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PROPOSAL

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
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To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
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Subject:	Proposal for a Decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund for Displaced Workers following an application from Belgium - EGF/2025/001 BE/BelGaN

Delegations will find attached document COM(2025) 157 final.

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2025/0198 (BUD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**on the mobilisation of the European Globalisation Adjustment Fund for Displaced
Workers following an application from Belgium – EGF/2025/001 BE/BelGaN**

EXPLANATORY MEMORANDUM

CONTEXT OF THE PROPOSAL

1. The rules applicable to financial contributions from the European Globalisation Adjustment Fund for Displaced Workers (EGF) are laid down in Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013¹.
2. On 21 February 2025, Belgium submitted an application EGF/2025/001 BE/BelGaN for a financial contribution from the EGF, following displacements in BelGaN BV (BelGaN) in Belgium.
3. Following its assessment of this application, the Commission has concluded, in accordance with all applicable provisions of Regulation (EU) 2021/691, that the conditions for awarding a financial contribution from the EGF are met.

SUMMARY OF THE APPLICATION

EGF application	EGF/2025/001 BE/BelGaN
Member State	Belgium
Region(s) concerned (NUTS ² level 2)	Provincie Oost-Vlaanderen (BE23)
Date of submission of the application	21 February 2025
Date of acknowledgement of receipt of the application	21 February 2025
Date of request for additional information	1 April 2025
Deadline for provision of the additional information	23 April 2025
Deadline for the completion of the assessment	7 July 2025
Intervention criterion	Article 4(2), point (a), of Regulation (EU) 2021/691
Primary enterprise	BelGaN BV
Number of enterprises concerned	1
Sector(s) of economic activity (NACE Revision 2 division) ³	Division 26 (Manufacture of computer, electronic and optical products)
Reference period (four months):	31 July 2024 – 30 November 2024
Number of displacements during the reference	417

¹ OJ L 153, 3.5.2021, p. 48.

² Commission Delegated Regulation 2019/1755 of 8 August 2019 amending the Annexes to Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS). OJ L 270, 24.10.2019, p. 1–56.

³ OJ L 393, 30.12.2006, p. 1.

period (a)	
Number of displacements before or after the reference period (b)	0
Total number of displacements (a + b)	417
Total number of eligible beneficiaries	417
Total number of targeted beneficiaries	417
Budget for personalised services (EUR)	1 052 607
Budget for implementing EGF ⁴ (EUR)	43 500
Total budget (EUR)	1 096 107
EGF contribution (85 %) (EUR)	931 690

ASSESSMENT OF THE APPLICATION

Procedure

- Belgium submitted application EGF/2025/001 BE/BelGaN within 12 weeks of the date on which the intervention criteria set out in Article 4 (2), point (a) of Regulation (EU) 2021/691 were met, on 21 February 2025. The Commission acknowledged receipt of the application the same date. The Commission was in possession of the translation of the application on 28 March 2025 and requested additional information from Belgium on 1 April 2025. Such additional information was provided within 15 working days of the request. The deadline of 50 working days of the receipt of the complete application within which the Commission should finalise its assessment of the application's compliance with the conditions for providing a financial contribution expires on 7 July 2025.

Eligibility of the application

Enterprises and beneficiaries concerned

- The application relates to 417 displaced workers whose activity has ceased in BelGaN BV (BelGaN). The enterprise operated in the economic sector classified under the NACE Revision 2 division 26 (Manufacture of computer, electronic and optical products). The redundancies made by BelGaN are located in the NUTS 2 region of Provincie Oost-Vlaanderen (BE23).

Intervention criteria

- Belgium submitted the application under the intervention criteria of Article 4(2), point (a) of Regulation (EU) 2021/691, which requires the cessation of activity of at least 200 displaced workers over a reference period of four months in an enterprise in a Member State, including workers displaced in suppliers and downstream producers and / or self-employed persons whose activity has ceased.
- The reference period of four months for the application runs from 31 July 2024 to 30 November 2024.
- There were 417 displaced workers in BelGaN during the reference period.

⁴ In accordance with Article 7(5) of Regulation (EU) 2021/691.

