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## The European globalisation adjustment fund: Easing the pain from trade?

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# The European Globalisation Adjustment Fund: Easing the pain from trade?

Grégory Claeys and André Sapir

## Executive summary

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**THE EUROPEAN UNION** created the European Globalisation Adjustment Fund (EGF) in 2007 to co-fund, together with EU member states, policies to help workers negatively affected by globalisation find new jobs.

**THE EGF WAS** a political acknowledgment that the EU, which has exclusive competence over trade policy, needed to assume some budgetary responsibility for the economic displacement arising from globalisation.

**THIS POLICY CONTRIBUTION** attempts to evaluate the EGF programme after ten years of implementation and in the context of the negotiations on the EU's 2021-27 Multiannual Financial Framework.

**THE EGF PROGRAMME** is relatively modest in size. During the decade from 2007 to 2016, it financed 147 cases (involving either large firms or regionally-concentrated groups of small firms), covering 140,000 dismissed workers. But only about half of the cases and job losses were related to globalisation. The other half were related to the economic and financial crisis, which became eligible for EGF assistance in 2009.

**OUR EVALUATION ADDRESSES** both the political visibility of the EGF programme and its economic effectiveness, and concentrates on cases and dismissed workers related to globalisation.

**WE FIND THE** programme was highly politically visible in the sense that EGF beneficiaries tended to work for large firms prior to their redundancies and these job losses were widely reported in the media.

**THE ECONOMIC EFFECTIVENESS** of the EGF programme is more difficult to evaluate, mainly because the available data is insufficient. Estimates, however, suggest that only a small proportion of EU workers who lost their jobs because of globalisation received EGF financing. Unfortunately it is impossible at this time to assess whether workers who received EGF assistance did better in their job searches than those who did not receive EGF assistance.

**WE MAKE THREE** main recommendations to improve the EGF programme: 1) collect more and better data on EGF cases and assisted workers to enable a proper evaluation of the programme; 2) revise the eligibility criteria to qualify for EGF assistance and the co-funding rate for the contribution from low-income countries or regions; and 3) enlarge the scope of the EGF programme beyond globalisation to also assist workers displaced by intra-EU trade and offshoring that result from the working of the single market, which like international trade is also an exclusive competence of the EU.

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# 1 Introduction

Conventional wisdom in economics is that trade benefits countries through lower prices, greater product variety, better resource allocation and fuller exploitation of scale economies. All countries gain from trade, though some might gain more than others. Within countries, however, while most individuals stand to gain from trade, some might lose out, typically workers whose jobs are displaced by trade liberalisation.

It was the recognition that trade liberalisation, though good for the country, might hurt some workers, which led the United States Congress to establish the Trade Adjustment Assistance (TAA) programme under the 1962 Trade Act authorising the US to participate in the Kennedy Round (1964-67) of multilateral trade negotiations. Initially meant to provide income support to workers losing their jobs because of trade negotiations, the TAA programme was amended by the 1974 Trade Act to aid workers certified by their local state labour department as having been negatively affected by increased imports. The programme has remained in effect ever since. Although its economic effectiveness has been questioned, there is broad agreement that the TAA programme has played an important political role in obtaining the consent of Congress for trade liberalisation<sup>1</sup>.

For a long time, no such programme existed at European Union level for the simple reason that EU member states typically have much more generous welfare states than the US and are therefore better able to cope with the ‘pains from trade’. What has long existed at EU level, however, is the European Social Fund (ESF), an instrument of the EU budget with a role assigned by the EU Treaty *“to render the employment of workers easier and to increase their geographical and occupational mobility within the Union, and to facilitate their adaptation to industrial changes and to changes in production systems, in particular through vocational training and retraining.”*

However, unlike to the TAA programme, the ESF was not targeted specifically at workers affected by increased imports. Nor does it help equally workers across the entire territory of the Union. Instead it was designed to deal with industrial changes in general and to assist mainly workers in relatively low-income regions.

