Because that is what our times require:

- We need skilled people in Europe to create growth, to be competitive globally, to embrace digitisation.
- We need modern social protection systems. For new forms of work. For our ageing societies.
- And we also need to show solidarity with the vulnerable, with the most deprived, with migrants who have the right to stay. It is what makes us human.

That's why I am very happy that the EU budget will make a very visible and substantial contribution to investment in people.

The European Social Fund, which has been up and running for 60 years, will be given an extra boost.

Worth more than 100 billion euro alone, the new European Social Fund Plus will lever and steer public and private investments in our Member States.

It will be more focused and result-oriented.

First of all, it will be more closely aligned to the European Semester, to help Member States implement their country specific recommendations in line with the European Pillar of Social Rights.

Secondly, we ask Member States to allocate at least 25% of ESF+ funding, compared to 20% today, to measures that foster social inclusion and target those most in need.

And thirdly, we also ask Member States to earmark 10% of ESF+ funding to measures that support youth employment and especially inactive young people who need it even more.

We also foresee the necessary flexibility and simplification.

We also propose to modernise the European Globalisation Adjustment Fund (EGF).

The EGF will remain a flexible and special instrument outside the EU budget to respond to unforeseen circumstances. We are increasing the envelope from €150 million to €225 million a year.

We propose to broaden the scope of the future EGF and to lower the threshold of dismissed workers for a case to be eligible from 500 to 250.

And finally, the way the fund is used will also be streamlined to simplify and speed up the procedure.

Ladies and gentlemen, to conclude, our social funds are indispensable bricks in the new architecture of the EU budget.

To empower people. To make sure they can make the best out of our changing world of work.

But also to show solidarity and accompany those who need it most.

To build the **competitive, sustainable and inclusive societies** we want for our citizens. Thank you.