Calculation of displacements and of cessation of activity

9. Pursuant to Article 6, first paragraph, point (a), in conjunction with Article 5, first paragraph, point (b), of Regulation (EU) 2021/691, the cessation of activities of all displaced workers during the reference period has been calculated as from the date of the employer's individual notice to lay off or to terminate the contract of employment of the worker.

Eligible beneficiaries

10. The total number of eligible beneficiaries is 417.

Description of the events that led to the displacements and cessation of activity

11. The event giving rise to these displacements is the bankruptcy of BelGaN.
12. BelGaN had taken over Onsemi's⁵ production and R&D facilities in Oudenaarde aiming to advance Gallium nitride (GaN) chip technologies. GaN holds significant potential in the semiconductor industry, offering substantial improvements in performance and efficiency over traditional silicon-based chips.
13. BelGaN, promoting itself as a semiconductor manufacturer focused on the automotive sector, actively sought new investors to drive its capital-intensive transition from a silicon-based chip manufacturer to a gallium nitride-based chip manufacturer. However, the promise of GaN was not enough to keep the enterprise afloat.
14. BelGaN suffered a setback in 2023, recording a net loss of €8,3 million on €55 million in revenue⁶, attributed to rising energy, chemical, and labour costs.
15. The enterprise could not raise sufficient investment, ultimately leading to its downfall. BelGaN ceased operations and filed for bankruptcy on 30 July 2024, resulting in 417 redundancies.

Expected impact of the displacements as regards the local, regional or national economy and employment

16. In Belgium, bankruptcies are on the rise since 2022. In 2024, more than 11 000 enterprises filed for bankruptcy, of which 57% were in Flanders, the highest number since 2013. As a result, 32 566 jobs were lost (59% in Flanders), 18,3% more than in 2023⁷.
17. Furthermore, recent restructuring events such as the displacements at Van Hool⁸, Sappy and Purmo⁹, for which Belgium applied for EGF support, are affecting the Flemish labour market: job openings in the industry have declined.
18. Oudenaarde¹⁰ is the territory most affected by the redundancies in BelGaN. The number of unemployed jobseekers in Oudenaarde increased by 9% year-on-year in December 2024. The increase was particularly significant among highly-skilled and

⁵ An US semiconductors manufacturer.

⁶ [Staatsbladmonitor](#)

⁷ Source: [Statbel](#)

⁸ COM(2025) 1

⁹ COM(2024) 370

¹⁰ Administrative District of Oudenaarde.

medium-skilled unemployed workers (+13,5% and +12,9% respectively), while among the low-skilled it was 3%¹¹.

19. In Oudenaarde, the number of job vacancies reported by employers to VDAB¹², the Flemish public employment service, decreased by 17,7% year-on-year in 2024¹³. The number of job openings followed the same downward trend, falling by 21,8% in 2024 compared to 2023, or by 32,4% if only industrial occupations are considered, indicating a cooling labour market¹⁴.
20. According to VDAB, the combination of an ageing labour force with the lack of interest in STEM¹⁵ among the younger people makes it difficult to replace retiring workers in industrial jobs, which might turn into an advantage for former BelGaN employees in job-transition.

Application of the EU Quality Framework for anticipation of change and restructuring (QFR)

21. Belgium has described how the recommendations set out in the EU Quality Framework for anticipation of change and restructuring have been taken into account.
22. Belgium has reported that national labour law¹⁶ on the active management of restructuring requires enterprises undergoing restructuring to set up an employment unit, whose purpose is to provide workers laid off in the context of collective redundancies with 30 hours of outplacement services in a period of three months (60 hours in six months for workers aged 45+). Since this legal obligation does not apply in the event of bankruptcy, VDAB made available the outplacement services to the workers with its own resources.
23. Regarding the activities undertaken to assist the displaced workers, Belgium has reported that the first measures to support the workers (information and registration sessions) were launched on 21 August 2024, three weeks after the bankruptcy, and the aforementioned outplacement services were organised shortly thereafter. A job fair was held on 17 October 2024¹⁷.