With the European Globalisation Adjustment Fund (EGF), established in 2006 and operational since January 2007, the EU now has an instrument broadly comparable to the TAA programme. The EGF provides financial assistance to facilitate the re-integration into employment of workers who have lost their jobs as a result of globalisation – defined as a substantial increase in imports into the EU, a serious shift in EU trade in goods or services, a rapid decline of the EU’s market share in a given sector, or the offshoring of activities to non-EU countries – provided these redundancies have a significant adverse impact on the local, regional or national economy, regardless of whether they occur in high- or low-income regions.

The creation of the EGF was a response to the rapid increase in globalisation and was a political acknowledgment that the EU, which has exclusive competence over trade policy, needs to assume some budgetary responsibility for the economic displacement that globalisation entails. Since the ESF only amounts to a tiny fraction of social expenditures by EU member states, it was recognised from the start that the EGF could assume only a relatively modest budgetary responsibility and that it needed, therefore, to be both politically visible and economically sensible.

The EGF programme originally ran for the entire duration of the 2007-13 Multiannual Financial Framework (MFF), the seven-year programming cycle of the EU budget. It was renewed in 2013 for the duration of the 2014-20 MFF. The financing for the EGF, currently capped at €150 million per year, comes from unused ESF money, of which it represents a tiny fraction. To give an order of magnitude, the ESF budget for 2014-20 is €84 billion, or €12 billion per year and close to 10 percent of the entire EU budget. The amount currently permitted

<sup>1</sup> See, for example, Guth and Lee (2017) or D’Amico and Schochet (2012).

**All countries gain from trade, but within countries some might lose out, typically workers whose jobs are displaced by trade liberalisation.**

for the EGF represents therefore a little over 1 percent of the ESF budget or 0.1 percent of the total EU budget.

We evaluate the EGF programme after ten years of activity and in the context of the negotiations on the 2021-27 MFF (which are expected to start in spring of 2018 with the publication by the European Commission in May of detailed proposals). We describe the programme (section 2), outline its functioning since its creation until 2016 (section 3), evaluate its political visibility and economic effectiveness (section 4) and make recommendations on how it can be improved (section 5).

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## 2 The EGF: aims and procedures

The EGF programme has changed substantially since its introduction in January 2007. The original legislation, dating from 2006, has been revised twice: in 2009, during the global financial crisis, and in 2013, during the negotiations for the 2014-20 MFF.

The EGF's original objective was to co-finance – together with national authorities in charge of implementing programmes at the local level – policies to facilitate the re-integration into employment of workers made redundant as a result of globalisation. The co-funding rate has changed several times since the creation of the Fund. The EGF share was 50 percent in 2007 and 2008, 65 percent during the crisis from 2009 to 2011, 50 percent again in 2012 and 2013 and 60 percent since 2014.

Given their contingent nature, there is no precise commitment for EGF expenditures in the Multiannual Financial Framework. The MFF only defines an annual cap for EGF expenditures from the EU budget, which are drawn from unspent ESF resources. This cap was initially set at €500 million for the 2007-13 budgetary cycle, but was reduced to €150 million for 2014-20 because annual expenditures never reached more than this amount during the previous period (see section 3).

In terms of procedures, to start an application, interested parties (regions, individuals, employers or representative organisations) should contact their EGF national coordinators. Given that the design and implementation of the programme is done at national level, potential applications are first screened by the member states. To be eligible for EGF financing, applications need to fulfil three basic requirements.

First, applicants must show that the redundancies are the result of globalisation. In 2009, the scope of the EGF programme was enlarged to redundancies resulting from “*the global financial and economic crisis*”. When the EGF legislation was revised again in 2013, it was decided that during the 2014-20 budgetary period, the scope of the programme would continue to cover situations arising from the “*continuation of the global financial and economic crisis [...] or as a result of a new global financial and economic crisis*”.

Second, individual applications must concern a fairly large minimum number of workers. The original number was 1,000 redundancies in a particular (large) firm or in a group of smaller companies located in one or two contiguous regions. The threshold was reduced to 500 in 2009 and has been kept at that level since. Although both the original and the subsequent legislation allow for a lower minimum number in exceptional cases, the fairly large number of redundancies required to qualify for the programme suggests that political visibility, though not a stated objective, is an obvious goal of the EGF.

