

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

2016/2043(BUD) - 26/05/2016 - Budgetary text adopted by Parliament

The European Parliament adopted by 540 votes to 73, with 2 abstentions, a resolution on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund for an amount of **EUR 5 146 800** in commitment and payment appropriations to assist France in respect of redundancies in the road haulage sector.

Parliament recalled that the Union has set up legislative and budgetary instruments to provide additional support to workers who are suffering from the consequences of major structural changes in world trade patterns or of the global financial and economic crisis and to assist their reintegration into the labour market.

**French application:** France submitted application EGF/2015/010 FR/MoryGlobal for a financial contribution from the EGF, following redundancies in the economic sector classified under the NACE Rev.2 Division 49 (Land transport and transport via pipelines) and Division 52 (Warehousing and support activities for transportation) throughout mainland France, and whereas 2 132 redundant workers eligible for an EGF contribution are expected to participate in the measures. The request follows the judicial liquidation of MoryGlobal and is a follow-up to the application EGF/2014/017 FR/MoryDucros.

The application was submitted under the intervention criteria of point (a) of Article 4(1) 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 selfemployed persons whose activity has ceased.

**Nature of the redundancies:** Parliament considered that the redundancies in MoryGlobal are linked to the general decline in physical output in Europe, which has led to a reduction in volumes to be transported and a price war in the road haulage sector, resulting in a steady deterioration in operating margins and a series of losses for the sector in France since 2007, followed by a wave of bankruptcies, including that of Mory-Ducros and later of MoryGlobal, which re-employed 2 107 of Mory-Ducros' former workers.

**Older workers:** Parliament recalled that the EGF support for 2 513 former Mory-Ducros workers, approved in April 2015, amounts to EUR 6 052 200. It considered that workers in the 55-64 age group are at a higher risk of long-term unemployment and exclusion from the labour market with the possible effect of social exclusion. Members considered therefore that those workers, who make up over 19% of the beneficiaries expected to be targeted by the proposed actions, have specific needs when it comes to providing them with personalised approach in accordance with Article 7 of the EGF Regulation.

**A package of personalised services:** Parliament welcomed the fact that the French authorities started providing the personalised services to the affected workers on 23 April 2015, ahead of the application on the granting of EGF support for the proposed coordinated package. It noted that the EGF cofunded personalised services to be provided consist of advice and guidance provided by a team of expert consultants, which are additional to the social plan and the Contrat de Sécurisation Professionnelle funded by the French State to help the workers back into employment.

**External consultants for the implementation of measures:** Parliament noted that the EGF cofunded personalised services to be provided consist of advice and guidance provided by a team of expert consultants, which are additional to the social plan and the Contrat de Sécurisation Professionnelle funded by the French State to help the workers back into employment. It noted that the three contractors operating the team of consultants are the ones providing services to the workers made redundant by Mory-Ducros. It expects the Commission and the French authorities to strictly follow the principle according to which payments to the agencies are to be made on the basis of results achieved.

Parliament noted that the contractors (BPI, Sodie and AFPA Transitions) shall assist the redundant workers and help them find solutions to remain in the labour market and find new jobs, through personalised services such as collective and individual information sessions, job transition and accompaniment towards new jobs. The contractors operating the team of consultants are the same as those providing services to the workers made redundant by Mory-Ducros. Parliament called on the Commission to provide an evaluation of the cost-effectiveness of the ongoing support for the redundant workers of Mory-Ducros, as the current application is a follow-up to the EGF/2014/017 FR/Mory-Ducros application, and the personalised services are provided by the same contractors.

Parliament noted that the French authorities confirmed that the proposed actions do not receive financial support from other Union funds or financial instruments and that they are complementary to actions funded by the Structural Funds. It reiterated that assistance from the EGF comes in addition to national measures and must not replace actions which are the responsibility of Member States or of companies.

Lastly, Parliament recalled its appeal to the Commission to assure public access to all the documents related to EGF cases.