Complementarity with actions funded by national or Union funds

24. Belgium has confirmed that the measures described below receiving a financial contribution from the EGF will not receive financial contributions from other Union financial instruments.
25. The coordinated package of personalised services complements actions funded by other national or EU funds.

¹¹ Source: [Arvastat](#).

¹² Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding (VDAB)

¹³ Source: [Arvastat](#).

¹⁴ Source: VDAB. Unpublished information from VDAB mstr-dashboard.

¹⁵ STEM, acronym used to group together the distinct but related technical disciplines of science, technology, engineering, and mathematics.

¹⁶ The Royal Decree of 10 November 2006 amending the Royal Decree of 9 March 2006.

¹⁷ The job-fair took place in the Sint-Jozefskerk in Oudenaarde. 34 enterprises participated.

Procedures for consulting the targeted beneficiaries or their representatives or the social partners as well as local and regional authorities

26. BelGaN's bankruptcy came unexpected. In agreement with the workers representatives: General Labour Federation of Belgium (ABVV)¹⁸ and Confederation of Christian Trade Unions (ACV)¹⁹, VDAB decided to immediately begin providing the measures to the workers, rather than to wait for a possible takeover. Therefore, only limited preparations were possible.

Targeted beneficiaries and proposed measures

Targeted beneficiaries

27. All displaced workers are expected to participate in the measures. Pursuant to Article 8(7), point (f), of Regulation (EU) 2021/691, the provided breakdown of these workers by gender, age group and educational level is as follows:

Category		Number of expected beneficiaries	
Gender:	Men:	333	(79,9 %)
	Women:	84	(20,1 %)
	Non-binary	0	(0,0 %)
Age group:	Below 30 years:	58	(13,9 %)
	30-54 years:	328	(78,7 %)
	Over 54 years:	31	(7,4 %)
Educational level	Lower secondary education or less ²⁰	39	(9,4 %)
	Upper secondary ²¹ or post-secondary education ²²	232	(55,6 %)
	Tertiary education ²³	146	(35,0 %)

Proposed measures

28. Pursuant to Article 8(7), point (h) of Regulation (EU) 2021/691, the personalised coordinated package to be provided to displaced workers consists of the following measures:
- Information Sessions is the first service offered to all laid-off workers. During the sessions, social intervention advisors inform workers about the support available to facilitate their transition to employment.

¹⁸ Algemeen Belgisch Vakverbond.
¹⁹ Algemeen Christelijk Vakverbond.
²⁰ ISCED 0-2
²¹ ISCED 3
²² ISCED 4
²³ ISCED 5-8

- Outplacement: This measure complements the outplacement services offered by the VDAB described in paragraph 14. It includes digital skills assessment, job search assistance, or assistance towards self-employment. There are also assessment sessions to determine whether the jobseeker meets the labour market demands, or the job search is realistic. Support also focuses on preparing the workers for future job applications, helping them write compelling CVs or cover letters, and practising how to master job interviews.

Digital illiterates will receive basic ICT training and additional support through digibanks, where workers can borrow a laptop, receive training on how to use it, and get answers to their digital questions. Webinars and other online tools, such as 123digit.be, will help those who already have some digital skills to improve them.

- Training and retraining: Workers are coached in specific learning paths designed to improve their technical and digital skills, and to develop skills related to areas experiencing labour shortages or to the green transition. Upon agreement of individual projects with the vocational counsellor, workers will be offered targeted training to cater for the identified needs. They will also have access to a wide range of training, including those provided by VDAB or by training providers.
- Training at the workplace: Workers receive on-the-job training at the enterprise that will employ them after training. Depending on the needs of the worker, the training can last between 4 and 26 weeks. Training is followed by an employment contract, either permanent or fixed term of at least the same duration as the training.
- Job-fair: This recruitment event helps put together jobseekers and employers that seek to fill their vacancies. Before attending the event, counselling sessions help to prepare the meeting with potential employers.
- Job-search assistance: This comprises individual and collective coaching sessions with a vocational mediator, supporting to apply and prepare job interviews, peer-to-peer coaching, and visits to enterprises with recruiting needs.
- Job-scouting and job-matching: A dedicated team will scout out for job vacancies before they are posted and help the best candidates among former BelGaN workers apply for these positions. Recruitment events will also be organised quarterly.