Third, EGF applications must be intended to finance active labour market measures to re-train and re-employ redundant workers. Such financing is obviously subject to a time limit. Originally, the implementation period for the measures covered by a successful application was 12 months. The period was extended in 2009 and has remained at 24 months since.

Applications must be submitted by interested parties to their national authorities, which must first verify that the eligibility criteria are met. Within 12 weeks of the announcement of

the redundancies, national authorities must submit the application to the European Commission, which has then two weeks to respond to the national authorities, typically requesting additional information that the national authorities must provide within six to eight weeks. The Commission then has 12 weeks to make a final determination of whether the application meets the required criteria. Once approved by the Commission, the application is submitted to the Council of the EU and the European Parliament, which must give their approval to commit EGF expenditures on each individual case as the EGF is formally outside the MFF process.

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## 3 The EGF: facts and figures

Two data sources are available to describe the functioning of the EGF since its creation: the list of EGF applications made available by the European Commission's employment, social affairs and inclusion directorate-general (DG EMPL), and the biennial reports<sup>2</sup> presented by the European Commission to the European Parliament and the Council describing the activities and accomplishments of the EGF.

DG EMPL uploads regularly on its website the list of EGF applications, which provide case-level data on the sector of the company applying, the application date, intervention criteria, budgeted national and EGF contributions and the number of targeted workers. This is available for all applications (accepted, withdrawn, rejected) from 2007 to 2016.

The Commission's biennial reports include additional case-level information on completed programmes for which the Commission has received a final case report from national authorities (which they are required to file with the Commission six months after the completion of each EGF-financed programme<sup>3</sup>). The latest Commission report at time of writing was presented in October 2017. These reports give information on the characteristics of targeted workers (age, gender), the number of workers actually helped, actual amounts spent and number of workers re-integrated into the labour force at the end of the implementation period. The most recent cases examined in the latest report date from 2014. This means that for the more recent cases, the only information available is the information on budgeted values and targeted workers contained in the list of applications provided by DG EMPL.

Between 1 January 2007 and 31 December 2016, 147 applications to the EGF, covering 140,545 redundant workers, were approved. This represents an average of about 15 applications and 15,000 workers per year, ie one thousand workers per application. Only 16 of the 147 applications concerned situations with fewer than 500 redundancies.

The total number of redundant workers who actually benefitted from EGF financing was 91,505, but this figure only applies to the period 2007-14 (for which data on actual financing is available at the time of writing), during which 113,904 redundant workers were approved as eligible for EGF financing. The difference between eligible workers and actual beneficiaries reflects the fact that about 20 percent of the eligible workers had already found a new job by the time their EGF application was funded.

Although originally designed to deal with the consequences of globalisation, the EGF has actually been used more often to deal with redundancies caused by the economic and

2 This report switched from annual to biennial in 2014. See European Commission (2008, 2009, 2010, 2011, 2012, 2012, 2013, 2014 and 2016).

3 The publication of these reports, which could be useful to assess the EGF, is not mandatory and only a few member states publish them (see for instance Ireland: <http://egf.ie/final-reports-for-completed-egf-programmes/>). Thus, we do not have access to most of them.

financial crisis: 52 percent of cases, covering 51 percent of the redundant workers and awarded 55 percent of the funding related to crisis fallout rather than globalisation. Table 1 shows how EGF cases are distributed both in terms of justification (globalisation or crisis) and in terms of type of firm concerned (redundancies in a single large firm or in a group of small and medium sized companies, SMEs).

