

## EGF: Council and Parliament agree to support workers at imminent risk of job loss

The Council and the Parliament have reached a provisional agreement on a regulation that seeks to **broaden the scope of the European Globalisation Adjustment Fund for Displaced Workers (EGF)**, extending support to workers facing unemployment.

The new rules will apply until the end of 2027, when the current EGF programme expires.

Today's agreement sends a clear message of European solidarity. In a rapidly changing global economy, workers must not face uncertainty alone. By extending the scope of the EGF, we are ensuring that support reaches people earlier, giving them a real chance to retrain, adapt and remain active in the labour market.

*Marinos Moushouttas - Minister of Labour and Social Insurance, Republic of Cyprus*

The purpose of the EGF is to **show solidarity with workers and self-employed people** who have lost their job due to company restructuring, helping them get back into employment.

Support measures that can **benefit from EGF financing** include active labour market policy measures geared towards equipping workers with the skills needed to move into a different role or find jobs, and may include **training, certification of skills, job-search assistance or careers advice**. At present, such support is reserved for people who have already been made redundant as a result of restructuring.

However, lay-offs caused by restructuring often occur in waves, meaning that **people who are at risk of redundancy also need access to training support** and would benefit from receiving it at an earlier stage, before they are dismissed.

Under the revised regulation, workers who are at **imminent risk of losing their job** as a result of company restructuring would also have **access to support under the EGF**, to reduce the rate of dismissals and help workers transition to new roles.

### Details of the agreement

The agreement between the Council and the Parliament **clarifies the scope** of the revised regulation, ensuring workers at risk of imminent dismissal have access to support earlier on in the process.

Under **specific conditions** and with the agreement of an affected enterprise, workers of its direct suppliers and down-stream producers at imminent risk of losing their job could also be included in an application. More workers could thus benefit from EGF support in a manner which is efficient and proportionate.

The agreed text also **ensures sufficient safeguards**, such as the possibility for member states to **carry out ex-ante checks** in relation to companies' financial and administrative capacities. Member states will also have the possibility to allocate pre-financing to companies in instalments.

Moreover, the co-legislators have aimed to **limit the administrative burden** of the revised regulation by specifying that the Commission should produce **non-binding guidance** for both member states and companies.

### Next steps

The provisional agreement now needs to be endorsed by both the Council of the European Union and the European Parliament,

before being formally adopted and entering into force upon publication in the EU's Official Journal.

## Background

On 1 April 2025, the Commission adopted a proposal to amend Regulation (EU) 2021/691 (the regulation on the European Globalisation Adjustment Fund for Displaced Workers) as regards support to workers affected by imminent job displacement in enterprises undergoing restructuring.

The Commission first announced its intention to amend the EGF regulation in the Industrial Action Plan for the European Automotive sector, published on 5 March 2025 as part of the Commission's actions to support industrial sectors such as automotive and steel in the context of economic disruptions and geopolitical challenges.

The revision was put forward alongside a proposal to amend the European Social Fund Plus (ESF+), which is the EU's main instrument for investing in people and supporting the implementation of the European Pillar of Social Rights. On 15 July 2025, the Council and the Parliament reached a provisional agreement on the revision of the ESF+ as part of the ongoing mid-term review of the EU's cohesion policy.

- [European Globalisation Adjustment Fund: Council agrees its position on support for people at risk of unemployment \(press release, 1 December 2025\)](#)
- [Labour rights \(background information\)](#)

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