Mobilisation of the European Globalisation Adjustment Fund: redundancies in the vending machines wholesale trade in France

2022/0023(BUD) - 24/03/2022 - Budgetary text adopted by Parliament

The European Parliament adopted by 556 votes to 21, with 10 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 workers made redundant, following an application by France - EGF /2021/007 FR/Selecta.

Parliament approved the proposal for a decision to mobilise the EGF to provide a financial contribution of **EUR 4 074 296** in commitment and payment appropriations from the Union budget for the financial year 2022 in response to the application submitted by France concerning redundancies in the wholesale trade sector (except automobiles and motorbikes) in the company Selecta.

This contribution represents 85% of the total cost of EUR 4 793 290, comprising expenditure of EUR 4 766 930 for personalised services and expenditure of EUR 26 360 for the implementation of the EGF.

Events leading to the redundancies

Sales by **vending machines** have been hit hard by the COVID-19 pandemic in Europe due to either the closure of sites where the machines were located (businesses and public places such as airports, train stations, etc.) or the lack of access to the machines on open sites. In the Ile-de-France region, vending machine companies have lost 70% of their turnover (September 2020 figures compared to the previous year) due to teleworking.

According to Selecta, despite the recovery in business in the summer of 2020, the replenishment of the machines has decreased by 47% compared to February 2020, the last month before the pandemic. Despite renegotiating contracts in order to reduce losses, Selecta recorded operating losses of EUR 60 million in 2020 and organised the redundancy of 473 workers.

The social consequences of the redundancies are expected to be significant for France, and in particular for the Ile-de-France region and the city of Lille, where respectively 32% and 13% of the redundancies took place.

Beneficiaries

The application concerns a total of **473 redundant workers** whose activity has ceased. Members welcomed the fact that France plans to ensure that all eligible beneficiaries (targeted recipients) will participate in the measures. The resolution points out that 29.8% of the targeted beneficiaries have secondary education or less.

Personalised services

Members recalled that the personalised services to be provided to redundant workers include the following: advisory services and vocational guidance, psychological support, training, contribution to business creation, job search allowance, allowance for quick reemployment, outplacement incentive, and a contribution to moving and installation costs.

Parliament welcomed the fact that France has developed the coordinated package of personalised services for which it is applying for EGF co-funding in consultation with staff and trade union representatives. It welcomed the fact that Selecta has put in place a very active training policy which goes well beyond its legal obligations.

Members consider that the EGF's financial contributions should be primarily directed at active labour market policy measures and personalised services that aim to reintegrate beneficiaries rapidly into decent and sustainable employment within or outside their initial sector of activity, while preparing them for a greener and more digital European economy.

They recalled that the coordinated package may include special time-limited measures, such as childcare allowances, in order to facilitate jobseekers’ participation in the activities offered.