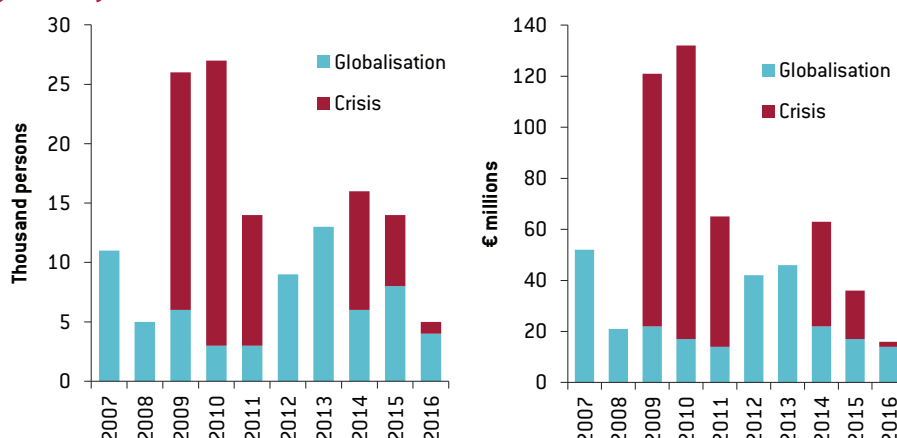
**Table 1: Distribution of EGF cases, 2007-16**

|                             | Number | Percentage |
|-----------------------------|--------|------------|
| Total EGF cases             | 147    |            |
| Number of SMEs cases        | 68     | 46%        |
| of which globalisation      | 24     | 35%        |
| of which crisis             | 44     | 65%        |
| Number of single-firm cases | 79     | 54%        |
| of which globalisation      | 46     | 58%        |
| of which crisis             | 33     | 42%        |

Source: European Commission [2018].

Figure 1 gives the total number of targeted redundant workers and the total funding committed under the EGF, broken down between ‘globalisation’ and ‘crisis’ for each year from 2007 to 2016. Several points should be noted. First, the number of targeted workers made redundant because of globalisation has ranged between about 3,000 and 13,000 per year and their EGF funding has been between €14 million and €52 million per year. Second, the number of workers made redundant as a consequence of the crisis has ranged between zero and 24,000 per year and their EGF funding has been between zero and €115 million. Third, the maximum amount of funding awarded by the EGF in any year was €132 million in 2010, when €115 million was associated with the crisis and only €17 million with globalisation, which explains why the annual EGF envelope was lowered from €500 million to €150 million in 2013. Finally, the average amount of EGF funding awarded per worker over the period 2007-16 was €4,219. Given that over the period, the average share of co-financing provided by member states was 42 percent, it means that each redundant worker eligible under the EGF received on average €7,274 in active labour market services.