29. The ICT training and additional support foreseen within the outplacement services and some of the trainings on offer cater for the dissemination of the skills required in the digital industrial age and in a resource-efficient economy, as required by Article 7(2) of Regulation (EU) 2021/691.
30. The proposed actions, here described, constitute active labour market policy measures within the eligible actions set out in Article 7 of Regulation (EU) 2021/691. These actions do not substitute passive social protection measures.
31. Belgium has provided the required information on measures that are mandatory for the enterprise concerned by virtue of national law or pursuant to collective agreements. In accordance with Article 9(1) of Regulation (EU) 2021/691, Belgium has confirmed that a financial contribution from the EGF will not replace such measures.

Estimated budget

32. The estimated total costs are EUR 1 096 107, comprising expenditure for personalised services of EUR 1 052 607 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 43 500.
33. The total financial contribution requested from the EGF is EUR 931 690 (85 % of total costs).
34. Pursuant to Article 8(7), point (m), of Regulation (EU) 2021/691, Belgium has specified that the national pre-financing and co-funding is provided by VDAB.

Measures	Estimated number of participants	Estimated cost per participant (EUR) ²⁴	Estimated total costs (EUR) ²⁵
Personalised services (measures under Article 7(2), second subparagraph, point (a), of Regulation (EU) 2021/691)			
Information sessions (<i>Sociaal Interventieadviseur</i>)	417	182	76 088
Outplacement (<i>Actieve bemiddeling naar werk</i>)	200	550	110 000
Training and retraining (<i>Aanbod opleiding in eigen beheer, Opleiding in kader van SIFbudget, Aanbod erkende opleidingen bij partners</i>)	65	6 874	446 808
Training at the work place (<i>Opleiding in de onderneming</i>)	10	960	9 600
Job fairs (<i>Jobbeurs</i>)	144	10	1 500
Job search assistance (<i>Jobhunting</i>)	130	1 738	226 000
Job scouting and job matching (<i>Big recruitment</i>)	130	1 404	182 611
Sub-total (a): Percentage of the package of personalised services	—		1 052 607 (96,03 %)
Activities under Article 7(5) of Regulation (EU) 2021/691			
1. Preparatory activities	—		11 000
2. Management	—		15 000

²⁴ To avoid decimals, the estimated costs per worker have been rounded. However, the rounding has no impact on the total cost of each measure, which remains as in the application submitted by Belgium.

²⁵ Totals do not tally due to rounding.

3. Information and publicity	–	2 500
4. Control and reporting	–	15 000
Sub-total (b):	–	43 500
Percentage of the total costs:		(3,97 %)
Total costs (a + b):	–	1 096 107
EGF contribution (85 % of total costs)	–	931 690

Period of eligibility of expenditure

35. Belgium started providing the personalised services to the targeted beneficiaries on 8 August 2024. The expenditure on the measures will therefore be eligible for a financial contribution from the EGF from 8 August 2024 until 24 months after the date of the entry into force of the Financing Decision.
36. Belgium started incurring the administrative expenditure to implement the EGF on 31 July 2024. The expenditure for preparatory, management, information and publicity, control and reporting activities shall therefore be eligible for a financial contribution from the EGF from 31 July 2024 until 31 months after the date of the entry into force of the Financing Decision.

Management and control systems

37. The application contains a description of the management and control system required under Article 23 of Regulation (EU) 2021/691, which specifies the responsibilities of the bodies involved. Belgium has notified the Commission that the financial contribution will be managed by VDAB. The payments will be made by VDAB's financial service. The Department of Finance and Budget - Audit Unit of the Flemish Audit Authority for the European Structural Funds is the audit authority for the EGF.

Commitments provided by the Member State concerned

38. Belgium has provided all necessary assurances regarding the following:
- the principles of equality of treatment and non-discrimination will be respected in access to the proposed measures and their implementation,
 - the requirements laid down in national and EU legislation concerning collective redundancies have been complied with,
 - any double financing will be prevented,
 - the financial contribution from the EGF will be consistent with the procedural and material Union rules on State aid. Those rules will be complied with in case of complementary actions funded by national means.

