

# Mobilisation of the European Globalisation Adjustment Fund: redundancies in the road haulage sector in France

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**PURPOSE:** to mobilise the European Globalisation Adjustment Fund (EGF) to assist France in respect of redundancies in the road haulage sector.

**PROPOSED ACT:** Decision of the European Parliament and of the Council.

**CONTENT:** Article 12 of Council Regulation (EU, Euratom) No 1311/2013 laying down [the multiannual financial framework for the years 2014-2020](#) provides that the EGF shall not exceed a maximum annual amount of **EUR 150 million** (2011 prices) over and above the relevant headings of the financial framework.

The rules applicable to financial contributions from the European Globalisation Adjustment Fund (EGF) are laid down in [Regulation \(EU\) No 1309/2013](#) of the European Parliament and of the Council on the European Globalisation Adjustment Fund (2014-2020) and repealing [Regulation \(EC\) No 1927/2006](#).

In this context, the Commission examined the application for mobilisation of the EGF to assist France and concluded the following:

**France: EGF/2015/010 FR/MoryGlobal:** on 19 November 2015, France submitted application EGF/2015 /010 FR/ MoryGlobal for a financial contribution from the EGF, following redundancies in MoryGlobal SAS in France.

France submitted its application within 12 weeks of the date on which the intervention criteria were met. The deadline expired on 7 April 2016.

In order to establish the link between the redundancies and the global financial and economic crisis addressed in Regulation (EC) No 546/2009, France argues that MoryGlobal was active in the fields of courier services, freight transport and delivery, warehousing and rental of related materials; and provided these services both within France and abroad.

As a result of the global financial and economic crisis, road haulage in vehicles weighing more than 3.5 tonnes declined by 13.7% in the EU and by 21% in France between 2007 and 2012. This decline has been following the general decline of physical output in Europe and the road transport sector in Europe has not yet recovered from the major activity decline it suffered in 2009 due to the economic crisis. In 2014, the activity of road freight transport remained more than 10% lower compared with the pre-crisis activity.

Faced with the reduction in volumes to be transported, a price war broke out within the sector.

The current difficulties of MoryGlobal go back to 2012/2013. At the time the enterprise was known as Mory-Ducros. Mory-Ducros declared itself insolvent on November 2013 and entered into liquidation procedures. The difficulties were not resolved after the take-over and the company eventually went bankrupt and ceased all activity.

This is a follow-up application to a [previous request](#), in support of the Mory-Ducros workers who moved to MoryGlobal.

**Basis of the French application:** France submitted the application under the intervention criteria of Article 4(1)(a) of the EGF Regulation, which requires at least 500 workers being made redundant over a reference period of four months in an enterprise in a Member State, including workers made redundant by suppliers and downstream producers and / or self-employed persons whose activity has ceased.

The reference period of four months for the application runs from 27 April 2015 to 27 August 2015. During the reference period 2 093 workers were made redundant in MoryGlobal. The total number of eligible beneficiaries is 2 132.

Having examined this application, the proposed contribution from the EGF to the coordinated package of personalised services is **EUR 5 146 800**.

**BUDGETARY IMPLICATION:** having examined the application in respect of the conditions set out in Article 13(1) of the EGF Regulation, and having taken into account the number of targeted beneficiaries, the proposed actions and the estimated costs, the Commission proposes to mobilise the EGF for the amount of EUR 5 146 800, representing 60 % of the total costs of the proposed actions, in order to provide a financial contribution for the application.

The proposed decision to mobilise the EGF will be taken jointly by the European Parliament and the Council, as laid down in point 13 of the [Interinstitutional Agreement](#) of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management.

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 for a transfer to the relevant budgetary line for the amount of EUR 5 146 800.

At the same time as it adopts this proposal for a decision to mobilise the EGF, the Commission will adopt a decision on a financial contribution, by means of an implementing act, which will enter into force on the date at which the European Parliament and the Council adopt the proposed decision to mobilise the EGF.