**Figure 1: Number of targeted workers and total amount committed by the EGF, by year and justification, 2007-16**

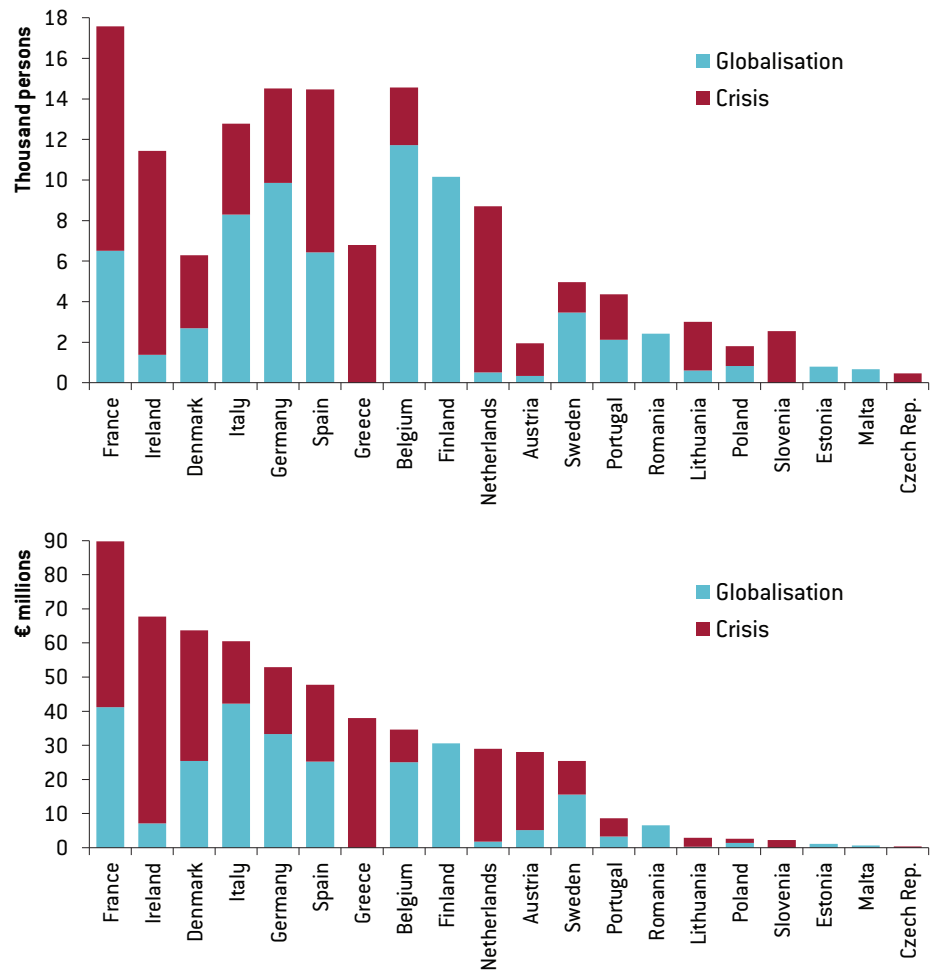


Source: European Commission [2018].

Figure 2 shows how the total number of redundant workers and the total funding committed under the EGF from 2007-16 was distributed to EU countries. Ten countries (Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands and Spain) accounted for respectively 83 percent of all the redundant workers and 87 percent

of all the funding under the EGF programme. Second, among the main users, there were substantial differences in the reason for seeking help from the EGF: for some countries the main reason was globalisation (Belgium, Finland and Germany), for others it was the crisis (Greece, Ireland and Netherlands) and for the rest (Denmark, France, Italy and Spain), it was a combination of globalisation and the crisis. Third, central and eastern European countries benefitted little or not at all from the programme, presumably because they lost few jobs because of their relatively sustained growth over the period. Finally, the United Kingdom, though presumably as much affected by globalisation and the crisis as other countries in western Europe, did not use the programme at all. This was the result of a deliberate decision by the national authorities<sup>4</sup>.

**Figure 2: Number of workers targeted and total amount committed by the ESF by country, 2007-16**



Source: European Commission [2018].

4 The UK is the only country in the EU without a national coordinator for the EGF and the British government made it clear that it was not interested in participating to the EGF and did not want the EU programme to be renewed. See for instance in 2012: <https://publications.parliament.uk/pa/cm201213/cmselect/cmeuleg/86-xvi/8605.htm>. Moreover, we find in the ERM database (see next section) that at least six UK cases of extra-EU offshoring could have been eligible to EGF funding between 2007 and 2016.

## 4 The EGF: an assessment

A proper evaluation of the programme requires answers to three main questions. First, if the EGF is above all a political tool, it needs to be visible. Has this been the case? Second, even if the EGF is mainly political, it also needs to be sensible from an economic perspective, raising the questions: what proportion of workers who became redundant in the EU during the period 2007-16 as a consequence of globalisation received help from the EGF? And how well did the workers helped by the EGF do in regaining employment, compared to workers with similar characteristics who lost their jobs for similar reasons but did not receive EGF help?

From a political perspective, the visibility of EGF cases is essential. To evaluate their visibility, we use the European Restructuring Monitor (ERM) database, which provides data on large-scale restructuring events reported by the media since 2003. The database covers restructuring events affecting at least 100 jobs or 10 percent of the workforce at worksites with more than 250 employees. It should therefore contain information on all the single-firm EGF cases, since they involve at least 500 redundancies. For each restructuring event, the ERM database provides information on the name of the affected company, its size, location and sector, and the type of restructuring and number of jobs lost. The ERM database covers 15,465 events for the period 2007-16. All EGF cases, except for one single-firm EGF globalisation case, are included in ERM database, which suggests that single-firm EGF cases are, in most cases, highly visible.