BUDGETARY IMPLICATION

Budgetary proposal

39. The EGF shall not exceed a maximum annual amount of EUR 30 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years

2021 to 2027²⁶ amended by Council Regulation (EU, Euratom) 2024/765 of 29 February 2024²⁷.

40. Having examined the application in respect of the conditions set out in Article 13(1) and (2) of Regulation (EU) 2021/691, and having taken into account the number of targeted beneficiaries, the proposed measures and the estimated costs, the Commission proposes to mobilise the EGF for the amount of EUR 931 690, representing 85 % of the total costs of the proposed measures, in order to provide a financial contribution for the application.
41. The proposed decision to mobilise the EGF will be taken jointly by the European Parliament and the Council pursuant to Article 15(1), first subparagraph, second sentence, of Regulation (EU) 2021/691 and, as laid down in point 9 of the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources²⁸.

Related acts

42. At the same time as it presents this proposal for a decision to mobilise the EGF, the Commission will present to the European Parliament and to the Council a proposal to transfer to the relevant budgetary line the amount of EUR 931 690.
43. At the same time as it adopted this proposal for a decision to mobilise the EGF, the Commission adopted a decision on a financial contribution that constitutes a financing decision within the meaning of Article 110 of Regulation (EU, Euratom) 2024/2509²⁹. That financing decision will enter into force on the date on which the Commission is notified of the approval of the budgetary transfer by the European Parliament and the Council pursuant to Article 15(2), first subparagraph, of Regulation (EU) 2021/691.

²⁶ OJ L 433 I, 22.12.2020, p. 11.

²⁷ OJ L, 2024/765, 29.2.2024.

²⁸ OJ L 433 I, 22.12.2020, p. 28.

²⁹ Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast), OJ L, 2024/2509, 26.9.2024.

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Globalisation Adjustment Fund for Displaced Workers following an application from Belgium – EGF/2025/001 BE/BelGaN

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013³⁰, and in particular Article 15(1), first subparagraph, thereof,

Having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources³¹, and in particular point 9 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund for Displaced Workers (EGF) aims to demonstrate solidarity and promote decent and sustainable employment in the Union by providing support for workers made redundant and self-employed persons whose activity has ceased in the case of major restructuring events and assisting them in returning to decent and sustainable employment as soon as possible.
- (2) The EGF is not to exceed a maximum annual amount of EUR 30 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) 2020/2093³² amended by Council Regulation (EU, Euratom) 2024/765³³, and Article 16 of Regulation (EU) 2021/691.
- (3) On 21 February 2025, Belgium submitted an application to mobilise the EGF in accordance with Article 8(1) of Regulation (EU) 2021/691, in respect of worker's displacements in BelGaN BV in Belgium. It was supplemented by additional information provided in accordance with Article 8(5) of Regulation (EU) 2021/691. That application is considered to comply with the conditions for providing a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) 2021/691, on

³⁰ OJ L 153, 3.5.2021, p. 48.

³¹ OJ L 433 I, 22.12.2020, p. 28

³² Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 433 I, 22.12.2020, p. 11).

³³ OJ L, 2024/765, 29.2.2024.

the basis of the assessment made by the Commission in the Proposal for a mobilisation decision of the European Parliament and of the Council³⁴.

- (4) The EGF should, therefore, be mobilised in order to provide a financial contribution of EUR 931 690 in respect of the application submitted by Belgium.
- (5) In order to minimise the time taken to mobilise the EGF, this decision should apply from the date of its adoption,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the Union for the financial year 2025, the European Globalisation Adjustment Fund for Displaced Workers shall be mobilised to provide the amount of EUR 931 690 in commitment and payment appropriations.

Article 2

This Decision shall enter into force on the day of its publication in the Official Journal of the European Union. It shall apply from *[the date of its adoption]*^{*}.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

³⁴

COM(2025) 157.

*

Date to be inserted by the Parliament before the publication in OJ.