In terms of whether the EGF programme has played a significant role in helping EU workers made redundant by globalisation, there is no existing data for the number of such workers. Lawrence (2014) suggests that five percent of job losses in the United States might be a consequence of globalisation. Assuming a similar proportion applies to the EU would imply that roughly 180,000 jobs are lost annually in the EU because of globalisation. How does that compare to the number of workers helped by the EGF? We found (section 3) that on average for the period 2007-16, 14,054 workers qualified for EGF assistance, of which only 48 percent lost their jobs as a consequence of globalisation. Therefore, a little below 7,000 workers made redundant by globalisation received EGF assistance each year, amounting to roughly four percent of the total of job losses ascribed to globalisation.

An alternative approach would to use the ERM database and to focus on redundancies reported in the media that involve at least 100 workers or 10 percent of the workforce at worksites with more than 250 employees. Unfortunately, it is generally not possible in this database to distinguish whether restructurings are the result of globalisation or other causes, unless restructurings involve offshoring, for which the ERM database distinguishes between intra- and extra-EU offshoring. The ERM database includes 30 cases for the period 2007-16 linked to extra-EU offshoring and involving at least 500 layoffs – meaning they were in principle eligible for EGF funding. However, EGF financing was received in only four of these cases. This suggests that only a small proportion of redundancies arising from globalisation – even among large, politically visible firms that received media attention – received EGF support.

**Only a small proportion of redundancies arising from globalisation – even among large, politically visible firms that received media attention – received EGF support**

**Table 2: Offshoring events reported in the ERM database and EGF cases included**

|                   | 500 or more redundancies          | Between 100 and 500 redundancies  |
|-------------------|-----------------------------------|-----------------------------------|
| Intra-EU          | 19 (3)                            | 203 (5)                           |
| Extra-EU          | 30 (4)                            | 152 (3)                           |
| Various locations | 19 (3)                            | 80 (0)                            |
| <b>Total</b>      | <b>68 (of which 10 EGF cases)</b> | <b>435 (of which 8 EGF cases)</b> |

Source: Bruegel based on Eurofound, European Restructuring Monitor (ERM) [available at: <http://www.eurofound.europa.eu/observatories/emcc/erm/factsheets>] and European Commission (2018). Note: EGF cases included in parenthesis. There were eight EGF cases which, when matched with the ERM database, are labelled as 'intra-EU offshoring'. These eight cases were submitted to the EGF on the grounds of a serious shift in EU trade in goods or services rather than the offshoring of activities to third countries.

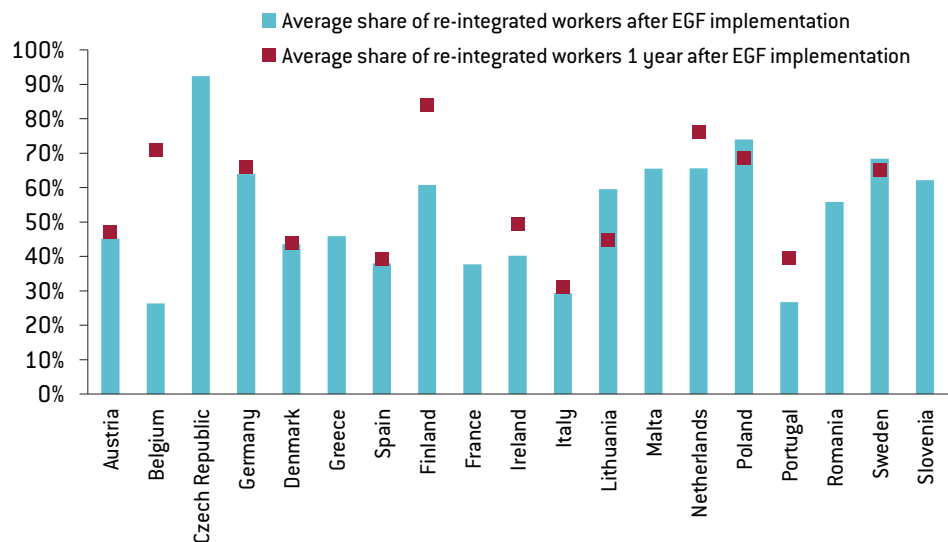


The question is therefore why the number of workers qualifying for EGF assistance is so small compared to the estimated number of workers losing their jobs because of globalisation, and why cases that could have been eligible for EGF assistance were not included. Beyond the fact that the amount of money available for the EGF programme is fairly small (which has not in itself been an issue given that the cap has never been reached since the creation of the EGF), a survey of national authorities in charge of the EGF programmes by Puccio (2017) indicates several potential reasons for its under-use and also its uneven deployment in different EU countries:

- Eligibility criteria might be too strict. First, the minimum threshold for the number of workers affected might be too high, especially for small countries or those where affected workers are mainly in SMEs. Second, the scope of the EGF might be too narrow: it excludes, for instance, redundancies generated by intra-EU trade and offshoring (while single market policies are also an EU exclusive competence).
- Administrative rules might be too complex and result in lengthy procedures, which might discourage applications.
- The level of co-funding by national authorities might be too high, especially compared to other EU funds. In particular, ESF-financed programmes provide between 50 percent and 85 percent (95 percent in exceptional cases) of total project costs depending on the relative wealth of the region<sup>5</sup>. Some central and eastern European countries might opt for the ESF – even for redundancies that might be generated by globalisation – over the EGF, which offers a lower co-funding rate.

Finally, we examine the effectiveness of the EGF in helping dismissed workers find new jobs. The available data indicates that the average re-employment rate of workers who received EGF assistance is 46 percent by the end of the implementation period (two years since the revision of the EGF rules in 2009). However, it is important to note great variability, with re-employment rates ranging on average between 26 percent in Belgium and 92 percent in the Czech Republic (see Figure 3).

**Figure 3: EGF re-employment rate, 2007-14**



Source: European Commission reports to the European Parliament and the Council (2008 to 2016). Note: the EGF re-employment rate is calculated as the number of workers re-integrated into the labour market at the end of the EGF-financed programmes divided by the total number of beneficiaries. This data is available for 121 cases from 2007 to 2014. The average share of re-integrated workers 1 year after EGF implementation is based on 67 cases from 2007 to 2011, as reported by the ex-post evaluation of the EGF (Andrews et al, 2015).

<sup>5</sup> See ESF guidelines: <http://ec.europa.eu/esf/main.jsp?catId=525>.

The average re-employment rate of 46 percent means that, overall, only two-fifths of the workers eligible for EGF financing found a job within two years thanks to this financing. As discussed earlier, one-fifth had already found a job before the financing started and the remaining two-fifths had not yet found a job at the end of the two-year EGF implementation period.

We cannot assess, however, if the 46 percent average re-employment rate can be considered satisfactory, because (1) we do not have data for individual workers who received EGF assistance (but only for the average worker in individual EGF cases); and (2) even if we did, we could not compare EGF-assisted workers with equivalent dismissed workers available in data from Eurostat's European Labour Force Survey (ELFS) or EU Statistics on Income and Living Conditions (EU-SILC), because these two data sources provide information neither on the reason for dismissal nor on re-employment rates within a two-year period.

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## 5 Conclusions and recommendations to improve the EGF

Overall, the idea behind the EGF – to help correct the negative side-effects of globalisation with active labour market policies and to be seen to do so – was certainly valid in principle because globalisation creates losers as well as winners.

Politically, it was important for the EU to create a budgetary instrument that would enable it to assume some financial responsibility – even if relatively modest – for assisting workers displaced by trade liberalisation, considering EU trade policy is an exclusive EU competence. Amounts devoted to EGF programmes are necessarily very limited compared to those involved in member states' labour market policies, and in their education policies, which are also essential for coping with the labour market changes induced by globalisation. It is important therefore that the philosophy of the EGF programme, which is to give national authorities a small but targeted financial incentive to put in place or improve active labour market measures to assist displaced workers, rather than simply provide them with unemployment benefits, should be translated into effective measures.

Visibility of the EGF programme is an objective that matters and that seems to have been met, at least to some extent. But it is also essential that EGF money be well spent and that services financed by the EGF really do make it more likely beneficiaries will find another job. Unfortunately, the available data does not allow an assessment of the effectiveness of the programme in this respect. We were struck by the fact that more than 50 percent of the cases that benefitted from EGF assistance and more than 50 percent of the money spent, involved workers made redundant by the economic and financial crisis, rather than by globalisation per se. This suggests that there might have been significant administrative constraints in the operation of the programme for trade adjustment assistance, which were partly lifted to assist workers hit by the crisis.

We make three recommendations to improve the EGF programme in the context of the next MFF, some of which partly overlap with recommendations already made by Cernat and Mustilli (2017):

1. There is a need to improve the monitoring and evaluation of the programme by collecting more and better data. The present situation is clearly unsatisfactory because it does not allow a proper scientific evaluation of the EGF. The best approach would be to collect data

**There is a need to revise the administration of the EGF to increase its use. There are too many constraints on eligibility.**

at the individual level and not only at the case level<sup>6</sup>. This would allow evaluators of the EGF to use quasi-experimental methods by building a relevant control group that is similar to the treatment group (based on age, gender, education, experience, marital status, other unemployment services received, etc). At the very least, final case reports should be made available and should be standardised in terms of measures undertaken and outcomes. This would have the additional advantage of making cases comparable so that member states can share good practices. It would also give some needed visibility to the EGF.

2. There is a need to revise the administration of the programme to increase its use. There are too many constraints on eligibility. First, one should envisage having no threshold (like the TAA) or at least a much lower threshold than currently. Obviously, this would imply that the amount of money needed for the programme could increase significantly<sup>7</sup>, but it would also mean greater equity in the allocation of funds between workers who work in large establishments, who tend to be eligible, and those working in relatively small companies who tend to be excluded, unless they are geographically concentrated. Second, the co-funding rate could be changed. The new rate should be the same as the co-funding rate for ESF programmes (and thus be different for different regions, depending on their relative income levels) in order to avoid any disincentive to use the EGF, in particular in central and eastern European countries, where the national co-funding rate for the EGF is higher than for the ESF. Third, the European Commission could be more proactive in its management of the EGF. It could for instance use the ERM database to detect redundancy plans that meet the EGF eligibility criteria and suggest to national authorities that they could apply and put in place EGF programmes for these cases.
3. Finally, one should consider enlarging the scope of assistance for adjustment from globalisation to other policy-induced sources of adjustment, including intra-EU trade and offshoring, and the phasing out of activities in order to reduce carbon emissions (Tagliapietra, 2017). The ERM database suggests that increasing the scope to intra-EU offshoring and reducing the threshold to 100 redundancies, could result in several hundred additional EGF cases (see Table 2)<sup>8</sup>. The EGF could therefore become the EAF, the European Adjustment Fund, with expanded resources. Ideally these resources should be included in the MFF through the creation of a specific budget line (which would also have the advantage of speeding up the procedure). The additional resources for the European Adjustment Fund should come from the budget currently allocated to the European Social Fund.

6 Collecting data at the individual level in order to be able to undertake scientific ex-post evaluation was recommended by Wasmer and von Weizsäcker (2007) when the programme was launched.

7 Coming back to our back-of-the-envelope calculation, if all 180,000 workers affected by globalisation were covered, this would represent a total budget for EGF-financed programmes of €800 million per year (assuming expenditure equal to the average amount spent in the period 2007-16, ie about €4200/beneficiary).

8 Reducing the threshold to 100 redundancies would also result in an additional 150 extra-EU cases.

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